
Results for the Six Months Ended September 30, 2015

November 5, 2015

KYOWA EXEO CORPORATION

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

1. Consolidated Figures



(1) Overview

(¥bn)

	FY 2014		FY2015						
	Interim A	Full year B	Interim				Full year		
			Plan C	Actual D	YOY D/A	Plan accuracy D/C	Progress rate D/E	Plan E	YOY E/B
Orders received	149.3	301.4	150.0	140.8	94%	94%	45%	310.0	103%
Net sales	127.1	300.9	124.0	107.7	85%	87%	35%	305.0	101%
Gross profit	(12.8%) 16.2	(11.9%) 35.7	(12.9%) 16.0	(12.4%) 13.3	82%	83%	35%	(12.7%) 38.6	108%
SG&A expenses	(6.8%) 8.6	(5.8%) 17.3	(7.3%) 9.0	(7.9%) 8.5	98%	95%	48%	(5.8%) 17.6	101%
Operating income	(5.9%) 7.5	(6.1%) 18.3	(5.6%) 7.0	(4.5%) 4.8	64%	69%	23%	(6.9%) 21.0	114%
Ordinary income	(6.0%) 7.6	(6.2%) 18.5	(5.6%) 7.0	(4.4%) 4.7	62%	68%	23%	(6.9%) 21.0	113%
Net income attributable to owners of parent	(3.6%) 4.5	(4.1%) 12.2	(3.1%) 3.9	(2.7%) 2.9	64%	75%	22%	(4.3%) 13.2	108%

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 2014		FY 2015						
			Interim A	Full year B	Interim					Full year	
					Plan C	Actual D	YOY D/A	Plan accuracy D/C	Progress rate D/E	Plan E	YOY E/B
Orders Received	ENGINEERING-SOLUTIONS	NTT Group engineering	79.6	160.3	72.0	80.0	101%	111%	54%	148.0	92%
		Non-NTT telecom engineering	36.9	67.6	36.0	25.3	69%	70%	36%	71.0	105%
		Environmental and social infrastructure	18.8	41.5	20.0	17.7	94%	89%	39%	45.0	108%
		Sub-total	135.4	269.6	128.0	123.2	91%	96%	47%	264.0	98%
	SYSTEM-SOLUTIONS	13.9	31.8	22.0	17.6	127%	80%	38%	46.0	145%	
TOTAL			149.3	301.4	150.0	140.8	94%	94%	45%	310.0	103%
Net Sales	ENGINEERING-SOLUTIONS	NTT Group engineering	75.1	162.7	69.0	64.6	86%	94%	43%	151.0	93%
		Non-NTT telecom engineering	27.4	69.1	26.0	18.8	69%	73%	27%	70.0	101%
		Environmental and social infrastructure	12.7	36.5	12.0	9.1	72%	76%	21%	44.0	120%
		Sub-total	115.3	268.4	107.0	92.6	80%	87%	35%	265.0	99%
	SYSTEM-SOLUTIONS	11.8	32.5	17.0	15.0	127%	89%	38%	40.0	123%	
TOTAL			127.1	300.9	124.0	107.7	85%	87%	35%	305.0	101%
Amount Carried Forward	ENGINEERING-SOLUTIONS	NTT Group engineering	51.3	44.5	—	60.0	117%	—	—	—	—
		Non-NTT telecom engineering	29.5	18.6	—	25.1	85%	—	—	—	—
		Environmental and social infrastructure	38.9	37.8	—	46.4	119%	—	—	—	—
		Sub-total	119.8	101.0	—	131.6	110%	—	—	—	—
	SYSTEM-SOLUTIONS	6.0	4.4	—	6.9	115%	—	—	—	—	
TOTAL			125.8	105.4	—	138.6	110%	—	—	—	—

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

1. Consolidated Figures



(3) Consolidated Balance Figures

(¥bn)

		FY 2014				FY 2015		
		Interim		Year-end		Interim		B-A
				A		B		
Current assets		111.5	(59.0%)	138.8	(60.8%)	114.2	(55.8%)	-24.5
Fixed assets		77.6	(41.0%)	89.6	(39.2%)	90.2	(44.2%)	0.6
Total assets		189.1	(100%)	228.4	(100%)	204.5	(100%)	-23.9
Liabilities	Current	40.7	(21.5%)	63.8	(27.9%)	41.9	(20.5%)	-21.8
	Long-term	12.9	(6.9%)	17.8	(7.8%)	19.5	(9.5%)	1.6
Total liabilities		53.6	(28.4%)	81.6	(35.7%)	61.5	(30.1%)	-20.1
Shareholder's equity		135.0	(71.4%)	146.2	(64.0%)	142.5	(69.7%)	-3.7
Minority interests and stock acquisition rights		0.3	(0.2%)	0.4	(0.2%)	0.4	(0.2%)	-0.0
Total liabilities and net assets		189.1	(100%)	228.4	(100%)	204.5	(100%)	-23.9

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

1. Consolidated Figures



(4) Cash Flows

(¥bn)

	FY 2012	FY 2013	FY 2014		FY 2015
			Interim	Full year	Interim
Net cash provided by (used in) operating activities	7.1	9.8	23.1	23.1	9.9
Net cash provided by (used in) investing activities	-2.1	-7.4	-1.3	-2.8	-3.3
Net cash provided by (used in) financial activities	-3.0	-0.9	-10.6	-12.3	-5.0
Free cash flow (Note 2)	4.9	2.4	21.7	20.3	6.6
Cash and cash equivalents at end of period	14.6	16.2	27.3	24.2	25.8

Notes 1. All amounts less than ¥100m are disregarded.

2. Free cash flow = Net cash provided by (used in) operating activities + Net cash provided by (used in) investing activities

(5) Interest-bearing Debt

(¥bn)

	FY 2012	FY 2013	FY 2014		FY 2015
			Interim	Full year	Interim
Short-term	3.8	7.7	1.4	2.3	1.2
Long-term	6.1	5.6	5.2	6.3	8.4
Total	9.9	13.3	6.6	8.6	9.6

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

1. Consolidated Figures



(6) Capital Expenditures

(¥bn)

	FY 2012	FY 2013	FY 2014		FY 2015
			Interim	Full year	Interim
Tangible fixed assets	2.3	5.8	0.9	3.2	1.7
Intangible fixed assets	1.0	1.4	0.2	1.0	0.5
Total	3.3	7.3	1.2	4.2	2.2

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

(7) Depreciation and Amortization

(¥bn)

	FY 2012	FY 2013	FY 2014		FY 2015
			Interim	Full year	Interim
Depreciation and amortization	2.3	2.2	1.2	2.6	1.4

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

1. Consolidated Figures

(8) Summary of results for main subsidiary companies (by company)

(¥bn)

	EXEO TECH				Daiwa Densetsu			
	FY 2014		FY 2015		FY 2014		FY 2015	
	Interim A	Full year B	Interim C	YOY C/A	Interim D	Full year E	Interim F	YOY F/D
Orders received	17.5	34.5	15.6	89%	6.3	12.0	6.5	103%
Net sales	14.4	34.3	11.8	82%	4.8	11.8	4.3	89%
Gross profit	(4.9%) 0.7	(7.0%) 2.4	(5.9%) 0.7	100%	(8.4%) 0.4	(10.5%) 1.2	(8.7%) 0.3	93%
SG&A expenses	(6.9%) 1.0	(5.8%) 2.0	(6.8%) 0.8	80%	(7.7%) 0.3	(6.3%) 0.7	(8.3%) 0.3	95%
Operating income	(-1.9%) -0.27	(1.1%) 0.37	(-0.9%) -0.11	-	(0.6%) 0.03	(4.3%) 0.50	(0.5%) 0.01	63%
Ordinary income	(-1.4%) -0.20	(1.2%) 0.41	(-0.9%) -0.11	-	(1.9%) 0.09	(5.0%) 0.58	(0.7%) 0.03	33%
Net income	(-1.5%) -0.21	(0.8%) 0.28	(-1.1%) -0.13	-	(1.2%) 0.05	(3.0%) 0.35	(0.4%) 0.01	34%

Notes: 1. All amounts less than ¥100m are disregarded.

2. Figures in parentheses are ratio to net sales.

3. Wako Engineering and Ikeno Tsuken merged on 1 July 2015 to form Exeo Tech. The figures for fiscal 2014 (the year ended March 2015) are the simple combined totals for the two premerger companies.

An adjustment of the construction areas handled by each company within the Kyowa Exeo Group on August 26, 2015, resulted in the east Kanto region (Ibaraki and Chiba Prefectures) switching from Exeo Tech to Kyowa Exeo Corp.

2. Non-consolidated Figures



(1) Overview

(¥bn)

	FY 2014		FY 2015						
	Interim A	Full year B	Interim					Full year	
			Plan C	Actual D	YOY D/A	Plan accuracy D/C	Progress rate D/E	Plan E	YOY E/B
Orders received	118.7	236.2	116.0	108.3	91%	93%	45%	243.0	103%
Net sales	102.4	236.6	96.0	82.6	81%	86%	34%	240.0	101%
Gross profit	(10.2%) 10.4	(9.0%) 21.3	(10.7%) 10.3	(9.4%) 7.7	74%	75%	32%	(10.1%) 24.3	114%
SG&A expenses	(5.7%) 5.8	(4.8%) 11.3	(6.3%) 6.0	(6.6%) 5.4	94%	91%	48%	(4.7%) 11.3	100%
Operating income	(4.5%) 4.6	(4.2%) 10.0	(4.5%) 4.3	(2.8%) 2.2	49%	53%	18%	(5.4%) 13.0	130%
Ordinary income	(5.3%) 5.3	(4.6%) 10.9	(5.4%) 5.2	(5.6%) 4.6	87%	90%	33%	(5.8%) 14.0	128%
Net income	(8.7%) 8.9	(5.6%) 13.2	(3.6%) 3.5	(4.7%) 3.8	43%	111%	41%	(3.9%) 9.4	71%

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 2014		FY 2015						
				Interim	Full year	Interim			Full year			
						Plan	Actual	YOY	Plan accuracy	Progress rate	Plan	YOY
				A	B	C	D	D/A	D/C	D/E	E	E/B
Orders Received	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	26.6	56.9	25.0	27.8	104%	111%	53%	53.0	93%
			Network engineering	9.4	20.6	8.0	10.7	113%	134%	63%	17.0	82%
			Mobile engineering	25.6	47.8	23.0	25.0	98%	109%	53%	47.0	98%
			Sub-total	61.8	125.4	56.0	63.6	103%	114%	54%	117.0	93%
		Non-NTT telecom engineering	33.2	58.1	32.0	21.2	64%	66%	34%	62.0	107%	
		Environmental and social infrastructure	14.2	32.3	15.0	13.5	95%	90%	39%	35.0	108%	
		Sub-total	109.2	215.9	103.0	98.4	90%	96%	46%	214.0	99%	
	SYSTEM-SOLUTIONS	9.4	20.2	13.0	9.9	105%	76%	34%	29.0	143%		
	TOTAL	118.7	236.2	116.0	108.3	91%	93%	45%	243.0	103%		
Net Sales	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	24.7	55.1	25.0	24.4	99%	98%	44%	55.0	100%
			Network engineering	9.6	22.4	8.0	7.7	81%	97%	43%	18.0	80%
			Mobile engineering	24.4	49.6	21.0	19.7	81%	94%	42%	47.0	95%
			Sub-total	58.8	127.2	54.0	51.9	88%	96%	43%	120.0	94%
		Non-NTT telecom engineering	25.0	61.0	23.0	16.1	64%	70%	27%	61.0	100%	
		Environmental and social infrastructure	10.3	28.1	9.0	6.4	62%	72%	18%	35.0	124%	
		Sub-total	94.3	216.4	86.0	74.5	79%	87%	35%	216.0	100%	
	SYSTEM-SOLUTIONS	8.1	20.2	10.0	8.0	98%	80%	33%	24.0	119%		
	TOTAL	102.4	236.6	96.0	82.6	81%	86%	34%	240.0	101%		
Amount Carried Forward	ENGINEERING-SOLUTIONS	NTT Group engineering	Access engineering	14.0	13.9	—	17.3	123%	—	—	—	—
			Network engineering	7.4	5.8	—	8.8	118%	—	—	—	—
			Mobile engineering	22.1	19.1	—	24.4	110%	—	—	—	—
			Sub-total	43.7	38.9	—	50.5	116%	—	—	—	—
		Non-NTT telecom engineering	25.8	14.7	—	19.8	77%	—	—	—	—	
		Environmental and social infrastructure	34.3	34.8	—	41.9	122%	—	—	—	—	
		Sub-total	103.9	88.5	—	112.3	108%	—	—	—	—	
	SYSTEM-SOLUTIONS	4.2	3.0	—	4.9	115%	—	—	—	—		
	TOTAL	108.2	91.5	—	117.2	108%	—	—	—	—		

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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