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# Results for the Six Months Ended September 30, 2008

November 14, 2008

**KYOWA EXEO CORPORATION**

URL <http://www.exeo.co.jp/overseas/index.html>

# 1. Consolidated Figures



## (1) Overview

(¥bn)

	FY 2007		FY 2008						
	Interim	Full year	Interim				Full year		
			Plan	Actual	YOY	Plan accuracy	Progress rate for full year plan	Plan	YOY
A	B	C	D	D/A	D/C	D/E	E	E/B	
Orders received	143.1	297.8	140.0	147.2	103%	105%	49%	302.0	101%
Net sales	115.2	287.7	125.0	123.6	107%	99%	42%	295.0	103%
Gross profit	(12.0%) 13.8	(12.6%) 36.2	(12.4%) 15.5	(12.8%) 15.8	115%	103%	44%	(12.4%) 36.5	101%
Selling, general and administrative expenses	(8.4%) 9.6	(6.9%) 19.8	(7.6%) 9.5	(7.5%) 9.2	96%	98%	48%	(6.5%) 19.3	97%
Operating income	(3.6%) 4.1	(5.7%) 16.4	(4.8%) 6.0	(5.3%) 6.6	158%	110%	38%	(5.8%) 17.2	105%
Ordinary income	(4.3%) 4.9	(6.0%) 17.2	(5.0%) 6.3	(5.6%) 6.9	141%	111%	39%	(6.1%) 18.0	105%
Net income	(2.6%) 3.0	(3.7%) 10.6	(2.9%) 3.6	(3.1%) 3.7	126%	105%	37%	(3.5%) 10.3	96%

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

# 1. Consolidated Figures



## (2) Orders Received and Net Sales

(¥bn)

				FY 2007		FY 2008						
				Interim	Full year	Interim			Full year			
				A	B	Plan C	Actual D	YOY D/A	Plan accuracy D/C	Progress rate for full year plan D/E	Plan E	YOY E/B
Orders received	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	93.1	188.8	90.0	95.8	103%	106%	52%	184.0	97%
			Non-NTT telecom engineering	27.4	59.6	29.0	28.8	105%	99%	44%	66.0	111%
		Sub-total	120.5	248.5	119.0	124.6	103%	105%	50%	250.0	101%	
		Environmental and social infrastructure	14.3	33.5	13.0	15.2	106%	117%	43%	35.5	106%	
		Sub-total	134.8	282.0	132.0	139.8	104%	106%	49%	285.5	101%	
		SYSTEM-SOLUTIONS	8.3	15.8	8.0	7.3	88%	92%	45%	16.5	104%	
	TOTAL	143.1	297.8	140.0	147.2	103%	105%	49%	302.0	101%		

Net sales	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	77.4	183.6	85.0	83.1	107%	98%	44%	188.0	102%
			Non-NTT telecom engineering	19.6	56.3	24.0	24.1	123%	101%	40%	61.0	108%
		Sub-total	97.0	239.9	109.0	107.2	111%	98%	43%	249.0	104%	
		Environmental and social infrastructure	10.7	32.2	9.5	9.5	88%	100%	32%	30.0	93%	
		Sub-total	107.8	272.1	118.5	116.8	108%	99%	42%	279.0	103%	
		SYSTEM-SOLUTIONS	7.4	15.5	6.5	6.8	93%	106%	43%	16.0	103%	
	TOTAL	115.2	287.7	125.0	123.6	107%	99%	42%	295.0	103%		

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

# 1. Consolidated Figures



## (3) Consolidated Balance Figures

(¥bn)

		FY 2007				FY 2008			
		Interim		Year-end		Interim		C-B	
		A		B		C			
Current assets		106.1	(65.3%)	121.7	(68.8%)	110.5	(67.2%)	-11.2	
Fixed assets		56.3	(34.7%)	55.2	(31.2%)	53.8	(32.8%)	-1.3	
Total assets		162.5	(100%)	176.9	(100%)	164.4	(100%)	-12.5	
Liabilities	Current	44.6	(27.5%)	56.5	(32.0%)	43.6	(26.5%)	-12.9	
	Long-term	25.1	(15.4%)	24.7	(14.0%)	23.1	(14.1%)	-1.6	
Total liabilities		69.8	(42.9%)	81.3	(46.0%)	66.7	(40.6%)	-14.5	
Shareholder's equity		86.0	(53.0%)	88.7	(50.2%)	91.1	(55.4%)	2.4	
Minority interests and stock acquisition rights		6.6	(4.1%)	6.8	(3.8%)	6.4	(3.9%)	-0.3	
Total liabilities and net assets		162.5	(100%)	176.9	(100%)	164.4	(100%)	-12.5	

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

# 1. Consolidated Figures



## (4) Business Overview (by Group)

(¥bn)

	Wako Engineering Group			Daiwa Densetsu Group			KANAC Group		
	FY 2007	FY 2008		FY 2007	FY 2008		FY 2007	FY 2008	
	Interim	Interim	YOY	Interim	Interim	YOY	Interim	Interim	YOY
Orders received	17.0	-	-	9.0	8.1	91%	3.5	-	-
Net sales	15.6	14.3	91%	6.9	6.4	92%	2.8	2.6	92%
Gross profit	(7.1%) 1.1	(5.5%) 0.7	71%	(8.8%) 0.6	(7.5%) 0.4	78%	(12.8%) 0.3	(4.8%) 0.1	34%
Selling, general and administrative expenses	(6.5%) 1.0	(6.8%) 0.9	95%	(7.3%) 0.5	(7.4%) 0.4	93%	(17.8%) 0.5	(13.4%) 0.3	69%
Operating income	(0.5%) 0.08	(-1.4%) -0.1	-238%	(1.5%) 0.1	(0.1%) 0.00	6%	(-4.9%) -0.1	(-8.6%) -0.2	-
Ordinary income	(0.7%) 0.1	(-1.2%) -0.1	-168%	(1.9%) 0.1	(0.6%) 0.04	31%	(-3.8%) -0.1	(-8.0%) -0.2	-
Net income	(0.2%) 0.03	(-1.1%) -0.1	-412%	(2.2%) 0.1	(1.1%) 0.07	48%	(-2.3%) -0.06	(-19.8%) -0.5	-
Total assets	15.5	14.5	94%	6.7	6.2	93%	6.3	6.8	109%
Net assets	8.4	8.3	98%	3.6	3.8	105%	3.2	2.7	82%
Equity ratio <small>(Shareholder's equity/Total assets)</small>	54.6%	57.1%		53.1%	59.9%		51.7%	39.1%	

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

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

## 2. Non-consolidated Figures



### (1) Overview

(¥bn)

	FY 2007		FY 2008						
	Interim A	Full year B	Interim			Full year		Plan E	YOY E/B
			Plan C	Actual D	YOY D/A	Plan accuracy D/C	Progress rate for full year plan D/E		
Orders received	111.9	234.9	110.0	117.3	105%	107%	49%	240.0	102%
Net sales	88.1	223.9	98.0	98.8	112%	101%	42%	233.0	104%
Gross profit	(11.0%) 9.7	(11.4%) 25.6	(11.2%) 11.0	(11.8%) 11.6	120%	106%	45%	(11.1%) 25.8	101%
Selling, general and administrative expenses	(7.9%) 6.9	(6.3%) 14.3	(7.1%) 7.0	(6.8%) 6.7	97%	96%	49%	(5.9%) 13.8	96%
Operating income	(3.1%) 2.7	(5.1%) 11.3	(4.1%) 4.0	(5.0%) 4.9	178%	124%	41%	(5.2%) 12.0	106%
Ordinary income	(3.6%) 3.1	(5.2%) 11.5	(4.4%) 4.3	(5.3%) 5.2	165%	122%	42%	(5.3%) 12.4	107%
Net income	(2.1%) 1.8	(3.2%) 7.0	(2.6%) 2.5	(3.0%) 2.9	159%	118%	41%	(3.1%) 7.2	102%

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

## 2. Non-consolidated Figures



### (2) Orders Received

(¥bn)

				FY 2007		FY 2008						
				Interim	Full year	Interim					Full year	
						Plan	Actual	YOY	Plan accuracy	Progress rate for full year plan	Plan	YOY
				A	B	C	D	D/A	D/C	D/E	E	E/B
ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	Access engineering	33.5	65.0	32.5	32.1	96%	99%	50%	64.5	99%
			Network engineering	7.7	17.3	8.5	10.5	136%	124%	59%	18.0	104%
			Mobile engineering	31.8	67.3	30.0	33.3	105%	111%	53%	63.5	94%
		Sub-total	73.1	149.7	71.0	76.1	104%	107%	52%	146.0	98%	
		Non-NTT telecom engineering	21.7	48.3	23.5	23.5	108%	100%	44%	54.0	112%	
		Sub-total	94.8	198.0	94.5	99.6	105%	106%	50%	200.0	101%	
	Environmental and social infrastructure	9.7	23.2	8.5	11.2	116%	132%	44%	25.5	110%		
	Sub-total	104.5	221.2	103.0	110.9	106%	108%	49%	225.5	102%		
SYSTEM-SOLUTIONS				7.3	13.7	7.0	6.4	87%	92%	44%	14.5	106%
TOTAL				111.9	234.9	110.0	117.3	105%	107%	49%	240.0	102%
(NTT DoCoMo-related)				(35.8)	(77.3)	(35.0)	(38.3)	( 107% )	( 109% )	( 51% )	(75.5)	( 98% )

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

## 2. Non-consolidated Figures



### (3) Net Sales

(¥bn)

				FY 2007		FY 2008						
				Interim	Full year	Interim				Full year		
						Plan	Actual	YOY	Plan accuracy	Progress rate for full year plan	Plan	YOY
				A	B	C	D	D/A	D/C	D/E	E	E/B
ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	Access engineering	27.4	65.3	29.0	26.4	96%	91%	40%	66.0	101%
			Network engineering	7.1	15.8	9.0	10.4	147%	116%	56%	18.5	117%
			Mobile engineering	25.4	62.7	30.0	30.5	120%	102%	47%	65.5	104%
		Sub-total	60.0	143.9	68.0	67.4	112%	99%	45%	150.0	104%	
		Non-NTT telecom engineering	14.5	44.3	20.0	19.6	135%	98%	39%	50.0	113%	
		Sub-total	74.5	188.2	88.0	87.1	117%	99%	44%	200.0	106%	
	Environmental and social infrastructure	6.9	22.1	4.5	5.7	82%	128%	30%	19.0	86%		
	Sub-total	81.5	210.4	92.5	92.8	114%	100%	42%	219.0	104%		
SYSTEM-SOLUTIONS				6.5	13.4	5.5	6.0	91%	109%	43%	14.0	104%
TOTAL				88.1	223.9	98.0	98.8	112%	101%	42%	233.0	104%
(NTT DoCoMo-related)				(29.2)	(71.0)	(35.0)	(35.2)	( 121% )	( 101% )	( 45% )	(78.0)	( 110% )

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

## 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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