

# Results for the Nine Months Ended December 31, 2007

February 7, 2008

**KYOWA EXEO CORPORATION**

URL <http://www.exeo.co.jp>

## Consolidated Figures

### (1) Overview

(¥bn)

	FY 2006			FY 2007				
	3rd Quarter Actual A	Full year		3rd Quarter		Full year		
		Actual B	Progress rate A/B	Actual C	YOY C/A	Nov. 2007 Forecast D	YOY D/B	Progress rate C/D
Orders received	233.5	305.6	76%	221.7	95%	300.0	98%	74%
Net sales	194.2	303.5	64%	174.7	90%	291.0	96%	60%
Gross profit	(13.3%) 25.7	(13.3%) 40.2	64%	(12.1%) 21.1	82%	(12.4%) 36.2	90%	58%
Selling, general and administrative expenses	(7.7%) 14.9	(6.5%) 19.7	76%	(8.4%) 14.6	98%	(6.7%) 19.6	99%	75%
Operating income	(5.5%) 10.7	(6.7%) 20.4	53%	(3.7%) 6.5	61%	(5.7%) 16.6	81%	39%
Ordinary income	(6.0%) 11.7	(7.0%) 21.1	56%	(4.3%) 7.5	64%	(6.0%) 17.6	83%	43%
Net income	(3.5%) 6.7	(3.6%) 11.0	61%	(2.5%) 4.4	66%	(3.4%) 10.0	91%	44%

Notes: All amounts less than ¥100m are disregarded. Figures in parentheses are ratio to net sales.

## Consolidated Figures

### (2) Orders Received and Net Sales

(¥bn)

				FY 2006			FY 2007				
				3rd Quarter	Full year		3rd Quarter		Full year		
					Actual A	Actual B	Progress rate A/B	Actual C	YOY C/A	Nov. 2007 Forecast D	YOY D/B
Orders received	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	154.2	200.4	77%	141.4	92%	188.0	94%	75%
			Non-NTT telecom engineering	41.1	56.9	72%	43.7	106%	63.0	111%	69%
		Sub-total	195.4	257.4	76%	185.1	95%	251.0	97%	74%	
		Environmental and social infrastructure	27.0	33.2	81%	24.0	89%	34.0	102%	71%	
		Sub-total	222.4	290.7	77%	209.1	94%	285.0	98%	73%	
		SYSTEM-SOLUTIONS	11.1	14.8	75%	12.6	114%	15.0	101%	84%	
	TOTAL	233.5	305.6	76%	221.7	95%	300.0	98%	74%		
Net sales	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	136.2	198.0	69%	120.2	88%	187.5	95%	64%
			Non-NTT telecom engineering	29.9	55.7	54%	29.4	99%	55.0	99%	54%
		Sub-total	166.1	253.7	65%	149.7	90%	242.5	96%	62%	
		Environmental and social infrastructure	18.6	34.8	54%	14.2	76%	34.0	98%	42%	
		Sub-total	184.7	288.5	64%	164.0	89%	276.5	96%	59%	
		SYSTEM-SOLUTIONS	9.5	15.0	63%	10.6	112%	14.5	97%	74%	
	TOTAL	194.2	303.5	64%	174.7	90%	291.0	96%	60%		

Notes: All amounts less than ¥100m are disregarded.

## Consolidated Figures

### (3) Business Overview (by Group)

(¥bn; ratios)

	Wako Engineering Group			Daiwa Densetsu Group			KANAC Group		
	FY 2006	FY 2007		FY 2006	FY 2007		FY 2006	FY 2007	
	3rd Quarter	3rd Quarter	YOY	3rd Quarter	3rd Quarter	YOY	3rd Quarter	3rd Quarter	YOY
Orders received	27.9	25.2	90%	13.1	12.9	99%	-	-	
Net sales	23.7	23.9	101%	10.8	10.9	100%	4.9	4.4	91%
Gross profit	(8.6%) 2.0	(6.7%) 1.6	79%	(7.2%) 0.7	(8.7%) 0.9	121%	(11.8%) 0.5	(10.0%) 0.4	77%
Selling, general and administrative expenses	(6.3%) 1.5	(6.5%) 1.5	103%	(7.0%) 0.7	(7.1%) 0.7	101%	(16.6%) 0.8	(16.6%) 0.7	91%
Operating income	(2.3%) 0.5	(0.2%) 0.0	11%	(0.2%) 0.0	(1.6%) 0.1	852%	-(4.8%) -0.2	-(6.6%) -0.2	-
Ordinary income	(2.4%) 0.5	(0.4%) 0.0	15%	(0.5%) 0.0	(1.9%) 0.2	402%	-(4.2%) -0.2	-(5.5%) -0.2	-
Net income	-(0.4%) -0.1	(0.0%) 0.0	-	(0.3%) 0.0	(2.1%) 0.2	647%	-(4.0%) -0.1	-(4.5%) -0.2	-
Total assets	15.3	16.4	107%	7.2	7.6	105%	7.3	6.5	89%
Net assets	8.3	8.4	101%	3.2	3.7	113%	3.2	3.1	98%
Equity ratio (Shareholders' equity / Total assets)	54.1%	51.2%		45.4%	48.0%		43.3%	47.9%	

Notes1: The above figures are prior to elimination of intercompany transactions between group companies.

Notes2: All amounts less than ¥100m are disregarded. Figures in parentheses are ratio to net sales.

## Disclaimer Regarding Forward-Looking Statements

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.

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