

Results for the Three Months Ended June 30, 2020

August 7, 2020

KYOWA EXEO CORPORATION

1. Consolidated Figures



(1) Overview

(¥bn)

	FY 2019		FY 2020			
	1st quarter	Full year	1st quarter		Full year	
	A	B	Actual C	YOY C/A	Plan D	YOY D/B
Orders received	124.9	556.3	146.9	118%	525.0	94%
Net sales	91.7	524.5	106.1	116%	525.0	100%
Gross profit	(13.5%) 12.3	(13.0%) 68.3	(12.9%) 13.7	111%	(13.8%) 72.5	106%
SG&A expenses	(9.1%) 8.3	(7.1%) 37.2	(9.0%) 9.5	115%	(7.7%) 40.5	109%
Operating income	(4.3%) 3.9	(5.9%) 31.1	(3.9%) 4.1	104%	(6.1%) 32.0	103%
Ordinary income	(4.2%) 3.8	(5.8%) 30.6	(4.8%) 5.0	131%	(6.3%) 33.0	108%
Net income attributable to owners of parent	(2.6%) 2.3	(3.0%) 15.6	(2.9%) 3.0	131%	(4.0%) 21.1	135%

Notes: 1. All amounts less than ¥100m are disregarded.
2. Figures in parentheses are ratio to net sales.

1. Consolidated Figures

(2) Orders Received, Net Sales and Amount Carried Forward

(¥bn)

			FY 2019		FY 2020			
			1st quarter	Full year	1st quarter		Full year	
			A	B	Actual C	YOY C/A	Plan D	YOY D/B
Orders Received	ENGINEERING-SOLUTIONS	NTT Group engineering	56.0	227.0	51.2	91%	210.0	92%
		NCCs	11.8	51.7	18.1	153%	48.2	93%
		Urban infrastructure	30.6	153.0	39.0	127%	134.6	88%
		Sub-total	98.5	431.8	108.4	110%	392.8	91%
	SYSTEM-SOLUTIONS	26.4	124.5	38.4	146%	132.2	106%	
	TOTAL	124.9	556.3	146.9	118%	525.0	94%	
Net Sales	ENGINEERING-SOLUTIONS	NTT Group engineering	43.1	227.8	44.0	102%	215.6	95%
		NCCs	7.9	40.7	8.0	101%	46.9	115%
		Urban infrastructure	21.2	135.2	31.0	146%	137.7	102%
		Sub-total	72.2	403.8	83.1	115%	400.2	99%
	SYSTEM-SOLUTIONS	19.4	120.7	22.9	118%	124.8	103%	
	TOTAL	91.7	524.5	106.1	116%	525.0	100%	
Amount Carried Forward	ENGINEERING-SOLUTIONS	NTT Group engineering	78.3	64.7	71.8	92%	—	—
		NCCs	23.9	30.9	41.1	172%	—	—
		Urban infrastructure	104.8	113.7	121.7	116%	—	—
		Sub-total	207.2	209.3	234.6	113%	—	—
	SYSTEM-SOLUTIONS	22.0	21.5	36.9	168%	—	—	
	TOTAL	229.2	230.9	271.6	118%	—	—	

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

1. Consolidated Figures



(3) Business Overview of Main Subsidiaries – ①

(¥bn)

	EXEO TECH			Daiwa Densetsu Group		
	FY 2019	FY 2020		FY 2019	FY 2020	
	1st quarter	1st quarter	YOY	1st quarter	1st quarter	YOY
Orders received	9.3	7.4	79%	4.4	6.2	140%
Net sales	4.7	5.1	108%	3.3	4.2	127%
Gross profit	(9.2%) 0.43	(7.3%) 0.37	87%	(9.7%) 0.32	(10.7%) 0.45	140%
SG&A expenses	(6.2%) 0.29	(6.6%) 0.34	116%	(6.8%) 0.22	(6.0%) 0.25	113%
Operating income	(3.0%) 0.13	(0.7%) 0.03	25%	(2.9%) 0.09	(4.7%) 0.19	202%
Ordinary income	(3.4%) 0.16	(1.5%) 0.07	48%	(3.2%) 0.10	(5.0%) 0.21	198%
Net income	(2.3%) 0.10	(1.0%) 0.04	45%	(2.1%) 0.06	(3.3%) 0.13	200%

Notes: 1. Figures below 100 million yen (or below 10 million yen in some cases) are disregarded.

2. Figures in parentheses are ratio to net sales.

1. Consolidated Figures



(3) Business Overview of Main Subsidiaries – ②

▶ Transactions with other groups in the consolidated group are not offset.

(¥bn)

	FY 2019 1st quarter				FY 2020 1st quarter				
	C-CUBE Group	Seibu Electric Industry Group	NIPPON DENTSU Group	Simple addition value A	C-CUBE Group	Seibu Electric Industry Group	NIPPON DENTSU Group	TOTAL B	YOY B/A
Orders received	14.9	14.2	10.2	39.4	16.0	14.2	12.6	42.9	109%
Net sales	13.0	10.1	7.3	30.6	12.9	11.9	8.8	33.8	110%
Gross profit	(10.1%) 1.32	(6.3%) 0.64	(13.8%) 1.01	(9.8%) 2.98	(12.7%) 1.64	(8.1%) 0.96	(14.5%) 1.28	(11.6%) 3.90	131%
SG&A expenses	(8.4%) 1.10	(6.5%) 0.66	(10.9%) 0.80	(8.4%) 2.57	(8.7%) 1.12	(4.7%) 0.56	(9.1%) 0.81	(7.4%) 2.50	97%
Operating income	(1.7%) 0.22	(▲0.2%) ▲0.01	(2.8%) 0.20	(1.3%) 0.41	(4.0%) 0.51	(3.4%) 0.40	(5.4%) 0.47	(4.2%) 1.40	340%
Ordinary income	(2.4%) 0.30	(1.5%) 0.15	(3.9%) 0.28	(2.4%) 0.75	(5.3%) 0.68	(4.5%) 0.53	(5.8%) 0.51	(5.1%) 1.73	231%
Net income	(1.4%) 0.18	(0.5%) 0.05	(2.5%) 0.18	(1.4%) 0.41	(3.3%) 0.43	(2.5%) 0.29	(3.9%) 0.34	(3.2%) 1.07	256%

Notes: 1. Figures below 100 million yen (or below 10 million yen in some cases) are disregarded.
2. Figures in parentheses are ratio to net sales.

2. Non-consolidated Figures



(1) Overview

(¥bn)

	FY 2019		FY 2020			
	1st quarter	Full year	1st quarter		Full year	
	A	B	Actual C	YOY C/A	Plan D	YOY D/B
Orders received	65.3	301.7	80.5	123%	280.0	93%
Net sales	48.0	282.9	57.0	119%	280.0	99%
Gross profit	(11.9%) 5.7	(10.2%) 28.7	(10.5%) 5.9	105%	(10.3%) 28.8	100%
SG&A expenses	(6.9%) 3.3	(5.4%) 15.1	(6.7%) 3.8	116%	(5.8%) 16.3	108%
Operating income	(5.0%) 2.4	(4.8%) 13.6	(3.7%) 2.1	89%	(4.5%) 12.5	92%
Ordinary income	(12.3%) 5.9	(6.0%) 17.1	(4.9%) 2.7	47%	(4.9%) 13.8	81%
Net income	(10.7%) 5.1	(2.9%) 8.1	(26.1%) 14.8	288%	(8.0%) 22.3	275%

Notes: 1. All amounts less than ¥100m are disregarded.
2. Figures in parentheses are ratio to net sales.

2. Non-consolidated Figures

(2) Orders Received, Net Sales and Amount Carried Forward

(¥bn)

				FY 2019		FY 2020			
				1st quarter	Full year	1st quarter		Full year	
				A	B	Actual C	YOY C/A	Plan D	YOY D/B
Orders Received	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	18.3	72.8	16.6	91%	64.1	88%
			Network engineering	4.4	22.1	3.5	79%	21.4	97%
			Mobile engineering	12.6	45.8	9.4	75%	44.6	97%
			Sub-total	35.4	140.8	29.6	84%	130.1	92%
			NCCs	3.7	26.0	9.9	268%	28.7	110%
			Urban infrastructure	18.1	101.6	25.7	142%	86.1	85%
			Sub-total	57.3	268.6	65.3	114%	244.9	91%
			SYSTEM-SOLUTIONS	8.0	33.1	15.1	190%	35.1	106%
	TOTAL	65.3	301.7	80.5	123%	280.0	93%		
Net Sales	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	15.8	74.9	15.5	98%	68.1	91%
			Network engineering	2.4	22.1	3.1	128%	22.0	99%
			Mobile engineering	7.3	45.0	6.1	84%	42.3	94%
			Sub-total	25.6	142.1	24.8	97%	132.4	93%
			NCCs	4.5	25.6	4.5	100%	28.7	112%
			Urban infrastructure	12.5	83.3	22.1	177%	88.4	106%
			Sub-total	42.7	251.0	51.5	121%	249.5	99%
			SYSTEM-SOLUTIONS	5.2	31.9	5.5	104%	30.5	95%
	TOTAL	48.0	282.9	57.0	119%	280.0	99%		
Amount Carried Forward	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	17.6	13.0	14.2	81%	—	—
			Network engineering	12.0	10.0	10.3	86%	—	—
			Mobile engineering	30.7	26.3	29.6	96%	—	—
			Sub-total	60.4	49.4	54.2	90%	—	—
			NCCs	14.9	16.2	21.6	145%	—	—
			Urban infrastructure	83.6	96.3	99.9	119%	—	—
			Sub-total	159.0	162.0	175.8	111%	—	—
			SYSTEM-SOLUTIONS	8.7	7.2	16.9	193%	—	—
	TOTAL	167.8	169.3	192.8	115%	—	—		

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

Disclaimer Regarding Forward-Looking Statements

Forward-looking statements in this document are based on information available to our company as of the date of publication. Actual results may differ materially from these forecasts due to various factors.

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