

# Consolidated Financial Results for the Three Months Ended September 30, 2016 [Japanese GAAP]



November 11, 2016

**Company name: Nippon Koei Co., Ltd.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 1954

URL: <https://www.n-koei.co.jp/english>

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Scheduled date of filing quarterly securities report: November 11, 2016

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Results for the Three Months Ended September 30, 2016 (July 1, 2016 to September 30, 2016)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended September 30, 2016	12,282	39.4	(1,663)	-	(1,569)	-	(1,208)	-
September 30, 2015	8,811	21.9	(2,050)	-	(2,070)	-	(1,519)	-

(Note) Comprehensive income: Three months ended September 30, 2016: ¥(3,503) million [ - %]

Three months ended September 30, 2015: ¥(2,093) million [ - %]

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended September 30, 2016	(15.71)		-	
September 30, 2015	(19.90)		-	

## (2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of September 30, 2016	105,991		47,227		44.3	
June 30, 2016	100,989		51,460		50.6	

(Reference) Equity: As of September 30, 2016 : ¥46,905 million

As of June 30, 2016 : ¥51,122 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2016	-	-	-	10.00	10.00
Fiscal year ending June 30, 2017	-	-	-	-	-
Fiscal year ending June 30, 2017 (Forecast)	-	-	-	75.00	75.00

(Note)

(1) Revision to the forecast for dividends announced most recently: None

(2) The Company is planning to implement the share consolidation at a rate of one share for every five shares on the effective date, January 1, 2017. "Year-end Dividends per share" at the end of fiscal year ending June 30, 2017 (Forecast) is listed the figure calculated by considering the effect of the planned share consolidation. If the effect of the planned share consolidation is not taken into account, "Year-end Dividends per share" at the end of fiscal year ending June 30, 2017 (Forecast) is projected to be 15.00 yen. For details, please refer to No.2 under "\* Explanation of the proper use of financial results forecast and other notes".

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 (July 1, 2016 to June 30, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Full year	105,000	28.3	6,000	27.0	6,300	44.3	3,600	97.5	234.00	

(Note)

- (1) Revision to the financial results forecast announced most recently: None
- (2) “Net income per share” of full year in the Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is calculated by considering the effect of the share consolidation. If the effect of the share consolidation is not taken into account, “Net income per share” of full year in the Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2017 is projected to be 46.80 yen. For details, please refer to No.2 under “\* Explanation of the proper use of financial results forecast and other notes”.

#### \* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common stock)
  - 1) Total number of issued shares at the end of the period (including treasury stock):
    - As of September 30, 2016 : 86,656,510 shares
    - As of June 30, 2016 : 86,656,510 shares
  - 2) Total number of treasury stock at the end of the period:
    - As of September 30, 2016 : 9,679,123 shares
    - As of June 30, 2016 : 9,816,140 shares
  - 3) Average number of shares during the period:
    - Three months ended September 30, 2016 : 76,922,315 shares
    - Three months ended September 30, 2015 : 76,353,189 shares

#### \* Presentation regarding the implementation status of the quarterly review procedures

At the time of disclosure of these quarterly financial results, quarterly review procedures for the quarterly consolidated financial statements have not been completed.

#### \* Explanation of the proper use of financial results forecast and other notes

1. The earnings forecasts and other forward-looking statements disclosed herein are based on information available to the Company as of the date of publication of this document and certain assumptions deemed reasonable. Actual results, etc. may differ significantly due to a wide range of factors. With regard to the assumptions and other related matters concerning forecasts for the fiscal year ending June 30, 2017, refer to “1 Analysis of Operating Results and Financial Position” on page 2, contained in the attached documents.
2. Following the approval of the proposal concerning the share consolidation at the 72nd Ordinary General Meeting of Shareholders held on September 29, 2016, the share consolidation at a rate of one share for every five shares will be implemented on January 1, 2017 as the effective date. The Company is also planning to decrease the size of the Share Unit from 1,000 shares to 100 shares on the same date.

If the effect of the share consolidation is not taken into account, forecast of dividends and Consolidated Financial Results for the Fiscal Year Ending June 30, 2017 would be as follows:

- (1) Dividend Forecast for the Fiscal Year Ending June 30, 2017
  - Year-end Dividends per share 15.00 yen
- (2) Consolidated Financial Results Forecasts for the Fiscal Year Ending June 30, 2017
  - Net income per share of full year 46.80 yen

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## 1. Analysis of Operating Results and Financial Position

### (1) Analysis of Consolidated Operating Results

During the three months ended September 30, 2016 (from July 1, 2016 to September 30, 2016), Japan's economy continued on a moderate recovery path due to stable private consumption against the background of steady improvements in employment and income. Overseas economies continued to have a sense of uncertainty due to economic downturns in emerging markets in China and other Asian countries, the UK's Brexit issue, and other factors.

The business environment of Nippon Koei Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") continued to be stable, and each business segment had steady demand: front-load implementation of budget for public works for Domestic Consulting Operations; strategic exporting of infrastructure systems for International Consulting Operations; and renewal of power distribution equipment for Power Engineering Operations. Regarding Urban & Spatial Development Operations, demand for architectural design in UK was solid, although it was affected by the yen's appreciation against the pound sterling.

Under these circumstances, based on the Medium-Term Management Plan "NK-AIM" (from July 2015 to June 2018), with the fundamental principles of "Sustainable growth of 3 core businesses," "Generation and expansion of new business" and "Autonomy and collaboration", the Group tackled the three focus themes of "Further advance of global expansion," "Further expansion of business fields and improvement of profitability by intensifying existing core businesses," and "Demonstrating true merit of aggregated technologies for establishment of new business domains." As companywide measures to realize these goals, the Group actively advanced "Development of next-generation core technologies, and further improvement of technical strengths and productivity," "Strengthening of human resource recruitment and training," and "Promotion of collaboration and enhancement of corporate governance."

As a result of the above, and due mainly to, acceptance of an order for consultant's services relating to the Greater Cairo Metro Line No.4 phase 1 project in Egypt, and consolidation of the balance sheet of BDP HOLDINGS LIMITED as well as its subsidiaries (together, "BDP") from the end of the previous fiscal year. Orders received increased 66.6% year on year to ¥35,915 million, net sales increased 39.4% year on year to ¥12,282 million, operating loss decreased 18.9% year on year to ¥1,663 million, ordinary loss decreased 24.2% year on year to ¥1,569 million, and loss attributable to owners of parent decreased 20.5% to ¥1,208 million.

Net sales for the three months ended September 30, 2016 were ¥12,282 million, an achievement rate of 11.7% against the net sales forecast of ¥105,000 million for the fiscal year ending June 30, 2017 (three months ended September 30, 2015: 10.8%). This is attributable to seasonal fluctuations that resulted in recorded net sales being concentrated in the second half of the fiscal year, due to the concentration of consulting services and product deliveries to government agencies and power companies, the Company's major customers, in the second half. On the other hand, because expenses such as selling, general and administrative were generated fairly evenly throughout the year, the Group recorded an operating loss, an ordinary loss, and a loss attributable to owners of parent for the three months ended September 30, 2016.

Business results for each segment are as follows:

[Domestic Consulting Operations]

Domestic Consulting Operations promoted increasing business areas and market share by specifying significant businesses, improving profitability by restructuring work procedures, and effectively entering into alliances.

As a result, orders received for the three months ended September 30, 2016, increased 31.0% year on year to ¥15,589 million. Net sales decreased 14.3% year on year to ¥1,246 million. Operating loss increased 3.0% year on year to ¥2,145 million. Ordinary loss increased 2.9% year on year to ¥2,135 million.

[International Consulting Operations]

With the strength of our region-based operating systems in the four region of—Asia, Middle East and North Africa, Sub-Saharan Africa, and Latin America—International Consulting Operations secured a stable business foundation through the expansion of the share of Official Development Assistance (ODA) projects and expanding business scale by urban development and Public-Private Partnership (PPP) businesses.

As a result, orders received for the three months ended September 30, 2016, increased 133.3% year on year to ¥13,648 million. Net sales decreased 4.3% year on year to ¥3,467 million. Operating income was ¥75 million (an operating loss of ¥146 million was recorded for the three months ended September 30, 2015) and ordinary income was ¥36 million (an ordinary loss of ¥383 million was recorded for the three months ended September 30, 2015).

[Power Engineering Operations]

In the Power Engineering Operations, we worked to increase cost competitiveness through thorough cost reductions, strengthen sales and marketing capabilities through proposing cost reduction plans, enhance fusion and cooperation among the business areas of consulting, products, and construction, promote products and technology development, and reinforce and expand mechanical and electromechanical consulting division.

As a result, orders received increased 1.5% year on year to ¥3,866 million. Net sales increased 16.2% year on year to ¥4,134 million. Operating income increased 44.8% year on year to ¥806 million. Ordinary income increased 46.0% year on year to ¥801 million.

[Urban & Spatial Development Operations]

Urban & Spatial Development Operations promoted expanding the scope of business in the urban development and architectural design area by growing businesses within the UK and promoting collaboration in the Asian region.

As a result, the Group achieved orders received of ¥2,806 million, net sales of ¥3,260 million, operating income of ¥76 million, and ordinary income of ¥116 million.

BDP became a consolidated subsidiary of the Company from the previous fiscal year, consolidating only the balance sheets. Subsequently, BDP consolidated the statements of income from the three months ended September 30, 2016.

#### [Real Estate Leasing Operations]

Due to the decreased number of rental contracts caused by reconstruction of the headquarters building, net sales decreased 19.5% year on year to ¥116 million, and both operating income and ordinary income decreased 18.5% year on year to ¥91 million.

### (2) Analysis of Consolidated Financial Position

Total assets at the end of the current first quarter amounted to ¥105,991 million, up ¥5,001 million from the end of the previous fiscal year.

In the Assets section, current assets were ¥50,921 million, an increase of ¥4,767 million from the end of the previous fiscal year, due primarily to a ¥1,306 million increase in cash and deposits, a ¥3,697 million decrease in notes and accounts receivable - trade and a ¥6,308 million increase in work in process.

Non-current assets were ¥55,070 million, an increase of ¥233 million from the end of the previous fiscal year, due primarily to a decrease in goodwill and trademark right from the impact of foreign currency translations of overseas subsidiary companies and increased investments in subsidiary companies and long-term loans receivable.

In the Liabilities section, current liabilities were ¥36,564 million, a decrease of ¥6,543 million from the end of the previous fiscal year. This decrease was mainly attributable to a ¥10,000 million decrease in short-term loans payable and a ¥3,549 million increase in advances received.

Non-current liabilities were ¥22,199 million, an increase of ¥15,778 million from the end of the previous fiscal year. This increase was mainly attributable to a ¥14,410 million increase in long-term loans payable.

Net assets amounted to ¥47,227 million, a decrease of ¥4,232 million from the end of the previous fiscal year. The primary factors of this decrease were ¥1,208 million in loss attributable to owners of parent, ¥771 million in cash dividends paid, and an increase in the debit balance of foreign currency translation adjustment of ¥2,366 million in response to the yen's appreciation.

As a result, the shareholders' equity ratio decreased 6.3 percentage points from the end of the previous fiscal year to 44.3%.

### (3) Consolidated Financial Results Forecast and Other Forward-looking Statements

The consolidated financial results forecast for the fiscal year ending June 30, 2017 have not changed from the forecast announced in the Consolidated Financial Results for the Fiscal Year Ended June 30, 2016 dated August 12, 2016.

## 2. Matters Relating to Summary Information (Notes)

- (1) Changes in Significant Subsidiaries during the Period (Changes in scope of consolidations resulting from changes in subsidiaries)

There were no material changes in subsidiaries.

- (2) Accounting Policies Adopted Specially for the Preparation of Quarterly Consolidated Financial Statements

(Deferral of cost variance)

Because most of the cost variance attributable to seasonal fluctuations due primarily to capacity utilization is expected to be resolved by the end of the cost accounting period, it is deferred as other current liability.

- (3) Changes in Accounting Policies and Changes in Accounting Estimates and Retrospective Restatement

There were no material changes in Accounting Policies and Changes in Accounting Estimates and Retrospective Restatement.

- (4) Additional Information

(Application of Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective from the first quarter ended September 30, 2016, the Company adopted the Implementation Guidance on Recoverability of Deferred Tax Assets (ASBJ Guidance No. 26, March 28, 2016).

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

	(Million yen)	
	Previous fiscal year (As of June 30, 2016)	Current first quarter (As of September 30, 2016)
<b>Assets</b>		
Current assets		
Cash and deposits	11,174	12,481
Notes and accounts receivable - trade	17,715	14,017
Work in process	12,253	18,562
Other	5,017	5,866
Allowance for doubtful accounts	(8)	(6)
Total current assets	46,153	50,921
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,079	6,031
Land	17,332	17,407
Other, net	1,148	1,266
Total property, plant and equipment	24,561	24,705
Intangible assets		
Goodwill	10,312	8,755
Other	6,308	5,341
Total intangible assets	16,620	14,097
Investments and other assets		
Investment securities	8,285	8,636
Other	5,529	7,792
Allowance for doubtful accounts	(160)	(161)
Total investments and other assets	13,654	16,267
Total non-current assets	54,836	55,070
Total assets	100,989	105,991



(Million yen)

	Previous fiscal year (As of June 30, 2015)	Current first quarter (As of September 30, 2015)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,105	4,556
Short-term loans payable	16,000	6,000
Current portion of long-term loans payable	266	1,878
Income taxes payable	808	235
Advances received	8,181	11,731
Provision for bonuses	983	2,317
Provision for directors' bonuses	82	82
Provision for loss on construction contracts	59	104
Other	11,620	9,657
Total current liabilities	43,107	36,564
Non-current liabilities		
Long-term loans payable	1,260	15,670
Provision for directors' retirement benefits	45	45
Provision for environmental measures	34	34
Net defined benefit liability	2,554	4,001
Other	2,526	2,448
Total non-current liabilities	6,421	22,199
Total liabilities	49,529	58,764
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,393	7,393
Capital surplus	6,209	6,209
Retained earnings	40,821	38,841
Treasury shares	(3,020)	(2,977)
Total shareholders' equity	51,403	49,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(8)	80
Foreign currency translation adjustment	(301)	(2,668)
Remeasurements of defined benefit plans	28	25
Total accumulated other comprehensive income	(280)	(2,561)
Non-controlling interests	337	322
Total net assets	51,460	47,227
Total liabilities and net assets	100,989	105,991

## (2) Quarterly Consolidated Statements of Operating and Comprehensive Income

Three months ended September 30

	(Million yen)	
	For the three months ended September 30, 2015 (From July 1, 2015 to September 30, 2015)	For the three months ended September 30, 2016 (From July 1, 2016 to September 30, 2016)
Net sales	8,811	12,282
Cost of sales	6,798	8,378
Gross profit	2,012	3,903
Selling, general and administrative expenses	4,062	5,567
Operating loss	(2,050)	(1,663)
Non-operating income		
Interest income	34	36
Dividend income	39	45
Gain on sales of investment securities	123	-
Other	35	41
Total non-operating income	233	123
Non-operating expenses		
Interest expenses	6	26
Other	246	2
Total non-operating expenses	253	29
Ordinary loss	(2,070)	(1,569)
Extraordinary income		
State subsidy	42	-
Total extraordinary income	42	-
Extraordinary losses		
Head office transfer cost	-	105
Loss on reduction of non-current assets	38	-
Total extraordinary losses	38	105
Loss before income taxes	(2,066)	(1,675)
Income taxes - current	203	200
Income taxes - deferred	(749)	(658)
Total income taxes	(545)	(457)
Loss	(1,520)	(1,217)
Profit attributable to		
Loss attributable to owners of parent	(1,519)	(1,208)
Loss attributable to non-controlling interests	(1)	(9)
Other comprehensive income		
Valuation difference on available-for-sale securities	(485)	89
Foreign currency translation adjustment	(84)	(2,372)
Remeasurements of defined benefit plans, net of tax	(2)	(2)
Total other comprehensive income	(572)	(2,286)
Comprehensive income	(2,093)	(3,503)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,080)	(3,489)
Comprehensive income attributable to non-controlling interests	(12)	(14)

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended September 30, 2015 (From July 1, 2015 to September 30, 2015)	For the three months ended September 30, 2016 (From July 1, 2016 to September 30, 2016)
<b>Cash flows from operating activities</b>		
Loss before income taxes	(2,066)	(1,675)
Depreciation	347	389
Amortization of goodwill	-	123
Head office transfer cost	-	105
Increase (decrease) in allowance for doubtful accounts	(84)	(1)
Increase (decrease) in provision for bonuses	901	1,381
Increase (decrease) in provision for loss on construction contracts	38	45
Interest and dividend income	(73)	(82)
Decrease (increase) in notes and accounts receivable - trade	4,149	3,217
Decrease (increase) in inventories	(6,124)	(6,290)
Increase (decrease) in notes and accounts payable - trade	(923)	(483)
Increase (decrease) in advances received	2,277	3,560
Decrease (increase) in consumption taxes refund receivable	(1,471)	(443)
Other, net	(512)	(1,264)
Subtotal	(3,542)	(1,417)
Interest and dividend income received	39	42
Interest expenses paid	(4)	(17)
Payments for head office transfer cost	(93)	(18)
Income taxes paid	(1,480)	(726)
Net cash provided by (used in) operating activities	(5,081)	(2,136)
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	70	(110)
Purchase of property, plant and equipment	(747)	(413)
Purchase of intangible assets	(34)	(36)
Purchase of investment securities	(1,372)	(220)
Payments of loans receivable	(524)	(710)
Collection of loans receivable	15	228
Other, net	608	0
Net cash provided by (used in) investing activities	(1,983)	(1,261)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	3,000	(10,000)
Proceeds from long-term loans payable	-	16,121
Repayments of long-term loans payable	(65)	(99)
Proceeds from sales of treasury shares	44	55
Purchase of treasury shares	(2)	(12)
Cash dividends paid	(757)	(760)
Other, net	(14)	(10)
Net cash provided by (used in) financing activities	2,205	5,294
Effect of exchange rate change on cash and cash equivalents	(70)	(510)
Net increase (decrease) in cash and cash equivalents	(4,930)	1,386
Cash and cash equivalents at beginning of period	11,673	9,400
Cash and cash equivalents at end of period	6,742	10,787

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

For the three months ended September 30, 2016 (from July 1, 2016, to September 30, 2016)

There is no relevant information.

(Significant Changes in Shareholders' Equity)

For the three months ended September 30, 2016 (from July 1, 2016, to September 30, 2016)

There is no relevant information.

(Segment Information)

For the three months ended September 30, 2015 (from July 1, 2015, to September 30, 2015)

1) Information about net sales and income or loss for each reportable segment

(Million yen)

	Reportable segment						Others (Note)	Total
	Domestic Consulting Operations	International Consulting Operations	Power Engineering Operations	Urban & Spatial Development Operations	Real Estate Leasing Operations	Subtotal		
Net sales								
Net sales to external customers	1,455	3,625	3,558	-	145	8,783	27	8,811
Intersegment sales or transfers	88	0	46	-	31	166	0	166
Total	1,543	3,625	3,605	-	176	8,950	28	8,978
Segment profit (loss)	(2,074)	(383)	549	-	112	(1,795)	(277)	(2,073)

(Note) "Others" refers to a group of operations from which no profits are gained or that produce only incidental gains.

2) Differences between total segment profit or loss and ordinary income or loss in the quarterly consolidated statement of operations and comprehensive income and main details of these differences

(Million yen)

Income	Amount
Reportable segment total	(1,795)
Loss of "Others" category	(277)
Elimination of inter-segment transactions	2
Ordinary loss in the quarterly consolidated statement of operations and comprehensive income	(2,070)

For the three months ended September 30, 2016 (from July 1, 2016, to September 30, 2016)

1) Information about net sales and income or loss for each reportable segment

(Million yen)

	Reportable segment						Others (Note)	Total
	Domestic Consulting Operations	International Consulting Operations	Power Engineering Operations	Urban & Spatial Development Operations	Real Estate Leasing Operations	Subtotal		
Net sales								
Net sales to external customers	1,246	3,467	4,134	3,260	116	12,226	55	12,282
Intersegment sales or transfers	98	4	46	1	31	181	0	182
Total	1,345	3,472	4,180	3,262	148	12,408	56	12,464
Segment profit (loss)	(2,135)	36	801	116	91	(1,089)	(494)	(1,584)

(Note) "Others" refers to a group of operations from which no profits are gained or that produce only incidental gains.

2) Differences between total segment profit or loss and ordinary income or loss in the quarterly consolidated statement of operations and comprehensive income and main details of these differences

(Million yen)

Income	Amount
Reportable Segment total	(1,089)
Loss of "Others" category	(494)
Elimination of intersegment transactions	14
Ordinary loss in the quarterly consolidated statement of operations and comprehensive income	(1,569)

3) Information concerning changes to reporting segments, etc.

In the previous fiscal year, the Company acquired the issued stock of BDP HOLDINGS LIMITED, including it and its subsidiaries within the scope of consolidation. Following this event in the recorded segment, the reportable segment "Urban & Spatial Development Operations" was added.

The segment information for the three months ended September 30 2015 disclosed as comparative information to the three months ended September 30, 2016 is stated according to the revised designation of the reporting segment.

#### 4. Supplementary Information

##### (1) Status of Orders and Sales

By period		For the three months ended September 30, 2015		For the three months ended September 30, 2016		For the fiscal year ended June 30, 2016	
		Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Orders received	Domestic Consulting	11,896	55.2	15,589	43.4	44,109	42.4
	International consulting	5,850	27.1	13,648	38.0	28,876	27.8
	Power Engineering	3,808	17.7	3,866	10.8	14,716	14.1
	Urban & Spatial Development (Note 1)	-		2,806	7.8	16,251	15.6
	Real Estate Leasing	-		-		-	
	Other	0	0.0	4	0.0	64	0.1
	Total	21,555	100.0	35,915	100.0	104,019	100.0
Net sales 1	Domestic Consulting	1,519	17.2	1,289	10.5	43,545	53.2
	International consulting	3,882	44.1	3,895	31.7	23,362	28.6
	Power Engineering	3,264	37.0	3,719	30.3	14,421	17.6
	Urban & Spatial Development (Note 1)	-		3,260	26.5	-	
	Real Estate Leasing	145	1.7	116	1.0	514	0.6
	Other	0	0.0	0	0.0	21	0.0
	Total	8,811	100.0	12,282	100.0	81,865	100.0
Net sales 2	Domestic Consulting	1,455	16.5	1,246	10.1	40,778	49.8
	International consulting	3,625	41.1	3,467	28.2	22,070	27.0
	Power Engineering	3,558	40.4	4,134	33.7	17,522	21.4
	Urban & Spatial Development (Note 1)	-		3,260	26.5	-	
	Real Estate Leasing	145	1.6	116	1.0	514	0.6
	Other	27	0.4	55	0.5	979	1.2
	Total	8,811	100.0	12,282	100.0	81,865	100.0

By period		As of September 30, 2015		As of September 30, 2016		As of June 30, 2016	
		Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Impact of foreign exchange fluctuations	Domestic Consulting	-		-		-	
	International consulting	(845)	100.0	(251)	9.7	(2,940)	100.0
	Power Engineering	-		-		-	
	Urban & Spatial Development (Note 1)	-		(2,326)	90.3	-	
	Real Estate Leasing	-		-		-	
	Other	-		-		-	
	Total	(845)	100.0	(2,577)	100.0	(2,940)	100.0
Outstanding Orders	Domestic Consulting	38,350	37.9	42,838	32.9	28,538	26.2
	International consulting	52,550	51.8	63,503	48.8	54,001	49.5
	Power Engineering	10,451	10.3	10,350	8.0	10,203	9.4
	Urban & Spatial Development (Note 1)	-		13,470	10.3	16,251	14.9
	Real Estate Leasing	-		-		-	
	Other	7	0.0	54	0.0	49	0.0
	Total	101,359	100.0	130,217	100.0	109,044	100.0

(Notes) 1. Urban & Spatial Development Operations has been added to reportable segments due to the inclusion of BDP HOLDINGS LIMITED and its subsidiaries, which were consolidated from the end of the previous fiscal year.

2. The above amounts are exclusive of consumption taxes.

3. The above amounts are for external customers.

4. Net sales 1 is by segment which received orders. Net sales 2 is by segment which provided services.

5. From the three months ended September 30, 2016, the impact of foreign exchange fluctuations is listed separately from orders received, and the year for comparison is also reclassified.