
Annual Results for the Fiscal Year Ended March 31, 2005

May 13, 2005

KYOWA EXEO CORPORATION

1. Performance Overview (Consolidated, Non-consolidated)

(¥bn; ratios)

	Fiscal 2004						Fiscal 2005					
	Consolidated		Nonconsolidated		Cons./Noncons.		Consolidated		Nonconsolidated		Cons./Noncons.	
	Interim	Full year	Interim	Full year	Interim	Full year	Interim (forecast)	Full year (forecast)	Interim (forecast)	Full year (forecast)	Interim (forecast)	Full year (forecast)
	A	B	C	D	A/C	B/D	E	F	G	H	E/G	F/H
Orders received	122.6	255.9	96.6	204.6	1.27	1.25	125.0	268.0	98.0	210.0	1.28	1.28
Net sales	100.9	247.6	78.8	195.0	1.28	1.27	110.0	260.0	86.0	203.0	1.28	1.28
Gross profit	(12.8%) 12.9	(12.5%) 30.9	(11.8%) 9.3	(11.1%) 21.7	1.39	1.42	(12.8%) 14.1	(12.6%) 32.8	(11.0%) 9.5	(11.1%) 22.5	1.48	1.46
Selling, general and administrative expenses	(9.0%) 9.1	(7.7%) 18.9	(8.1%) 6.4	(6.8%) 13.3	1.43	1.42	(9.1%) 10.0	(7.8%) 20.3	(8.0%) 6.9	(6.8%) 13.9	1.45	1.46
Operating income	(3.8%) 3.7	(4.8%) 11.9	(3.7%) 2.9	(4.3%) 8.4	1.30	1.43	(3.7%) 4.1	(4.8%) 12.5	(3.0%) 2.6	(4.2%) 8.6	1.58	1.45
Ordinary income	(4.2%) 4.2	(5.0%) 12.3	(3.7%) 2.9	(4.1%) 8.0	1.45	1.54	(4.2%) 4.6	(5.1%) 13.3	(3.1%) 2.7	(4.3%) 8.7	1.70	1.53
Net income	(2.2%) 2.1	(2.6%) 6.4	(1.9%) 1.5	(2.0%) 4.0	1.46	1.60	(2.1%) 2.3	(2.7%) 7.0	(1.7%) 1.5	(2.3%) 4.6	1.53	1.52

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

2. Consolidated Figures

(1) Overview

(¥bn)

	Fiscal 2003		Fiscal 2004					Fiscal 2005				
	Interim	Full year	Interim		Full year			Interim		Full year		
	A	B	Actual C	YOY C/A	Nov. 2004 forecast D	Actual E	YOY E/B	Forecast accuracy E/D	Forecast F	YOY F/C	Forecast G	YOY G/E
Orders received	95.2	199.7	122.6	128.8%	248.0	255.9	128.1%	103.2%	125.0	101.9%	268.0	104.7%
Net sales	82.0	203.9	100.9	123.1%	242.0	247.6	121.5%	102.4%	110.0	109.0%	260.0	105.0%
Gross profit	(12.0%) 9.8	(11.9%) 24.2	(12.8%) 12.9	131.1%	(11.7%) 28.2	(12.5%) 30.9	127.5%	109.8%	(12.8%) 14.1	108.9%	(12.6%) 32.8	105.9%
Selling, general and administrative expenses	(9.0%) 7.3	(7.5%) 15.1	(9.0%) 9.1	123.8%	(7.5%) 18.2	(7.7%) 18.9	125.0%	104.3%	(9.1%) 10.0	109.4%	(7.8%) 20.3	107.0%
Operating income	(3.0%) 2.4	(4.4%) 9.1	(3.8%) 3.7	152.5%	(4.1%) 10.0	(4.8%) 11.9	131.6%	119.9%	(3.7%) 4.1	107.9%	(4.8%) 12.5	104.3%
Ordinary income	(3.4%) 2.8	(4.4%) 9.1	(4.2%) 4.2	150.4%	(4.4%) 10.7	(5.0%) 12.3	135.9%	115.7%	(4.2%) 4.6	108.8%	(5.1%) 13.3	107.5%
Net income	(2.0%) 1.6	(1.7%) 3.4	(2.2%) 2.1	135.1%	(2.4%) 5.7	(2.6%) 6.4	188.5%	112.7%	(2.1%) 2.3	105.0%	(2.7%) 7.0	109.0%

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

2. Consolidated Figures

(2) Orders received and Net sales

(¥bn)

			Fiscal 2003		Fiscal 2004					
			Interim	Full year	Interim		Full year			
			A	B	Actual C	YOY C/A	Nov. 2004 forecast D	Actual E	YOY E/B	Forecast accuracy E/D
Orders received	ENGINEERING- SOLUTIONS	NTT-related telecoms facilities and equipment engineering	62.3	127.1	83.0	133.3%		160.5	126.2%	
		Non-NTT telecoms, electrical facilities and civil engineering	21.0	47.4	22.4	106.6%		55.1	116.4%	
	IT-SOLUTIONS		8.9	17.9	13.3	148.6%		29.9	167.1%	
	ECO-SOLUTIONS		1.3	4.1	2.3	174.3%		7.4	178.0%	
	Other		1.4	3.0	1.3	91.1%		2.8	92.2%	
	TOTAL		95.2	199.7	122.6	128.8%	248.0	255.9	128.1%	103.2%
Net sales	ENGINEERING- SOLUTIONS	NTT-related telecoms facilities and equipment engineering	55.3	130.9	69.7	125.9%		157.1	120.0%	
		Non-NTT telecoms, electrical facilities and civil engineering	18.1	50.9	20.0	110.4%		58.5	114.9%	
	IT-SOLUTIONS		6.4	17.2	9.6	149.1%		27.4	159.2%	
	ECO-SOLUTIONS		0.7	1.8	0.1	25.4%		1.5	86.4%	
	Other		1.2	2.9	1.3	105.4%		2.9	98.6%	
	TOTAL		82.0	203.9	100.9	123.1%	242.0	247.6	121.5%	102.4%

Notes: All amounts less than ¥100 m disregarded.

2. Consolidated Figures

(3) Consolidated Balance Figures

(¥bn)

区 分		Fiscal 2003				Fiscal 2004				
		Interim		Year end		Interim		Year end		D-B
		A		B		C		D		
Current assets		91.4	(70.1%)	94.1	(71.4%)	88.0	(65.3%)	105.4	(68.3%)	11.2
Fixed assets		38.9	(29.9%)	37.6	(28.6%)	46.7	(34.7%)	48.8	(31.7%)	11.2
Total assets		130.4	(100%)	131.7	(100%)	134.8	(100%)	154.2	(100%)	22.4
Liabilities	Current	45.7	(35.1%)	45.0	(34.2%)	45.7	(34.0%)	62.3	(40.4%)	17.3
	Long-term	22.2	(17.0%)	22.8	(17.3%)	21.3	(15.8%)	21.1	(13.7%)	-1.6
Total liabilities		67.9	(52.1%)	67.8	(51.5%)	67.1	(49.8%)	83.5	(54.1%)	15.6
Minority interests		0.2	(0.2%)	0.3	(0.2%)	3.8	(2.8%)	3.6	(2.4%)	3.3
Shareholders' equity		62.1	(47.7%)	63.6	(48.3%)	63.9	(47.4%)	67.1	(43.5%)	3.5
Total liabilities, minority interests and shareholders' equities		130.4	(100%)	131.7	(100%)	134.8	(100%)	154.2	(100%)	22.4

Notes: All amounts less than ¥100 m disregarded.

2. Consolidated Figures

(4) Business Overview (by Group)

(¥bn; ratios)

	Former Exeo Group		Wako Engineering Group		Daiwa Densetsu Group	
	Actual	YOY	Actual	YOY	Actual	YOY
Orders received	215.6	107.9%	29.1	108.2%	12.1	78.8%
Net sales	206.5	101.3%	28.6	102.0%	13.4	97.8%
Gross profit	(12.6%) 26.0	107.4%	(10.4%) 2.9	114.9%	(12.4%) 1.6	114.6%
Selling, general and administrative expenses	(7.4%) 15.2	100.5%	(8.4%) 2.4	110.6%	(10.2%) 1.3	89.3%
Operating income	(5.2%) 10.8	119.0%	(2.0%) 0.5	138.2%	(2.2%) 0.2	-
Ordinary income	(5.5%) 11.2	123.9%	(2.2%) 0.6	143.1%	(1.7%) 0.2	-
Net income	(2.9%) 5.9	175.9%	(1.4%) 0.3	-	(-4.9%) -0.6	-
Assets	135.1	102.5%	16.5	100.6%	7.6	80.3%
Shareholders' equity	66.7	104.9%	8.0	103.7%	3.0	118.2%
Equity/Assets ratio	49.4%	-	48.5%	-	40.0%	-

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

3. Non-consolidated Figures

(1) Overview

(¥bn)

	Fiscal 2003		Fiscal 2004					Fiscal 2005				
	Interim	Full year	Interim		Full year			Interim		Full year		
	A	B	Actual C	YOY C/A	Nov. 2004 forecast D	Actual E	YOY E/B	Forecast accuracy E/D	Forecast F	YOY F/C	Forecast G	YOY G/E
Orders received	90.1	189.2	96.6	107.2%	198.0	204.6	108.1%	103.4%	98.0	101.4%	210.0	102.6%
Net sales	78.3	193.7	78.8	100.7%	192.0	195.0	100.7%	101.6%	86.0	109.0%	203.0	104.1%
Gross profit	(11.0%) 8.6	(10.8%) 20.8	(11.8%) 9.3	107.8%	(10.6%) 20.3	(11.1%) 21.7	104.1%	107.1%	(11.0%) 9.5	102.0%	(11.1%) 22.5	103.5%
Selling, general and administrative expenses	(8.2%) 6.4	(7.0%) 13.5	(8.1%) 6.4	99.3%	(6.6%) 12.7	(6.8%) 13.3	98.7%	105.0%	(8.0%) 6.9	107.8%	(6.8%) 13.9	104.2%
Operating income	(2.8%) 2.1	(3.8%) 7.3	(3.7%) 2.9	132.7%	(4.0%) 7.6	(4.3%) 8.4	114.1%	110.6%	(3.0%) 2.6	89.3%	(4.2%) 8.6	102.3%
Ordinary income	(2.7%) 2.1	(3.2%) 6.1	(3.7%) 2.9	139.0%	(3.9%) 7.5	(4.1%) 8.0	129.6%	107.1%	(3.1%) 2.7	92.3%	(4.3%) 8.7	108.3%
Net income	(1.4%) 1.1	(1.1%) 2.1	(1.9%) 1.5	134.4%	(2.1%) 4.0	(2.0%) 4.0	189.7%	100.6%	(1.7%) 1.5	99.7%	(2.3%) 4.6	114.3%

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

3. Non-consolidated Figures

(2) Orders received

(¥bn)

			Fiscal 2003		Fiscal 2004					Fiscal 2005				
			Interim	Full year	Interim		Full year			Interim		Full year		
					Actual	YOY	Nov. 2004 forecast	Actual	YOY	Forecast accuracy	Forecast	YOY	Forecast	YOY
			A	B	C	C/A	D	E	E/B	E/D	F	F/C	G	G/E
S E N S I T I V E N E S S I V E S	NTT-related telecoms facilities and equipment engineering	Cable engineering	26.6	51.7	27.8	104.5%	51.0	50.5	97.8%	99.2%	26.0	93.2%	51.5	101.8%
		Civil engineering	4.7	8.7	5.1	109.9%	9.3	10.3	119.3%	111.6%	5.0	96.4%	8.5	81.9%
		Telecoms network engineering	9.9	21.1	9.3	94.1%	18.0	20.3	96.4%	113.2%	9.5	101.8%	18.5	90.8%
		Mobile communications engineering	20.7	44.8	24.0	115.7%	47.2	47.3	105.6%	100.3%	29.0	120.7%	53.0	111.9%
		Total	62.0	126.3	66.4	107.0%	125.5	128.6	101.8%	102.5%	69.5	104.6%	131.5	102.2%
	Non-NTT telecoms, electrical facilities and civil engineering	Telecoms facilities and equipment engineering	10.5	21.9	11.0	104.2%	21.0	22.3	101.8%	106.3%	8.0	72.5%	19.0	85.1%
		Electrical facilities engineering	3.5	8.8	2.7	76.9%	8.0	10.9	124.2%	137.2%	4.0	146.5%	11.0	100.2%
		Civil engineering	4.4	11.6	4.4	98.1%	12.0	11.7	100.9%	98.0%	4.0	90.7%	12.5	106.3%
		Total	18.6	42.4	18.1	97.5%	41.0	45.0	106.2%	109.9%	16.0	88.0%	42.5	94.3%
	IT-SOLUTIONS			8.0	16.2	9.6	120.1%	22.5	23.4	144.1%	104.3%	11.0	114.5%	27.0
ECO-SOLUTIONS			1.3	4.1	2.3	174.3%	9.0	7.4	178.0%	82.5%	1.5	62.5%	9.0	121.3%
TOTAL			90.1	189.2	96.6	107.2%	198.0	204.6	108.1%	103.4%	98.0	101.4%	210.0	102.6%
(NTT DoCoMo-related construction)			(26.4)	(58.3)	(30.3)	(114.9%)	(57.8)	(62.4)	(107.0%)	(108.1%)	(37.5)	(123.4%)	(64.5)	(103.2%)

Notes: All amounts less than ¥100 m disregarded.

3. Non-consolidated Figures

(3) Net sales

(¥bn)

			Fiscal 2003		Fiscal 2004						Fiscal 2005			
			Interim	Full year	Interim		Full year				Interim		Full year	
					Actual	YOY	Nov. 2004 forecast	Actual	YOY	Forecast accuracy	Forecast	YOY	Forecast	YOY
			A	B	C	C/A	D	E	E/B	E/D	F	F/C	G	G/E
S E N S I T I V E N E R G Y	NTT-related telecoms facilities and equipment engineering	Cable engineering	23.7	54.0	22.7	95.6%	51.5	50.4	93.3%	97.9%	23.0	101.2%	51.5	102.2%
		Civil engineering	3.4	9.6	3.3	99.0%	9.5	9.6	99.5%	101.1%	4.0	118.2%	9.0	93.7%
		Telecoms network engineering	10.3	21.6	10.4	101.0%	19.5	21.8	100.8%	112.0%	8.5	81.6%	18.0	82.4%
		Mobile communications engineering	17.7	45.1	18.8	106.2%	47.0	43.7	97.0%	93.1%	26.0	138.2%	54.5	124.5%
		Total	55.2	130.4	55.3	100.2%	127.5	125.5	96.3%	98.5%	61.5	111.1%	133.0	105.9%
	Non-NTT telecoms, electrical facilities and civil engineering	Telecoms facilities and equipment engineering	6.3	21.1	9.1	142.9%	21.4	25.6	121.6%	120.0%	8.0	87.9%	20.0	77.9%
		Electrical facilities engineering	6.0	12.7	4.0	66.3%	8.8	8.9	70.2%	102.0%	2.5	62.4%	9.0	100.3%
		Civil engineering	3.8	11.8	3.0	77.5%	11.5	12.1	103.0%	105.8%	3.5	116.3%	13.0	106.8%
		Total	16.2	45.7	16.1	98.9%	41.7	46.8	102.4%	112.3%	14.0	86.9%	42.0	89.7%
	IT-SOLUTIONS			6.0	15.7	7.2	119.1%	20.8	21.0	133.4%	101.2%	9.0	124.5%	24.0
ECO-SOLUTIONS			0.7	1.8	0.1	25.4%	2.0	1.5	86.4%	78.0%	1.5	829.3%	4.0	256.5%
TOTAL			78.3	193.7	78.8	100.7%	192.0	195.0	100.7%	101.6%	86.0	109.0%	203.0	104.1%
(NTT DoCoMo-related construction)			(23.9)	(60.0)	(26.8)	(112.2%)	(59.0)	(60.2)	(100.4%)	(102.2%)	(33.5)	(124.6%)	(67.5)	(112.0%)

Notes: All amounts less than ¥100 m disregarded.