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1. Overview of FY15 Interim Results

- (1) Performance Figures
- (2) Orders Received
- (3) Net Sales
- (4) Operating Income
- (5) Cash Flow

1. Overview of FY15 Interim Results

(1) Performance Figures

- ◆ Orders received, sales down YOY on lower construction orders for carriers
- ◆ Lower sales impact income considerably despite continued measures to boost efficiency

■ Overview of FY15 interim results (consolidated)

(¥bn)

	FY14 Interim actual A	FY15 Interim plan B	FY15 Interim actual C	YOY C/A	Plan accuracy C/B
Orders received	149.3	150.0	140.8	94%	94%
Net sales	127.1	124.0	107.7	85%	87%
Gross profit	(12.8%) 16.2	(12.9%) 16.0	(12.4%) 13.3	82%	83%
SG&A expenses	(6.8%) 8.6	(7.3%) 9.0	(7.9%) 8.5	98%	95%
Operating income	(5.9%) 7.5	(5.6%) 7.0	(4.5%) 4.8	64%	69%
Ordinary income	(6.0%) 7.6	(5.6%) 7.0	(4.4%) 4.7	62%	68%
Net income	(3.6%) 4.5	(3.1%) 3.9	(2.7%) 2.9	64%	75%

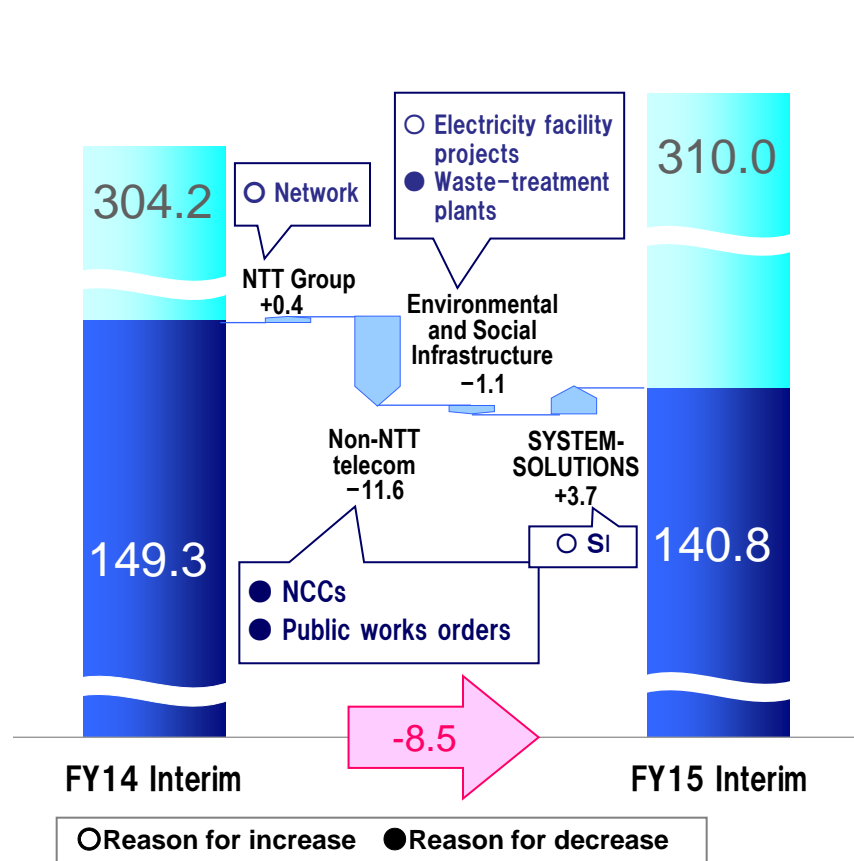
Notes: All amounts less than ¥100m are disregarded. Figures in parentheses are ratio to net sales.

1. Overview of FY15 Interim Results

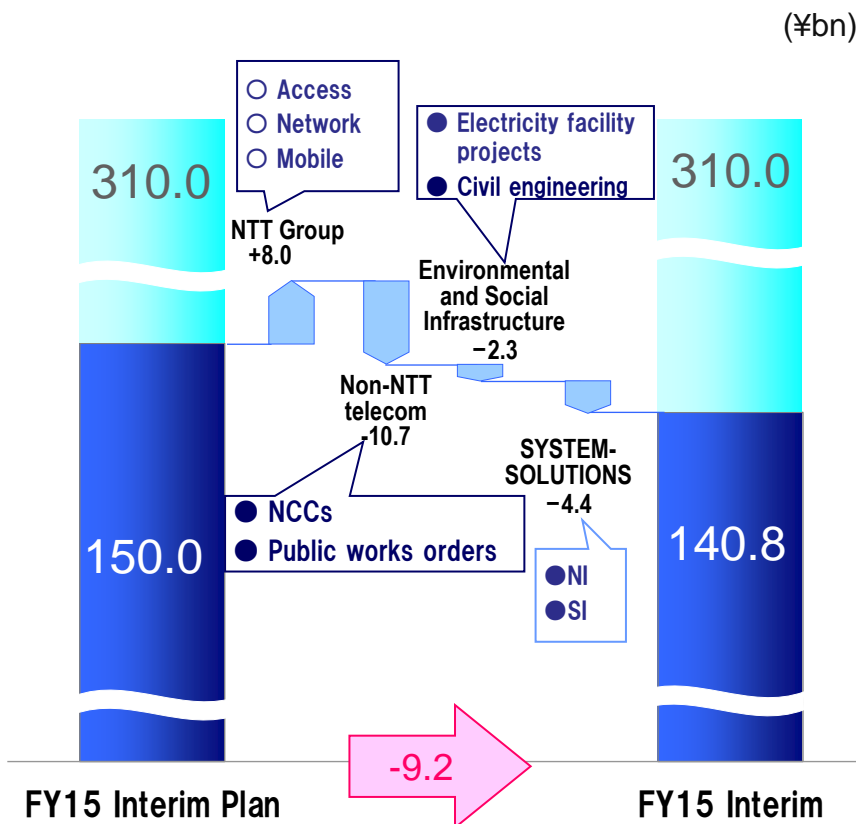
(2) Orders Received

- ◆ Falling non-NTT telecom orders causes overall YOY decline despite steady performance in NTT Group work
- ◆ Despite strong NTT Group orders, lower construction for NCCs brings results short of plan

■ YOY (consolidated)



■ Compared to plan (consolidated)



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

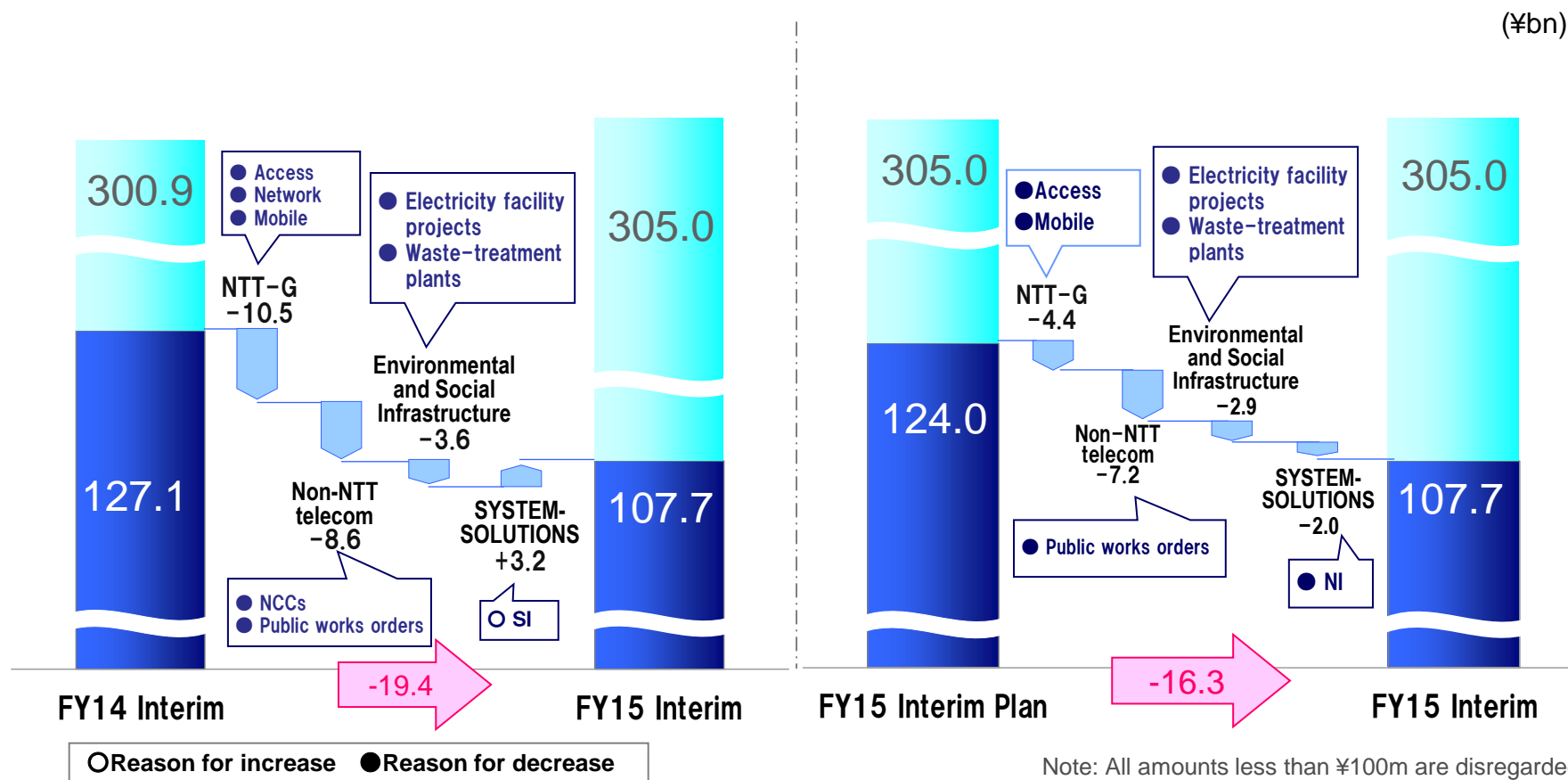
1. Overview of FY15 Interim Results

(3) Net Sales

- ◆ SYSTEM-SOLUTIONS rise offset by falls in other segments, leading to YOY drop
- ◆ Lower NCC orders, extended NTT construction among factors causing sales to fall short of plan

■ YOY (consolidated)

■ Compared to plan (consolidated)



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

1. Overview of FY15 Interim Results

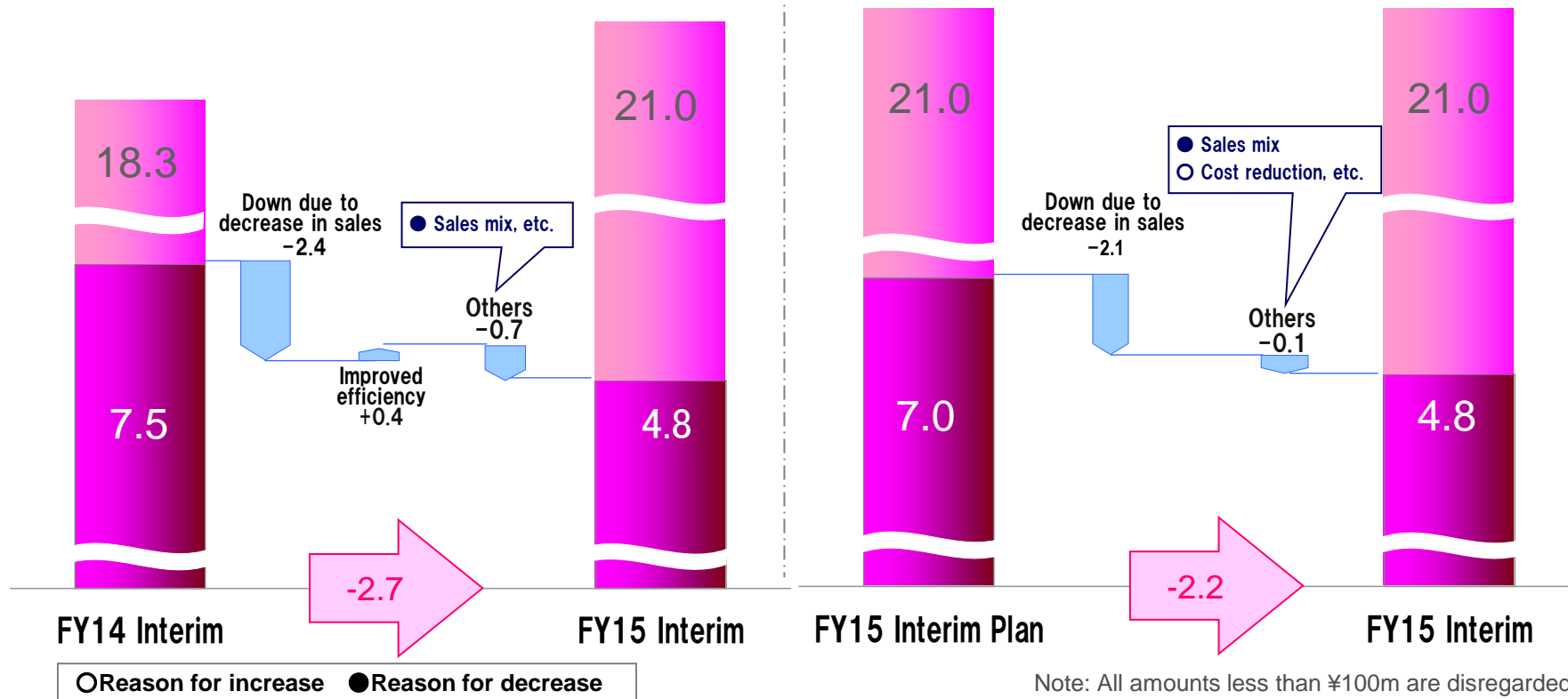
(4) Operating Income

◆ Sales drop impacts income considerably, causing falls YOY and against plan

■ YOY (consolidated)

■ Compared to plan (consolidated)

(¥bn)



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

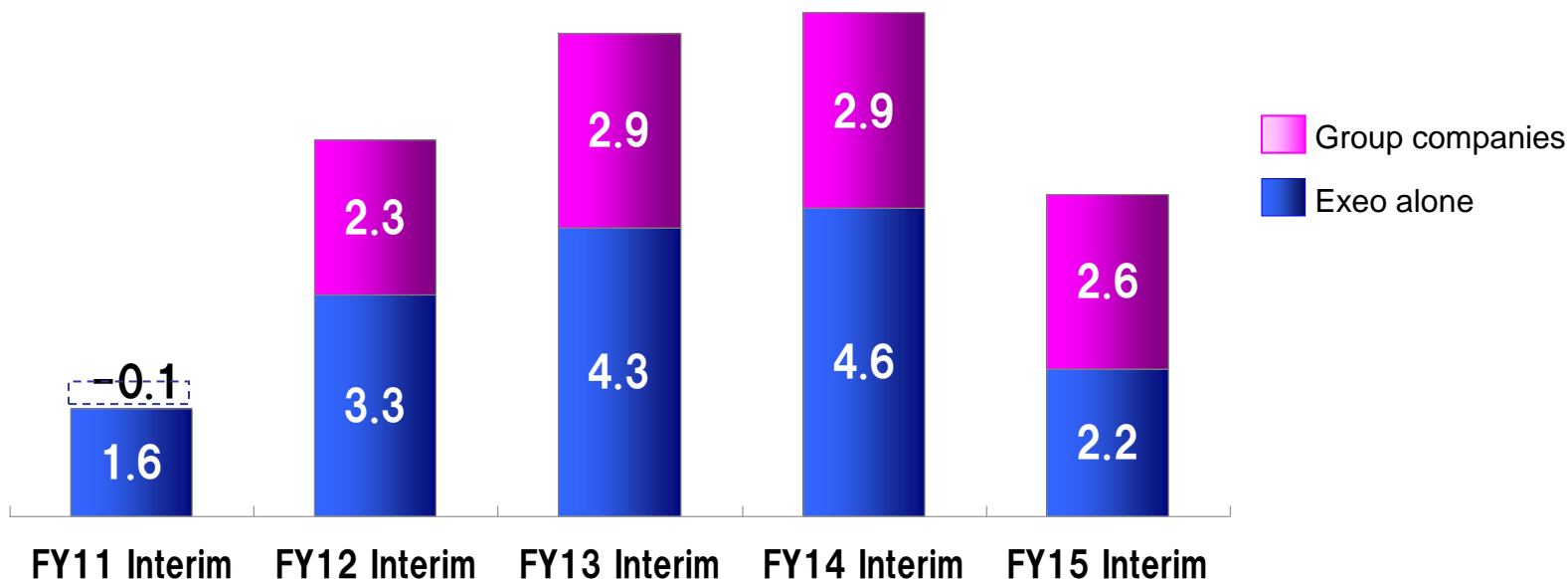
1. Overview of FY15 Interim Results

Reference: Trends in Group company profitability

◆ Continued high level of profits in Group companies despite falling profitability for Exeo alone

■ Trends in operating profits over the past five years (consolidated/non-consolidated)

(Ratio of consolidated to non-consolidated projects) (0.9) (1.7) (1.7) (1.6) (2.1) (¥bn)



Notes: Ratio of consolidated to non-consolidated projects=profits from consolidated projects ÷ profits from non-consolidated projects. All amounts less than ¥100m are disregarded.

1. Overview of FY15 Interim Results



(5) Cash Flow

◆ Stable cash flow

■ Cash flow (consolidated)

(¥bn)

	FY12	FY13	FY14		FY15 Interim
			Interim	Full	
Cash at beginning of FY	12.3	14.6	16.2	16.2	24.2
Operating activities	7.1	9.8	23.1	23.1	9.9
Investing activities	-2.1	-7.4	-1.3	-2.8	-3.3
Financing activities	-3.0	-0.9	-10.6	-12.3	-5.0
Cash at end of FY	14.6	16.2	27.3	24.2	25.8

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

2. Expectations for the Rest of FY15

- (1) Performance Figures
- (2) Medium-Term Forecast for Projects
- (3) Investment Trends of Major Telecom Carriers
- (4) FY20 Outlook
- (5) NTT Group (Access/Network)
- (6) NTT Group (Mobile)
- (7) Non-NTT Telecom Engineering
- (8) Environmental and Social Infrastructure
- (9) SYSTEM-SOLUTIONS
- (10) Improved Productivity

2. Expectations for the Rest of FY15

(1) Performance Figures

◆ Continued efforts to exceed plan during the year

■ Plans for FY15 (consolidated)

(¥bn)

	FY14		FY15		YOY D/B
	Interim A	Full B	Interim C	Plan D	
Orders received	149.3	301.4	140.8	310.0	103%
Net sales	127.1	300.9	107.7	305.0	101%
Gross profit	(12.8%) 16.2	(11.9%) 35.7	(12.4%) 13.3	(12.7%) 38.6	108%
SG&A expenses	(6.8%) 8.6	(5.8%) 17.3	(7.9%) 8.5	(5.8%) 17.6	101%
Operating income	(5.9%) 7.5	(6.1%) 18.3	(4.5%) 4.8	(6.9%) 21.0	114%
Ordinary income	(6.0%) 7.6	(6.2%) 18.5	(4.4%) 4.7	(6.9%) 21.0	113%
Net income	(3.6%) 4.5	(4.1%) 12.2	(2.7%) 2.9	(4.3%) 13.2	108%

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

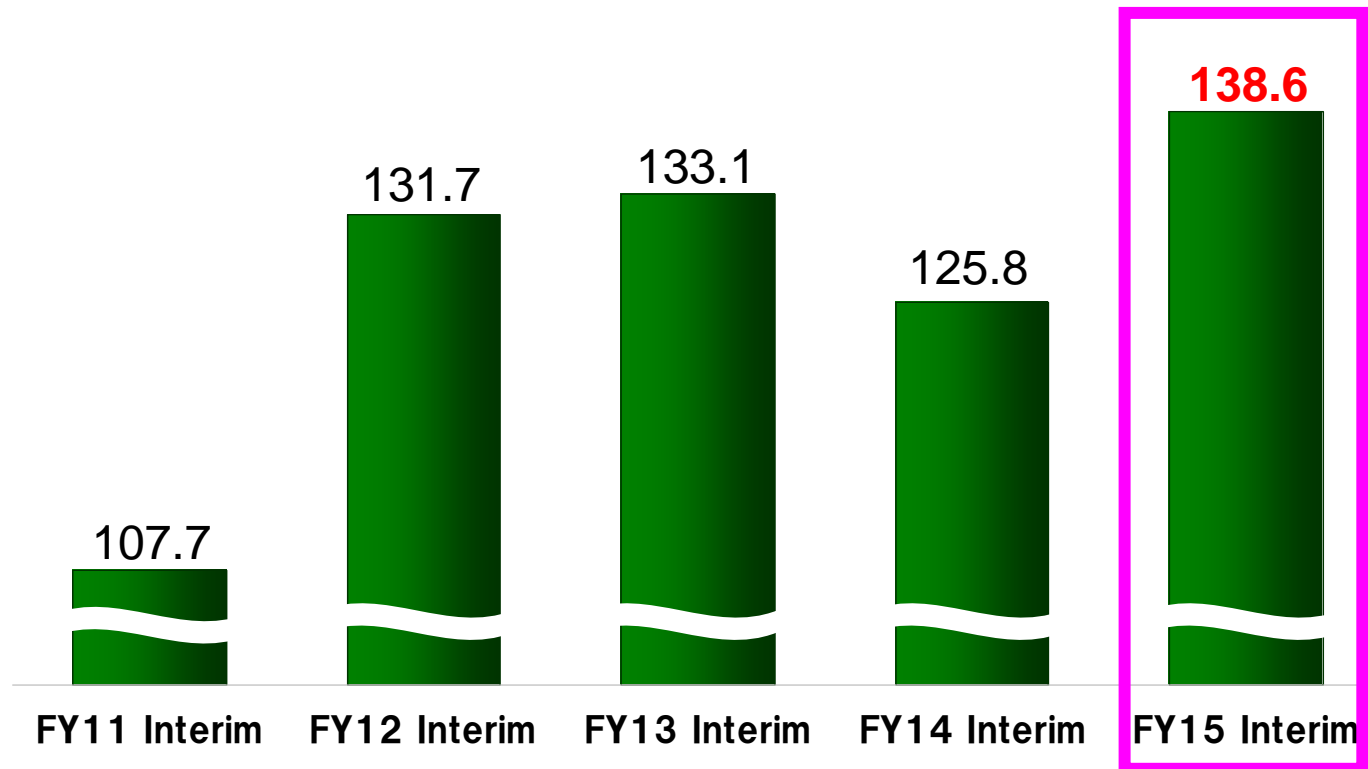
2. Expectations for the Rest of FY15

Reference: Construction work carried over from 2Q of FY15

◆ Work carried over into next fiscal half at all-time high

■ Trends for value of work carried over into second half of fiscal year (from 2Q to 3Q) (consolidated)

(¥bn)

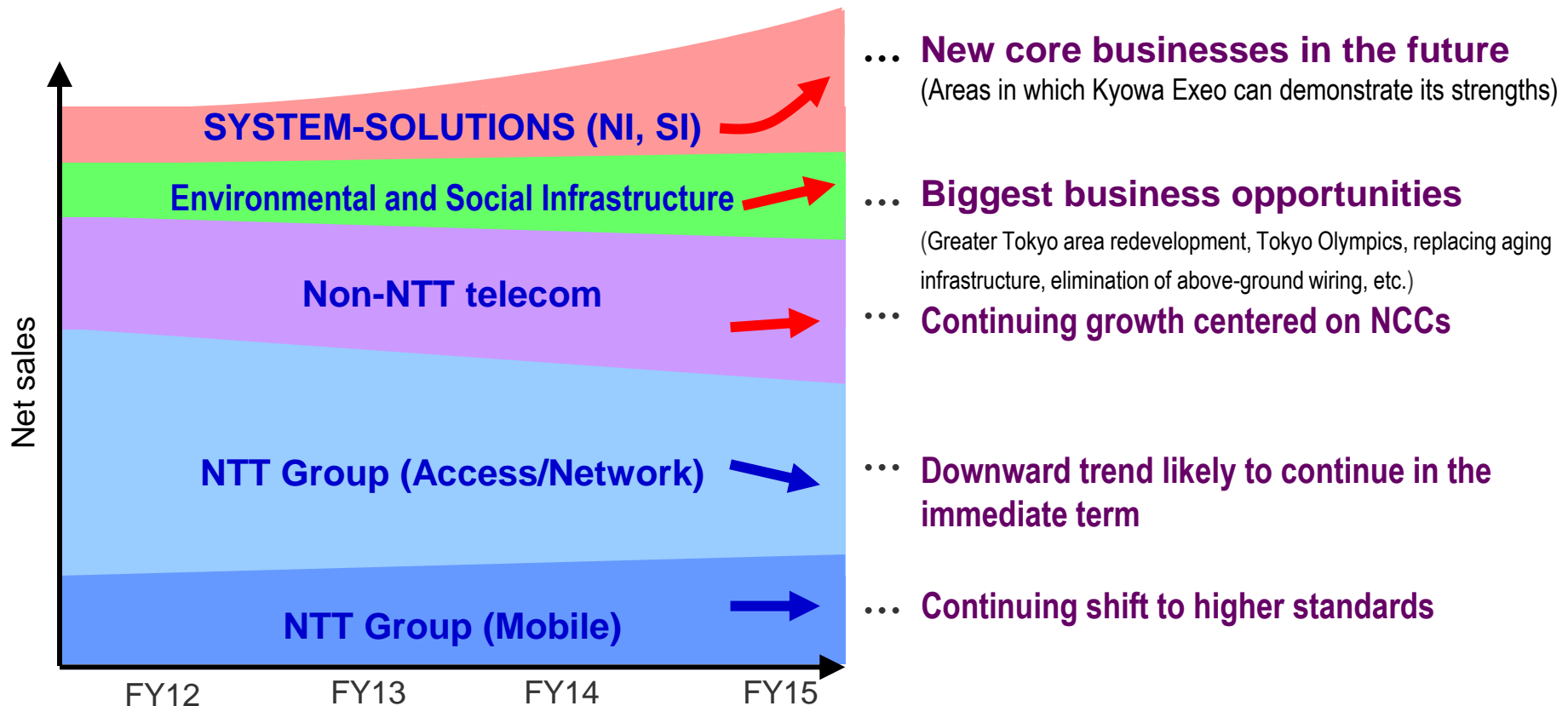


Note: All amounts less than ¥100m are disregarded.

2. Expectations for the Rest of FY15

(2) Medium-Term Forecast for Projects

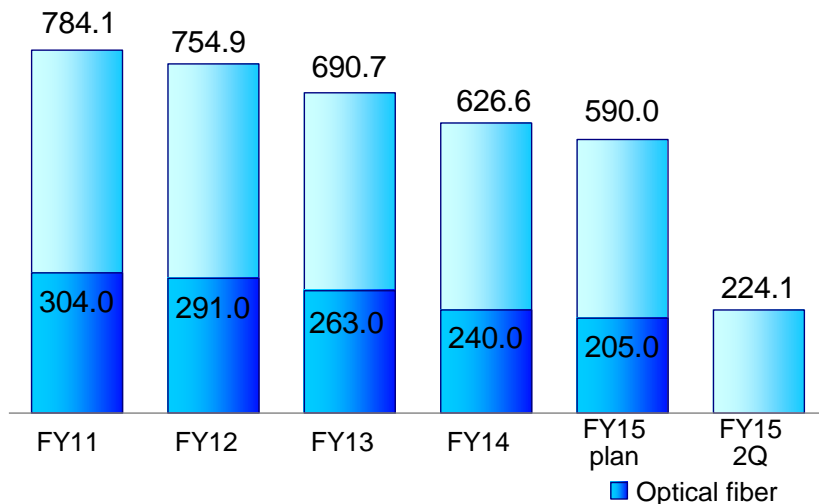
◆ **Decrease in NTT fixed-line absorbed by other projects; increased earnings and profits to continue in the medium term**



2. Expectations for the Rest of FY15

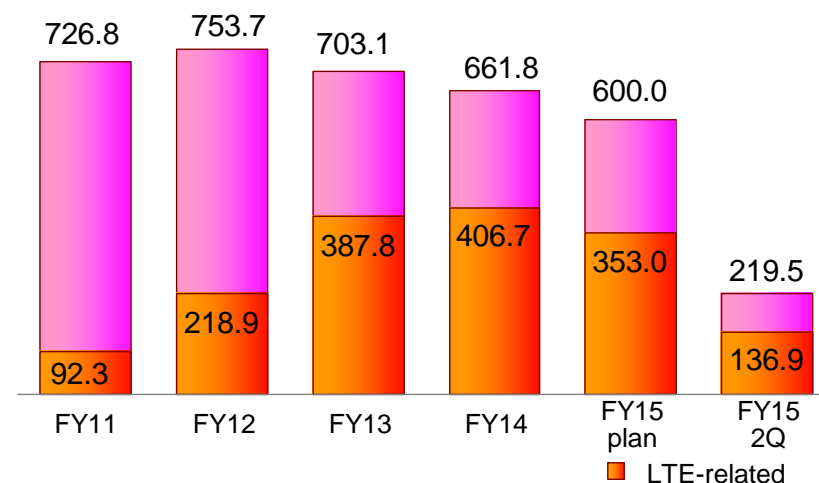
(3) Investment Trends of Major Telecom Carriers

■ NTT East/West

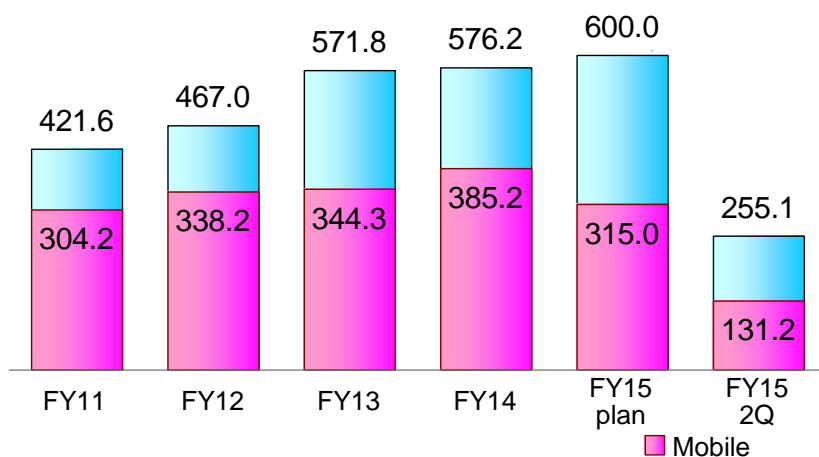


■ NTT DoCoMo

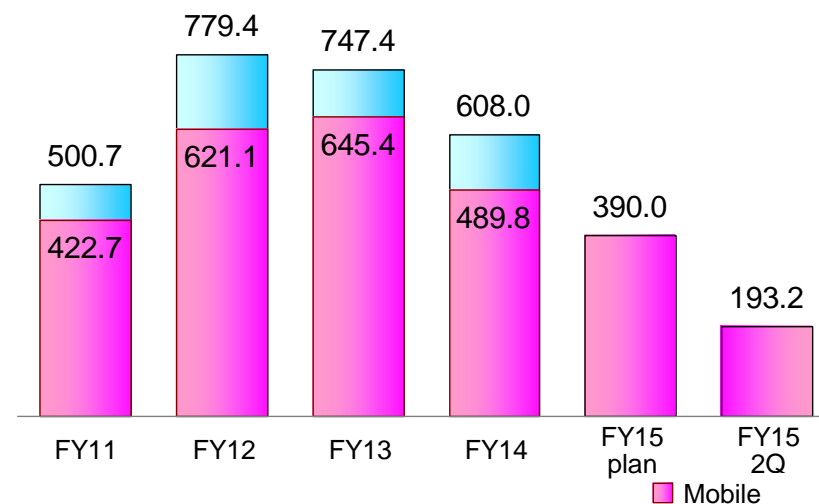
(¥bn)



■ KDDI



■ SoftBank

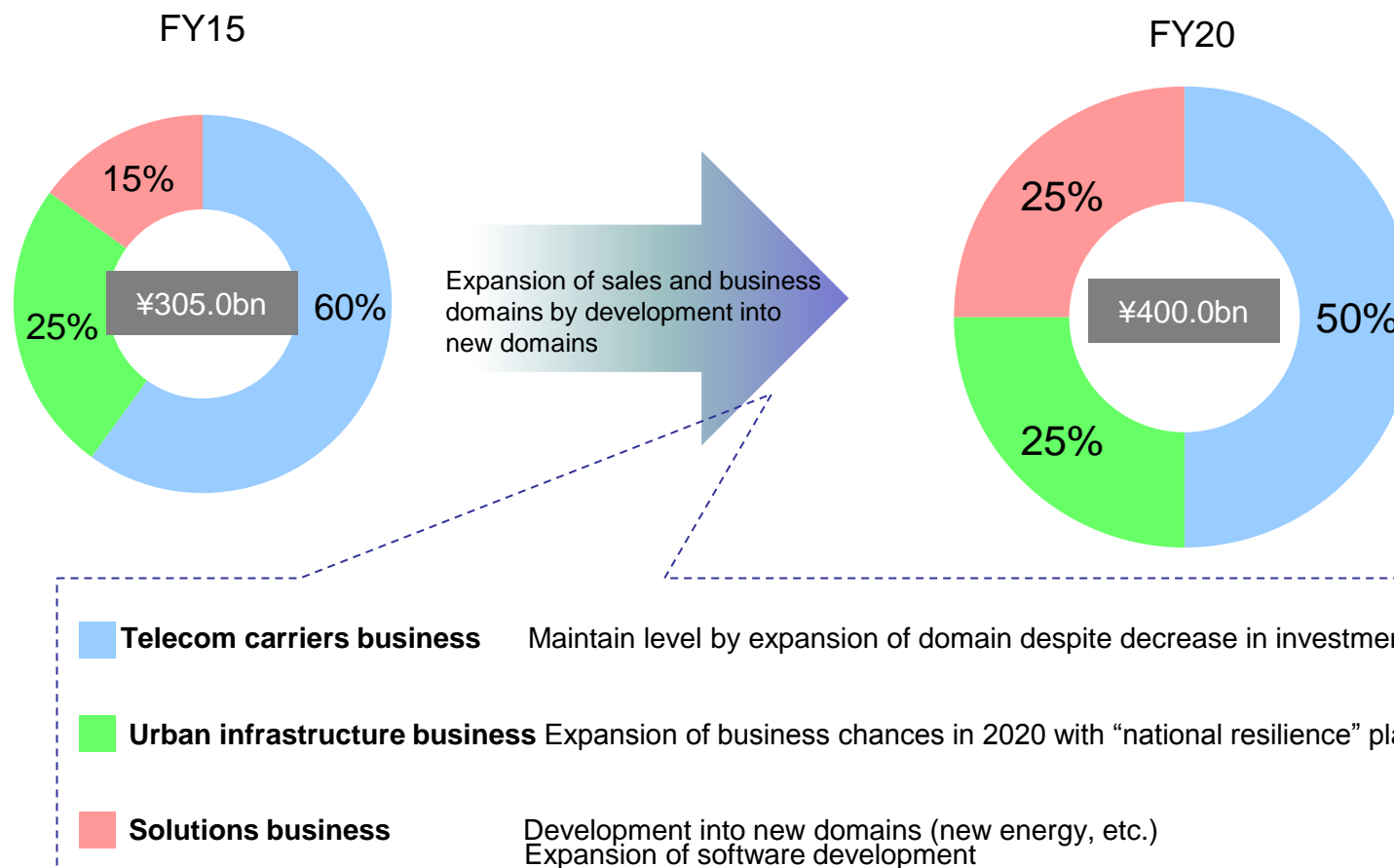


(Source: Figures released by the telecommunications carriers)

2. Expectations for the Rest of FY15

(4) FY20 Outlook

- ◆ To become a ¥400 billion company in FY20
- ◆ To promote reconstruction of the business portfolio and grow the solutions business into a second pillar



2. Expectations for the Rest of FY15

(4) FY20 Outlook

◆ Increase corporate value through sustained expansion of sales/creation of profits and improved capital efficiency

■ Achievements and targets

	FY14 Actual	FY15 Plan	FY20 Target
Net sales	¥300.9bn	¥305.0bn	¥400.0bn
Operating income	¥18.3bn	¥21.0bn	¥30.0bn
Operating income margin	6.1%	6.9%	7.5%
ROE	8.7%	8.9%	10.0%
EPS	¥123	¥136	¥200

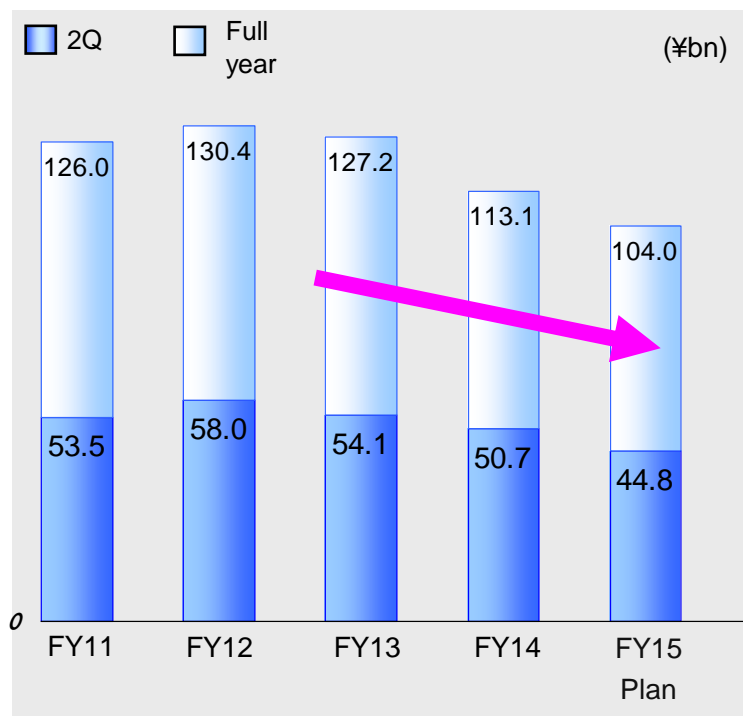
ROE: Return on equity EPS: Earnings per share

2. Expectations for the Rest of FY15

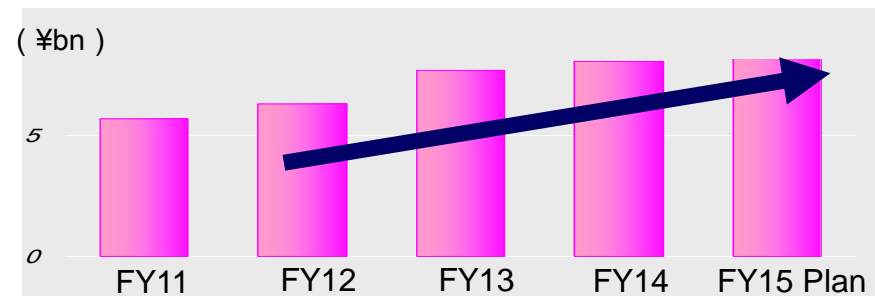
(5) NTT Group (Access/Network)

- ◆ Continuing downward trend for fixed-line network
- ◆ Profits secured by streamlining business

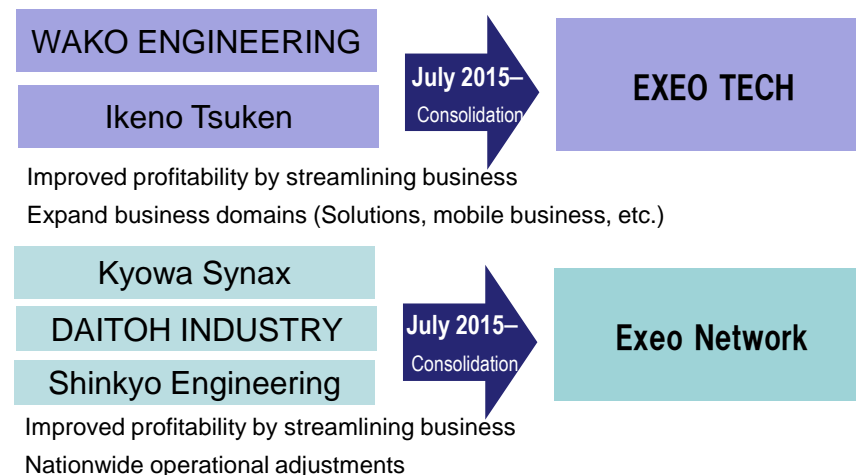
■ Net sales of NTT Group (fixed-line network, consolidated)



■ NTT facilities management (fixed-line related) [Net sales (consolidated)]



■ Consolidation of subsidiary access and network companies

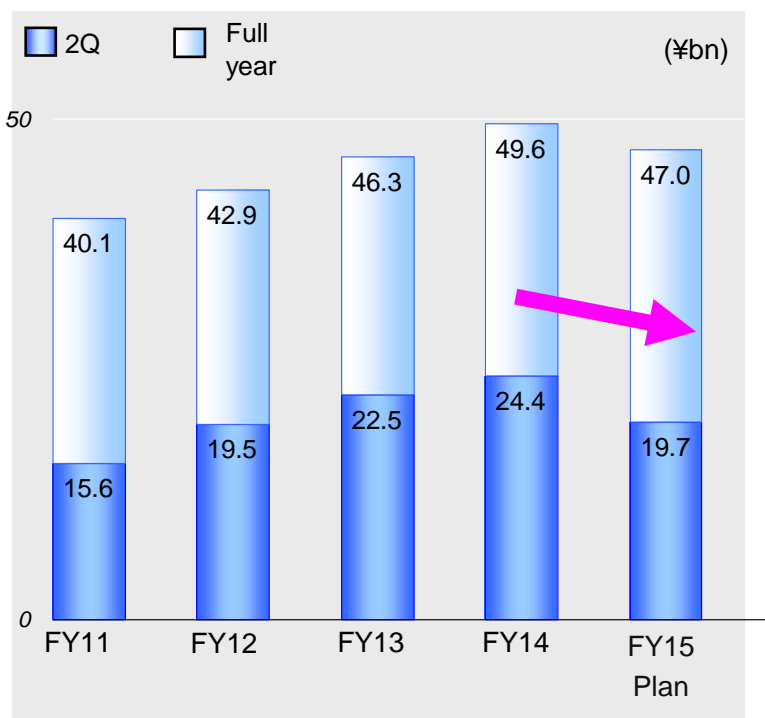


2. Expectations for the Rest of FY15

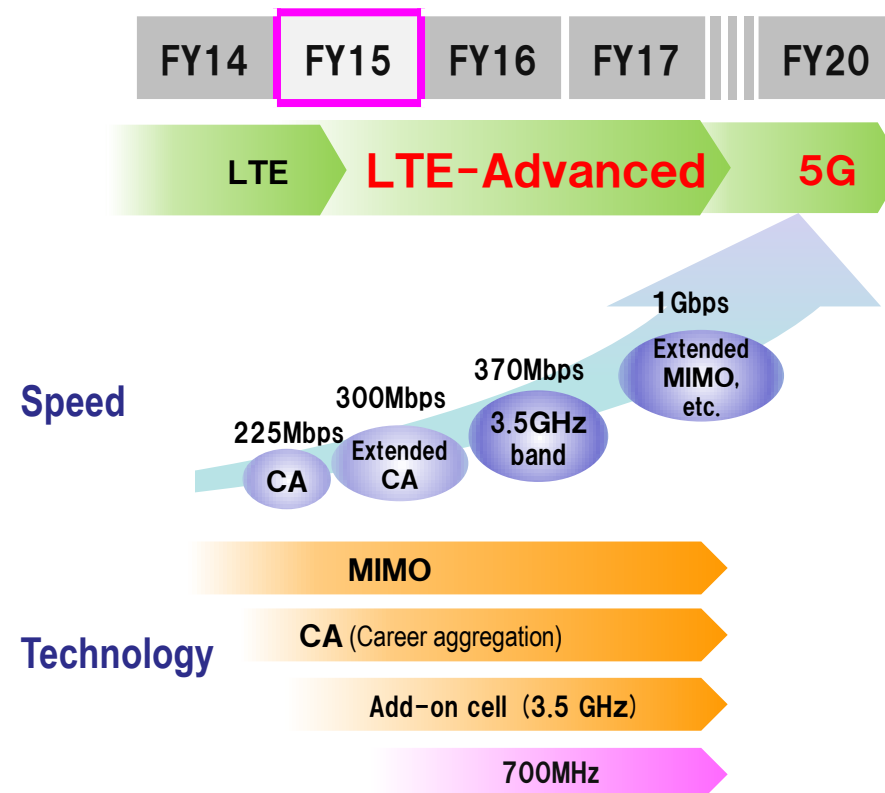
(6) NTT Group (Mobile)

- ◆ LTE-Advanced construction work at full pace
- ◆ Downgrading of project scale, noticeable trend toward concentration in large cities

■ Net sales of NTT Group (mobile network, consolidated)



■ NTT DoCoMo network development



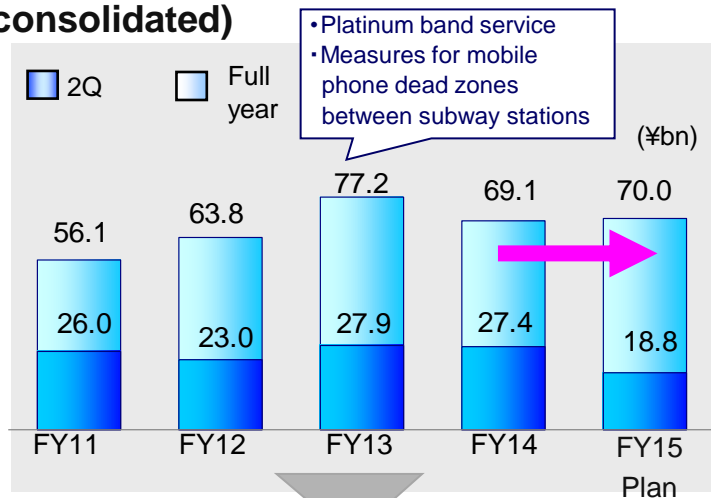
Note: Created by the Company based on NTT DoCoMo presentation material.

2. Expectations for the Rest of FY15

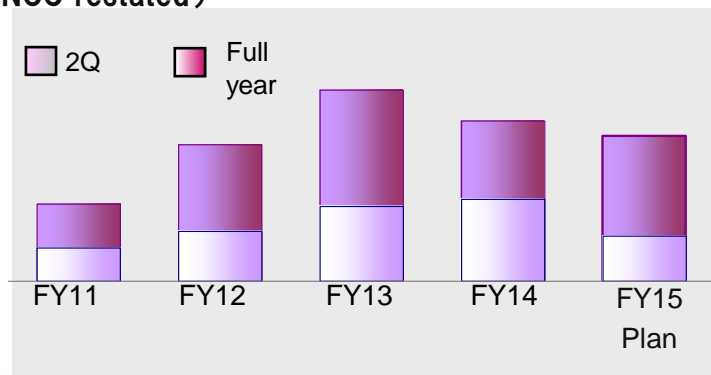
(7) Non-NTT Telecom Engineering

- ◆ Construction orders down amid plan to gain NCC construction market share
- ◆ Public project targets narrowed down and proactive development of business

■ Non-NTT telecom engineering net sales (consolidated)

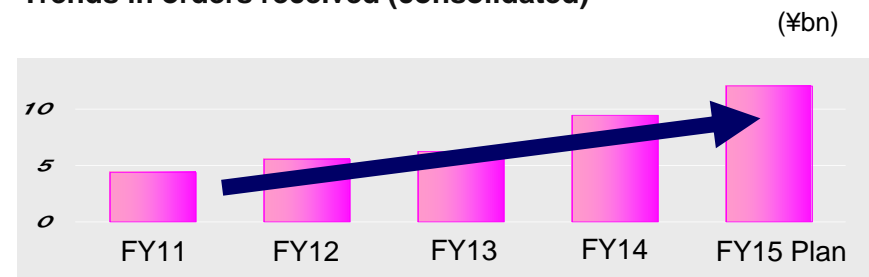


(NCC restated)



■ Government-sector telecom projects

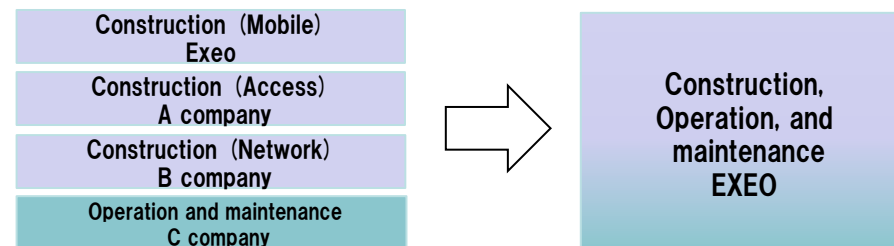
Trends in orders received (consolidated)



◇ Main targets

- Fire-fighting/disaster prevention wireless
- “National resilience” plan (CCTV, road telecommunications, etc.)

■ Expansion of orders received at NCCs

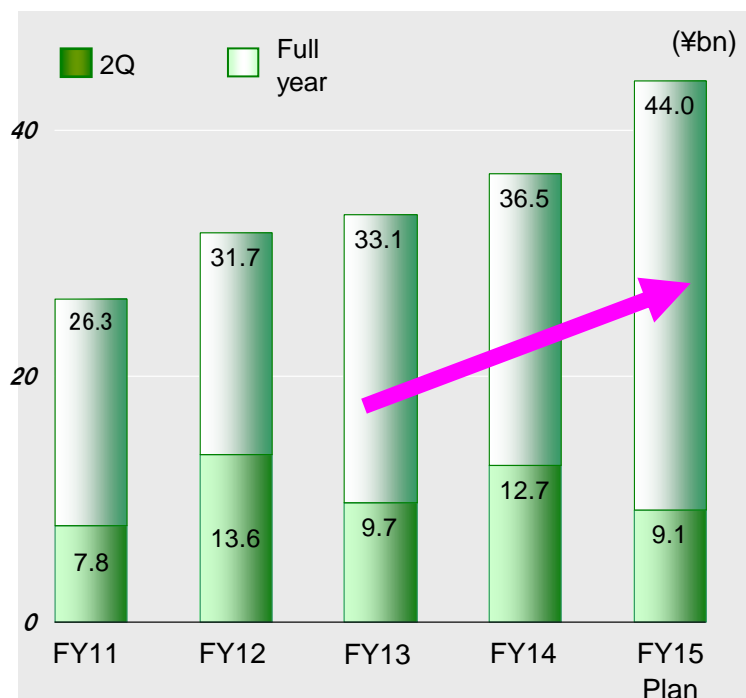


2. Expectations for the Rest of FY15

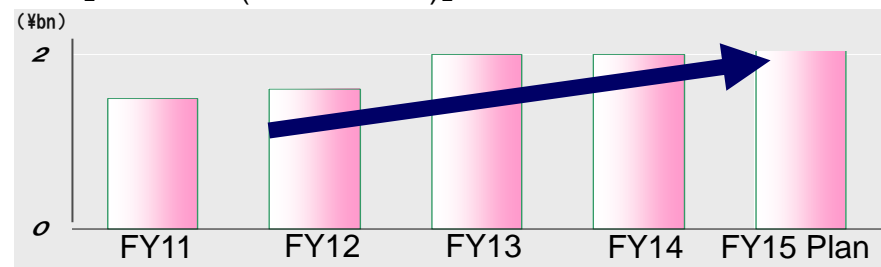
(8) Environmental and Social Infrastructure

- ◆ Redevelopment of Tokyo metropolitan area and elimination of power poles at full speed in readiness for Tokyo Olympics
- ◆ Steady expansion in operation and maintenance management of waste-treatment plants

■ Environmental and Social Infrastructure net sales (consolidated)



■ Operation and maintenance management of waste-treatment plants 【Net sales (consolidated)】



■ Redevelopment of Tokyo metropolitan area

Shinjuku Nihonbashi
 Shibuya Olympic facilities Otemachi
 Shinagawa Toyosu

Major recent redevelopment-related orders (electricity facilities, etc.)

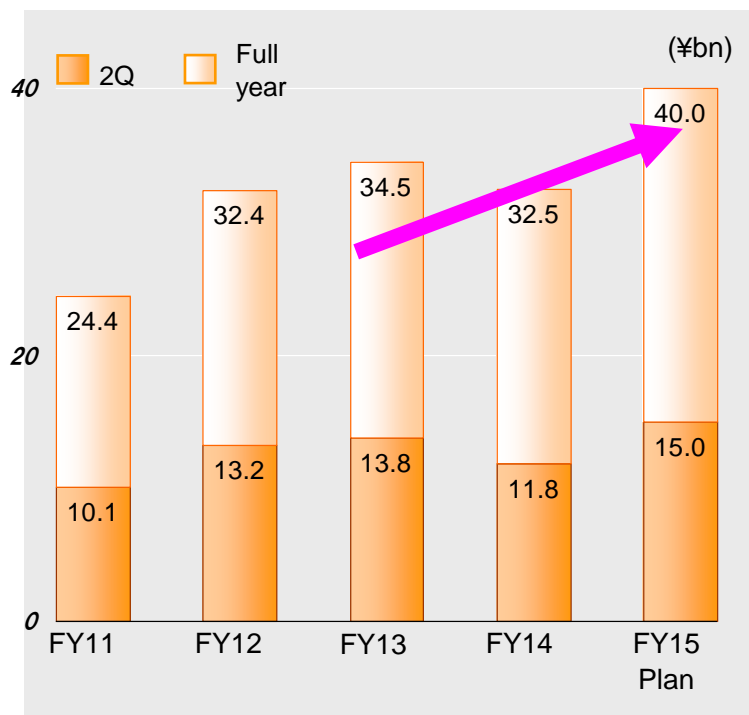
Ariake district (housing complex) Approx. ¥2.1bn July 2015	Nanpeidai, Shibuya project Approx. ¥1.6bn Sept. 2015	Urban revitalization project Approx. ¥0.7bn Aug. 2015
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2. Expectations for the Rest of FY15

(9) SYSTEM-SOLUTIONS

- ◆ Making full use of high technological strength and plentiful human resources to expand SI business
- ◆ New solutions to become new business pillar

■ SYSTEM-SOLUTIONS net sales (consolidated)



■ SI (systems integration) business

Further business expansion with high ratings from customers and an SE system of 1,500 persons

Top-ranking partners from among main customers

NTT DATA	Core business partner
NTT COMWARE	Premium excellent partner
NEC	Platinum
<small>Note: Converged Network Division</small>	

■ NI (network integration) business

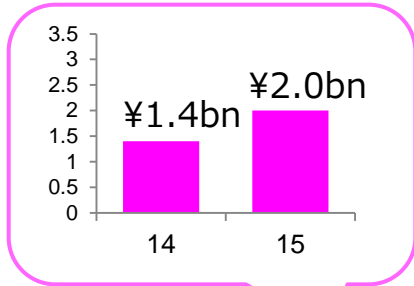
Creation of a new business pillar through technical integration based on network construction technology such as LAN/WAN, etc.

New solutions as a new pillar

- New energy: Smart meters, EMS
- Geo solutions: EXTravel, Daigo Temple sightseeing guide
- Cloud security: Thin client, local medical coordination
- Global, other: SE Asia airports ICT, Okinawa promotion

2. Expectations for the Rest of FY15

Reference: Performance and future initiatives of new solutions and global business



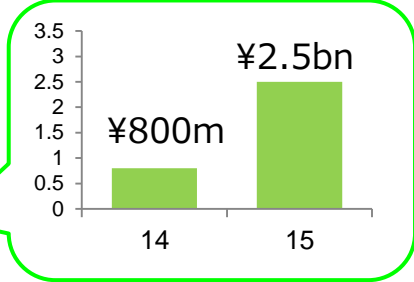
- FTTH order from PLDT
- Trial launched for Indonesian FTTH project

Global, other

- Okinawa
- International
- Support projects, etc.

New energy field

- Regional power companies
- Power Producers and Suppliers (PPSs)
- Smart meter



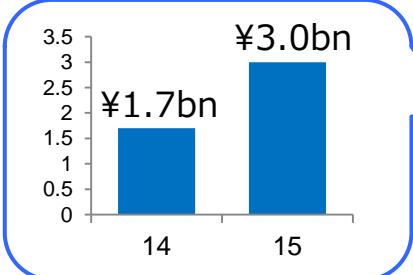
- Start of cloud service for new electric power companies
- New service for electric utilities: smart-meter system construction to begin in 2016



Solutions field

- EXTravel (Outdoors, indoors, educational, tourist spot versions)
- EXRescue (Local governments, companies, etc.)

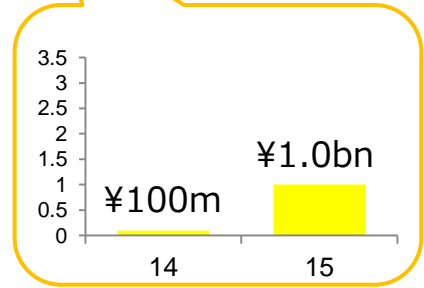
- EXTravel: following Nikko City, orders from three local governments
- “Ebina Active Navi” content delivery begins in Ebina, Kanagawa



- Education/public works field (school networks, local government servers, etc.)
- System for monitoring reservoir water levels undergoing trials

Cloud/security field

- Thin client/virtual field
- Security infrastructure
- Educational apps



2. Expectations for the Rest of FY15

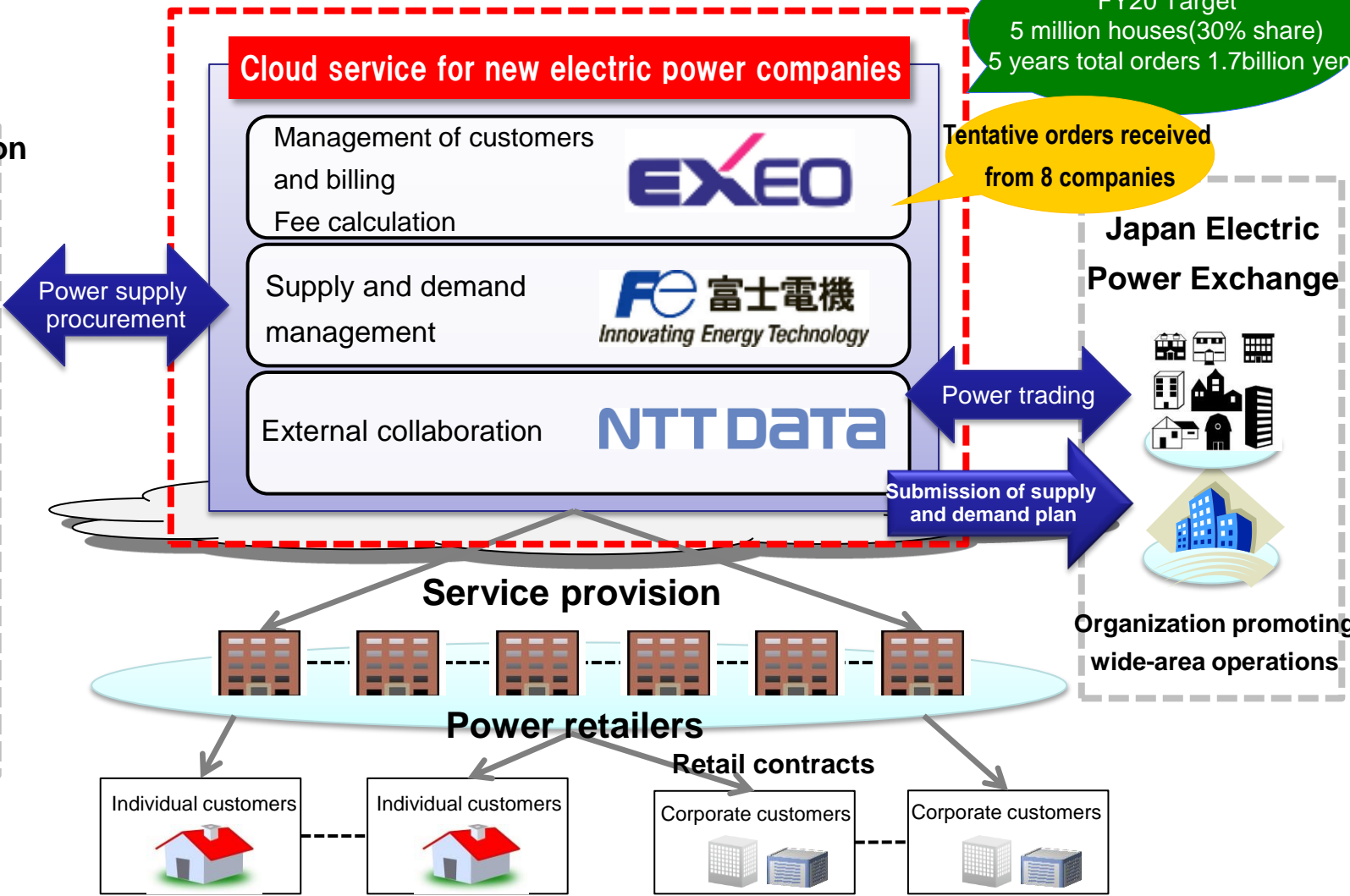
Reference: Cloud service for new electric power companies

FY20 Target
5 million houses(30% share)
5 years total orders 1.7billion yen

Tentative orders received
from 8 companies

Power generation businesses

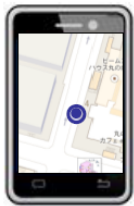
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2. Expectations for the Rest of FY15

Reference : The High-Accuracy Positioning Society Project

- Making Japan a society with world-leading highly accurate positioning systems to ensure the success of the 2020 Tokyo Olympics
- Participating in real-world testing for the Ministry of Land, Infrastructure, Transport, and Tourism High-Accuracy Positioning Society Project



Defining the high-accuracy positioning environment for interior and exterior locations:

- Exterior: positioning with < 1 m precision (able to pinpoint location on sidewalk)
- Interior: positioning with < 1 m precision

Underground



Above ground



Seamless, pinpoint navigation below and above ground guides the user from a subway turnstile to the bus stop at street level.

High-Accuracy Positioning Society Project (MLIT)

Real-world testing of seamless positioning service in interior and exterior areas around Tokyo Station



Secretariat : NTT DATA

Location : Underground areas in Otemachi, Marunouchi, Yurakucho

Schedule : Testing in Jan. 2016 for general public

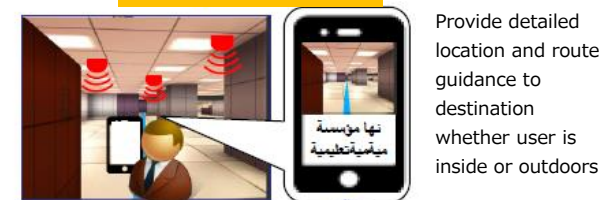
Exeo duties : **Infrastructure building for interior, exterior positioning devices**

Potential Service Usage

At Airports

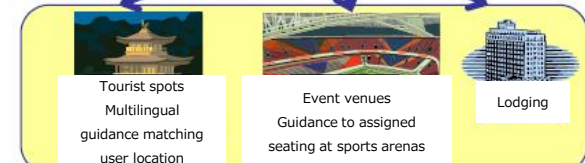


At Major Stations



Provide detailed location and route guidance to destination whether user is inside or outdoors

Seamless movement to destination



Upon arrival at/departure from airport, install navigation app on user devices including multilingual tourism guidance

Summarized from "On the High-Accuracy Positioning Society Project," published by the National Land Information Division, National and Regional Policy Bureau, MLIT

2. Expectations for the Rest of FY15

Reference: Global business initiatives



Comprehensive service project in two Manila suburbs

¥600m/yr for three years (May 2014–April 2017)

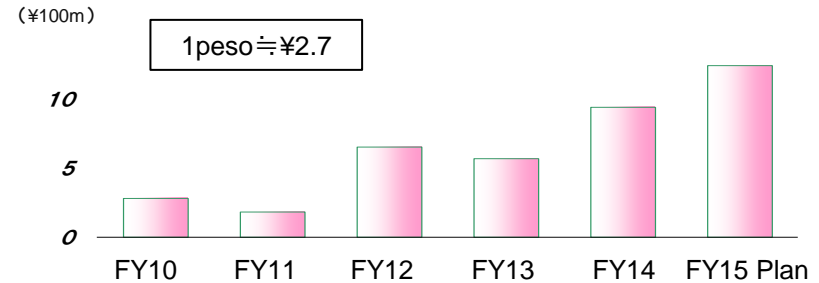


**FTTH from PLDT
(¥170m)**

Construction of ICT in airports in the Philippines

Terrestrial digital construction
(Adoption of Japanese system)

MG Exeo sales trends



**MG Exeo (Philippines) as a base
for development across SE Asia**

Education of ICT specialists in the Philippines
→ spread to other SE Asian countries



**Trial implementation of Indonesian
FTTH project (from Oct. 2015)**

Targeting SE Asian ODA projects

- Airport ICT
- Industrial complex ICT
- Data centers ICT etc.

2. Expectations for the Rest of FY15

(10) Improved Productivity

◆ FY14 targets achieved

◆ Continued measures to improve profits

Enhanced profitability through cost reductions

	FY	2012	2013	2014	2015
Improvement	Aims	¥1.0bn (cumulative ¥2.0bn)	¥1.5bn (cumulative ¥2.0bn)	¥1.5bn (cumulative ¥5.0bn)	¥1.0bn (cumulative ¥6.0bn)
	Results	¥2.0bn (cumulative ¥3.0bn)	¥2.0bn (cumulative ¥5.0bn)	¥2.0bn (cumulative ¥7.0bn)	¥0.4bn (cumulative ¥7.4bn)

Note: Amount of improvement represents cost reductions relative to FY10.

Recent principal measures

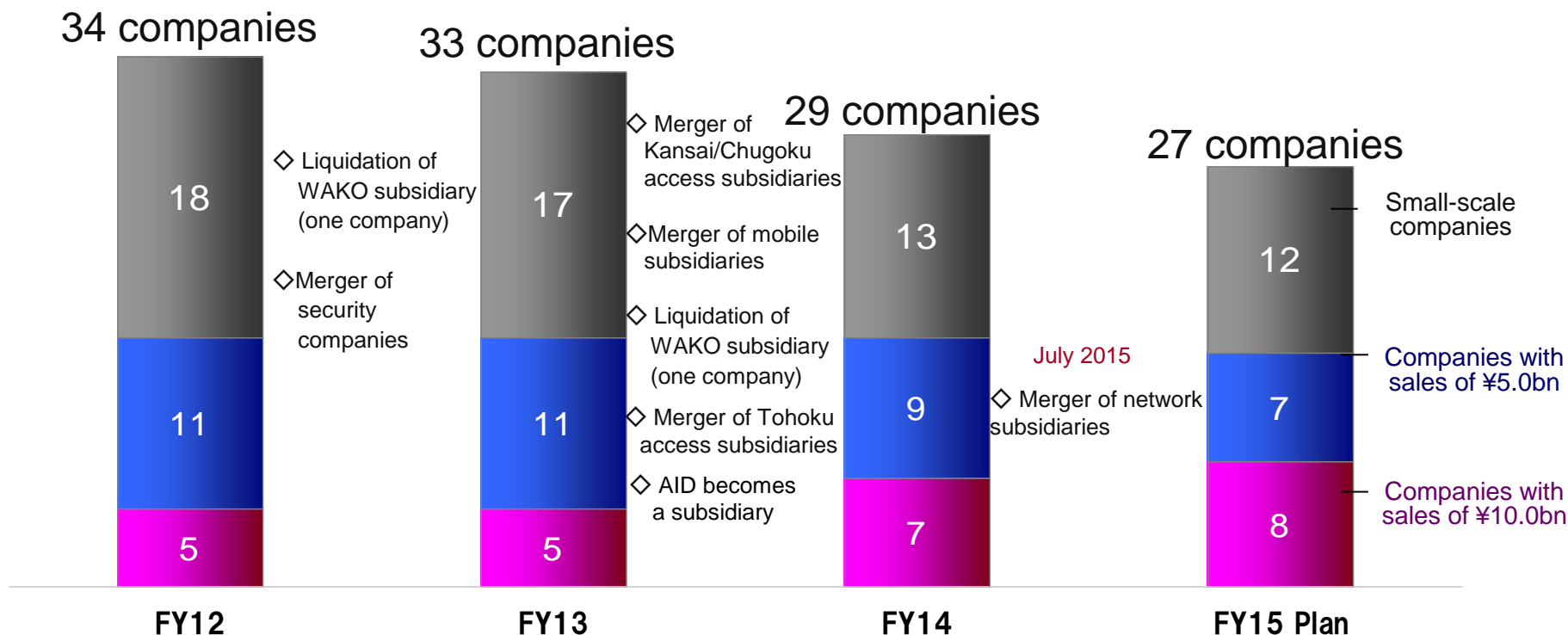
Area	Measures
Functional integration	<ul style="list-style-type: none"> ◇ Review of access, network, and engineering construction systems ◇ Expansion of shared company work consignments ◇ Group-wide unification of audits, MS tasks ◇ Reorganization of Group access companies in Kanto area
Reorganization of Group companies	<ul style="list-style-type: none"> ◇ Cross-departmental systems integration through business improvement project ◇ Merger of subsidiary security companies ◇ Merger of subsidiary access companies in Kansai/Chugoku regions ◇ Merger of subsidiary mobile companies ◇ Merger of subsidiary access companies in Tohoku region ◇ Merger of major subsidiaries (WAKO and Ikeno) ◇ Merger of subsidiary network companies
Consolidation of bases	<ul style="list-style-type: none"> ◇ Sendai General Engineering Center (9 bases → 1) ◇ Kagawa Technical Center (5 bases → 1) ◇ Ishioka General Technical Center (4 bases → 1) ◇ Koshin branches (5 bases → 1) ◇ Hyogo General Technical Center
Resource sharing	<ul style="list-style-type: none"> ◇ Resource shift to mobile/solutions area (approx. 240 people) ◇ Group-wide cross-sectional projects (mobile, 700 MHz TV reception measures, EV charging, etc.)

2. Expectations for the Rest of FY15

Reference: Reorganization of Group companies

◆ Accelerated reorganization of Group companies aimed at improved streamlining and optimization of resources

■ Trends in number of subsidiaries (excluding WAKO ENGINEERING, Ikeno Tsuken, and Daiwa Densetsu)



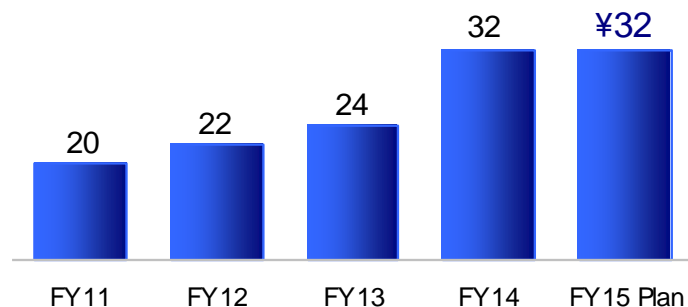
3. Raising Shareholders' Value

3. Raising Shareholders' Value

(1) Payment of Dividends

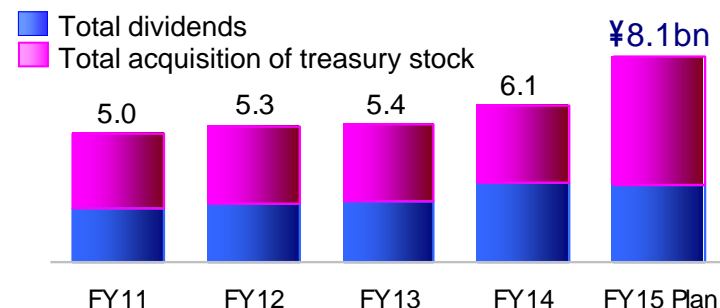
- ◆ Continuing proactive payment of dividends
- ◆ Toward sustained improvement in EPS, high ROE

■ Dividend history (per share)

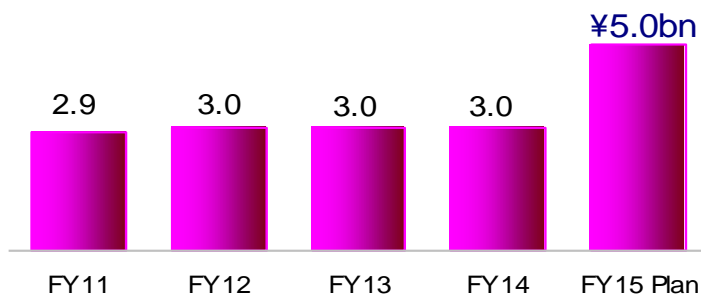


■ Total shareholder return

(Total dividends + total acquisition of treasury stock)

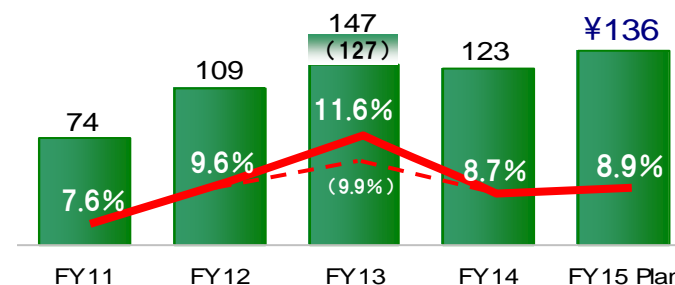


■ Acquisition of treasury stock



■ EPS/ROE

■ EPS — ROE



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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A variety of IR materials is available for
consultation on our company website.