

# Consolidated Financial Results for the Nine Months Ended March 31, 2016 [Japanese GAAP]



May 12, 2016

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

Stock exchange listing: Tokyo Stock Exchange

Code number: 1954

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

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Scheduled date of filing quarterly securities report: May 12, 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 Nine Months Ended March 31, 2016 (July 1, 2015 to March 31, 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	%
Nine months ended								
March 31, 2016	51,754	(3.2)	1,858	(24.9)	1,648	(50.8)	409	(88.5)
March 31, 2015	53,466	(4.4)	2,476	(42.7)	3,350	(27.8)	3,550	44.6

(Note) Comprehensive income: Nine months ended March 31, 2016: ¥(708) million [(118.1)%]

Nine months ended March 31, 2015: ¥3,915 million [31.7%]

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended				
March 31, 2016	5.35		-	
March 31, 2015	46.70		-	

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
March 31, 2016	99,015	51,619	51.8
June 30, 2015	84,110	52,981	62.6

(Reference) Equity: As of March 31, 2016 : ¥51,289 million

As of June 30, 2015 : ¥52,644 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen				
Fiscal year ended June 30, 2015	-	-	-	10.00	10.00
Fiscal year ending June 30, 2016	-	-	-		
Fiscal year ending June 30, 2016 (Forecast)				10.00	10.00

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

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2016 (July 1, 2015 to June 30, 2016)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share	
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
	84,000	2.6	4,200	(6.7)	4,500	(17.8)	2,200	(48.4)	28.77	

(Note) Revision to the financial results forecast announced most recently: None

#### \* Notes:

- (1) Changes in significant subsidiaries during the period (Changes in scope of consolidations resulting from change in subsidiaries): 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: Yes
  - 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 March 31, 2016 : 86,656,510 shares
    - As of June 30, 2015 : 86,656,510 shares
  - 2) Total number of treasury stock at the end of the period:
    - As of March 31, 2016 : 10,009,823 shares
    - As of June 30, 2015 : 10,370,910 shares
  - 3) Average number of shares during the period:
    - Nine months ended March 31, 2016 : 76,477,726 shares
    - Nine months ended March 31, 2015 : 76,028,250 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

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, 2016, refer to “(3) Forecast of Consolidated Financial Results” under “1. Analysis of Operating Results and Financial Position” on page 4, contained in the attachment.

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## 1. Analysis of Operating Results and Financial Position

### (1) Analysis of Consolidated Operating Results

During the nine months ended March 31, 2016 (July 1, 2015 to March 31, 2016), the Japanese economy stayed on a moderate recovery path. Personal consumption remained steady, and capital investment was being recovered in line with improving corporate profitability.

With regard to the business environment of Nippon Koei Co., Ltd. (the “Company”) and its subsidiaries (together, the “Group”), the Domestic Consulting Operations witnessed an increase in the budget for local governments as a result of regional revitalization, as well as increases in the disaster prevention and disaster mitigation business, the maintenance and management business for facilities under the Plan for Extending the Lifespan of Infrastructure, and demand for preparation of facilities for the Tokyo Olympics, despite a moderate decline in public investments. In the Power Engineering Operations, increases were seen in the areas of investment aimed at putting distribution networks in place for electric power companies and demand for renewal and new construction of hydroelectric power generation facilities taking advantage of the Feed-in Tariff (FIT) Scheme. On the other hand, environment in terms of obtaining orders became severer because of the increase in competition considering bidding price for orders at our major customer Tokyo Electric Power Company, Incorporated. In the International Consulting Operations, the market remained stable. Contributing factors included development demand in emerging markets in Asia and other parts of the world, reflecting the maintenance of a certain volume of Official Development Assistance (ODA) projects by Japan, as well as robust demand for private investment in development.

Under these circumstances, in the Domestic Consulting Operations, we strove to expand priority business domains, primarily consisting of the disaster prevention and disaster mitigation, the maintenance and management, and the environment and regional revitalization fields, as well as to secure orders from local governments. In the International Consulting Operations, we focused on securing orders for projects from the Japan International Cooperation Agency (JICA) and for railroad consulting projects. Furthermore, in the Power Engineering Operations, we kept on making effort to reduce costs so that we can be more cost-competitive, and enhance our ability to present better proposals regarding cost-cutting to our clients.

As a result, the Group’s financial performance for the nine months ended March 31, 2016 was as follows: orders received were ¥59,095 million, a decrease of ¥5,938 million year on year due to factors such as delays in contract of the large-scale projects; net sales were ¥51,754 million, a decrease of ¥1,711 million year on year; operating income was ¥1,858 million, a decrease of ¥617 million year on year; ordinary income was ¥1,648 million, a decrease of ¥1,701 million year on year; and profit attributable to owners of parent was ¥409 million, a decrease of ¥3,140 million year on year.

Net sales for the nine months ended March 31, 2016 was ¥51,754 million, an achievement rate of 61.6% with regard to the net sales forecast of ¥84,000 million for the fiscal year ending June 30, 2016. The achievement rate for the corresponding period of the previous fiscal year was 65.3%.

Business results for each segment are as follows:

[Domestic Consulting Operations]

Orders received for the nine months ended March 31, 2016, decreased by ¥2,516 million year on year to ¥28,084 million. Net sales decreased by ¥2,701 million year on year to ¥22,912 million. Ordinary income decreased by ¥909 million year on year to ¥270 million.

[International Consulting Operations]

Orders received for the nine months ended March 31, 2016, decreased by ¥4,989 million to ¥18,638 million. Net sales increased by ¥1,626 million to ¥14,548 million. Ordinary loss improved by ¥403 million to ¥40 million.

[Power Engineering Operations]

Orders received for the nine months ended March 31, 2016, increased by ¥1,532 million to ¥12,322 million. Net sales decreased by ¥247 million to ¥13,390 million. Ordinary income decreased by ¥1 million to ¥2,785 million.

[Real Estate Leasing Operations]

Net sales for the nine months ended March 31, 2016, decreased by ¥279 million to ¥393 million. Ordinary income decreased by ¥194 million to ¥291 million.

## (2) Analysis of Consolidated Financial Position

Total assets at the end of the current third quarter amounted to ¥99,015 million, up ¥14,904 million from the end of the previous fiscal year.

In the assets section, current assets were ¥60,001 million, an increase of ¥15,181 million from the end of the previous fiscal year, due primarily to a ¥8,747 million increase in notes and accounts receivable, and a ¥8,385 million increase in work in process.

Non-current assets were ¥39,013 million, a decrease of ¥276 million from the end of the previous fiscal year. This decrease was mainly attributable to a ¥1,272 million decrease in investment securities, partially offset by a ¥1,042 million increase in long-term loans receivable which is included in “Other” under investments and other assets.

In the liabilities section, current liabilities were ¥42,164 million, an increase of ¥17,697 million from the end of the previous fiscal year. This increase was mainly attributable to a ¥15,005 million increase in short-term loans payable, a ¥3,087 million increase in notes and accounts payable, partially offset by a ¥1,706 million decrease in accrued expenses which is included in “Other” under current assets.

Non-current liabilities were ¥5,231 million, a decrease of ¥1,430 million from the end of the previous fiscal year. This decrease was mainly attributable to a ¥652 million decrease in net defined benefit liability, a ¥232 million decrease in long-term loans payable, and a ¥418 million decrease in deferred tax liabilities which is included in “Other” under non-current liabilities.

Net assets amounted to ¥51,619 million, a decrease of ¥1,362 million from the end of the previous fiscal year. Primary factors of this decrease were ¥409 million in profit attributable to owners of parent, ¥772 million in cash dividends paid, and a decrease of ¥1,055 million in valuation difference on available-for-sale securities.

The shareholders' equity ratio decreased by 10.8 percentage points from the end of the previous fiscal year to 51.8%.

### (3) Forecast of Consolidated Financial Results

The consolidated financial results forecast for the fiscal year ending June 30, 2016 has not changed from the forecast announced in the Consolidated Financial Results for the Fiscal Year Ended June 30, 2015 dated August 12, 2015.

## 2. Matters Relating to Summary Information (“\* Notes”)

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

There was no material change in subsidiaries.

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

(Deferral of cost variance)

As any cost variance attributable to seasonal fluctuations due primarily to capacity utilization is mostly 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

Effective from the first quarter ended September 30, 2015, the Company adopted the Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013, hereinafter, “Business Combinations Standard”), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013, hereinafter, “Consolidated Financial Statements Standard”), the Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013, hereinafter, “Business Divestitures Standard”) and other standards. Accordingly, the Company’s accounting policies have changed, whereby the differences arising from changes in the Company’s equity in a subsidiary over which the Company retains control are recorded as capital surplus, and acquisition-related costs are expensed in the fiscal year in which they are incurred. In addition, for business combinations implemented at or after the beginning of the first quarter ended September 30, 2015, adjustments to acquisition cost allocation due to the settlement of provisional accounting treatment are now reflected in the consolidated financial statements for the quarter in which the business combination occurred. In addition, the Company has changed the presentation of net income and other related items, and the presentation of “minority interests” to “non-controlling interests.” To reflect these changes in presentation, the consolidated financial statements for the nine months ended March 31, 2015 and the fiscal year ended June 30, 2015 have been reclassified.

In the consolidated statement of cash flows for the nine months ended March 31, 2016, changes have been made whereby cash flows related to the acquisition or sale of shares in a subsidiary that does not involve changes in the scope of consolidation are listed under “cash flows from financing activities,” while cash flows related to expenses incurred in the acquisition of shares in a subsidiary that involves changes in the scope of consolidation, as well as expenses incurred in the acquisition or sale of shares in a subsidiary that does not involve changes in the scope of consolidation are listed under “cash flows from operating activities.”

The Business Combinations Standard and other standards were adopted in accordance with transitional treatments stipulated in Paragraph 58-2 (4) of the Business Combinations Standard, Paragraph 44-5 (4) of the Consolidated Financial Statements Standard and Paragraph 57-4 (4) of the Business Divestitures Standard, and they have been prospectively adopted from the beginning of the first quarter ended September 30, 2015.

There is no material impact on the consolidated financial statements for the nine months ended March 31, 2016.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	Previous fiscal year (As of June 30, 2015)	Current third quarter (As of March 31, 2016)
<b>Assets</b>		
Current assets		
Cash and deposits	12,148	9,528
Notes and accounts receivable - trade	16,802	25,550
Work in process	11,398	19,783
Raw materials and supplies	369	364
Other	4,114	4,784
Allowance for doubtful accounts	(12)	(9)
<b>Total current assets</b>	<b>44,820</b>	<b>60,001</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,025	6,175
Land	17,333	17,332
Other, net	1,166	927
<b>Total property, plant and equipment</b>	<b>24,525</b>	<b>24,435</b>
Intangible assets		
Other	570	550
<b>Total intangible assets</b>	<b>570</b>	<b>550</b>
Investments and other assets		
Investment securities	9,861	8,589
Other	4,696	5,607
Allowance for doubtful accounts	(364)	(169)
<b>Total investments and other assets</b>	<b>14,193</b>	<b>14,027</b>
<b>Total non-current assets</b>	<b>39,289</b>	<b>39,013</b>
<b>Total assets</b>	<b>84,110</b>	<b>99,015</b>



(Million yen)

	Previous fiscal year (As of June 30, 2015)	Current third quarter (As of March 31, 2016)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,539	7,627
Short-term loans payable	-	15,005
Current portion of long-term loans payable	164	266
Income taxes payable	1,508	338
Advances received	8,655	13,317
Provision for bonuses	1,019	1,982
Provision for directors' bonuses	84	-
Provision for loss on construction contracts	110	119
Asset retirement obligations	20	22
Other	8,364	3,485
Total current liabilities	24,466	42,164
Non-current liabilities		
Long-term loans payable	1,526	1,294
Provision for directors' retirement benefits	59	45
Provision for environmental measures	34	34
Net defined benefit liability	2,128	1,476
Asset retirement obligations	34	34
Other	2,879	2,346
Total non-current liabilities	6,662	5,231
Total liabilities	31,128	47,395
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,393	7,393
Capital surplus	6,209	6,209
Retained earnings	39,770	39,407
Treasury shares	(3,205)	(3,085)
Total shareholders' equity	50,167	49,924
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,659	604
Deferred gains or losses on hedges	-	55
Foreign currency translation adjustment	(100)	(227)
Remeasurements of defined benefit plans	917	932
Total accumulated other comprehensive income	2,476	1,364
Non-controlling interests	337	330
Total net assets	52,981	51,619
Total liabilities and net assets	84,110	99,015

(2) Quarterly Consolidated Statement of Income and Comprehensive Income  
 Nine months ended March 31

(Million yen)

	For the nine months ended March 31, 2015 (From July 1, 2014 to March 31, 2015)	For the nine months ended March 31, 2016 (From July 1, 2015 to March 31, 2016)
Net sales	53,466	51,754
Cost of sales	38,824	37,416
Gross profit	14,641	14,338
Selling, general and administrative expenses	12,165	12,479
Operating income	2,476	1,858
Non-operating income		
Interest income	60	83
Dividend income	282	155
Gain on sales of investment securities	-	124
Foreign exchange gains	532	-
Other	134	129
Total non-operating income	1,009	492
Non-operating expenses		
Interest expenses	40	34
Foreign exchange losses	-	490
Commission fee	87	167
Other	7	11
Total non-operating expenses	135	702
Ordinary income	3,350	1,648
Extraordinary income		
State subsidies	-	42
Gain on sales of property, plant and equipment	2,560	-
Gain on step acquisitions	45	-
Total extraordinary income	2,606	42
Extraordinary losses		
Loss on reduction of property, plant and equipment	-	38
Head office transfer cost	-	237
Total extraordinary losses	-	275
Income before income taxes and non-controlling interests	5,957	1,415
Income taxes – current	1,230	737
Income taxes – deferred	1,171	263
Total income taxes	2,401	1,001
Profit	3,555	414
Profit attributable to		
Profit attributable to owners of parent	3,550	409
Profit attributable to non-controlling interests	4	4
Other comprehensive income		
Valuation difference on available-for-sale securities	112	(1,054)
Deferred gains or losses on hedges	176	55
Foreign currency translation adjustment	(121)	(139)
Remeasurements of defined benefit plans, net of tax	192	15
Total other comprehensive income	359	(1,122)
Comprehensive income	3,915	(708)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,940	(702)
Comprehensive income attributable to non-controlling interests	(25)	(6)

## (3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	For the nine months ended March 31, 2015 (From July 1, 2014 to March 31, 2015)	For the nine months ended March 31, 2016 (From July 1, 2015 to March 31, 2016)
<b>Cash flows from operating activities</b>		
Income before income taxes and non-controlling interests	5,957	1,415
Depreciation	1,047	1,003
Loss (gain) on sales of investment securities	0	(124)
State subsidies	-	(42)
Loss on reduction of property, plant and equipment	-	38
Head office transfer cost	-	237
Increase (decrease) in allowance for doubtful accounts	(8)	(195)
Increase (decrease) in provision for bonuses	930	963
Increase (decrease) in provision for loss on construction contracts	(55)	8
Increase (decrease) in net defined benefit liability	(231)	(661)
Interest and dividend income	(342)	(239)
Foreign exchange losses (gains)	(126)	277
Decrease (increase) in notes and accounts receivable - trade	(16,593)	(8,899)
Decrease (increase) in inventories	(7,957)	(8,428)
Increase (decrease) in notes and accounts payable - trade	4,134	3,122
Increase (decrease) in advances received	3,568	4,716
Decrease (increase) in consumption taxes receivable	(1,058)	(1,489)
Other, net	(5,520)	(2,213)
Subtotal	(16,256)	(10,510)
Interest and dividend income received	368	205
Interest expenses paid	(41)	(33)
Payments for head office transfer cost	-	(561)
Income taxes paid	(1,411)	(2,363)
Net cash provided by (used in) operating activities	(17,340)	(13,262)
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	108	(1)
Proceeds from state subsidies	-	42
Purchase of property, plant and equipment	(1,205)	(1,153)
Purchase of intangible assets	(91)	(95)
Purchase of investment securities	(1,115)	(1,393)
Proceeds from sales of investment securities	1,370	561
Payments of loans receivable	(388)	(1,346)
Collection of loans receivable	175	69
Other, net	4,299	8
Net cash provided by (used in) investing activities	3,152	(3,308)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	14,500	15,005
Repayments of long-term loans payable	(130)	(130)
Proceeds from sales of treasury shares	106	127
Purchase of treasury shares	(8)	(8)
Cash dividends paid	(584)	(770)
Other, net	(52)	(42)
Net cash provided by (used in) financing activities	13,831	14,182
Effect of exchange rate change on cash and cash equivalents	103	(245)
Net increase (decrease) in cash and cash equivalents	(254)	(2,634)
Cash and cash equivalents at the beginning of period	8,465	11,673
Increase in cash and cash equivalents from newly consolidated subsidiaries	265	-
Cash and cash equivalents at the end of period	8,477	9,038

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

For the nine months ended March 31, 2016 (from July 1, 2015, to March 31, 2016)

There is no relevant information.

(Significant Changes in Shareholders' Equity)

For the nine months ended March 31, 2016 (from July 1, 2015, to March 31, 2016)

There is no relevant information.

(Segment Information)

For the nine months ended March 31, 2015 (from July 1, 2014, to March 31, 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	Real Estate Leasing Operations	Subtotal		
Net sales							
Net sales to external customers	25,614	12,922	13,637	672	52,847	619	53,466
Intersegment sales or transfers	257	22	177	93	550	1	551
Total	25,871	12,944	13,815	766	53,397	620	54,017
Segment profit (loss)	1,180	(444)	2,787	486	4,009	(645)	3,364

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

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

(Million yen)

Income	Amount
Reportable segment total	4,009
Loss of "Others" category	(645)
Elimination of intersegment transactions	(13)
Ordinary income in quarterly consolidated statement of income and comprehensive income	3,350

For the nine months ended March 31, 2016 (from July 1, 2015, to March 31, 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	Real Estate Leasing Operations	Subtotal		
Net sales							
Net sales to external customers	22,912	14,548	13,390	393	51,244	509	51,754
Intersegment sales or transfers	289	4	186	93	573	1	575
Total	23,202	14,552	13,576	486	51,818	511	52,329
Segment profit (loss)	270	(40)	2,785	291	3,307	(1,643)	1,663

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

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

(Million yen)

Income	Amount
Reportable segment total	3,307
Loss of "Others" category	(1,643)
Elimination of intersegment transactions	(14)
Ordinary income in quarterly consolidated statement of income and comprehensive income	1,648

#### 4. Supplementary Information

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

By period Category/ Operations		For the nine months ended March 31, 2015		For the nine months ended March 31, 2016		For the fiscal year ended June 30, 2015	
		Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Orders received	Domestic Consulting	30,601	47.1	28,084	47.5	45,057	51.5
	International Consulting	(Note 1) 23,628	36.3	18,638	31.5	(Note 1) 28,889	33.0
	Power Engineering	10,789	16.6	12,322	20.9	13,595	15.5
	Real Estate Leasing	—		—		—	
	Other	14	0.0	49	0.1	30	0.0
	Total	65,033	100.0	59,095	100.0	87,573	100.0
Net sales 1	Domestic Consulting	27,404	51.3	24,396	47.1	44,405	54.3
	International Consulting	13,800	25.8	15,585	30.1	21,679	26.5
	Power Engineering	11,586	21.7	11,363	22.0	14,904	18.2
	Real Estate Leasing	672	1.2	393	0.8	821	1.0
	Other	2	0.0	16	0.0	28	0.0
	Total	53,466	100.0	51,754	100.0	81,839	100.0
Net sales 2	Domestic Consulting	25,614	47.9	22,912	44.3	41,845	51.1
	International Consulting	12,922	24.2	14,548	28.1	20,174	24.7
	Power Engineering	13,637	25.5	13,390	25.9	17,857	21.8
	Real Estate Leasing	672	1.3	393	0.8	821	1.0
	Other	619	1.1	509	0.9	1,141	1.4
	Total	53,466	100.0	51,754	100.0	81,839	100.0

By period Category/ Operations		As of March 31, 2015		As of March 31, 2016		As of June 30, 2015	
		Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Outstanding orders	Domestic Consulting	30,520	32.1	31,662	32.6	27,974	31.3
	International Consulting	54,045	56.9	54,481	56.1	51,427	57.6
	Power Engineering	10,419	11.0	10,867	11.2	9,907	11.1
	Real Estate Leasing	—		—		—	
	Other	16	0.0	40	0.1	6	0.0
	Total	95,001	100.0	97,050	100.0	89,315	100.0

(Notes) 1. This includes ¥1,205 million, ¥427 million, and ¥246 million for NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD., PHILKOEI INTERNATIONAL, INC., and PT. INDOKOEI INTERNATIONAL, respectively, as the amounts of outstanding orders at the beginning of consolidation for these companies, which were consolidated from 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.