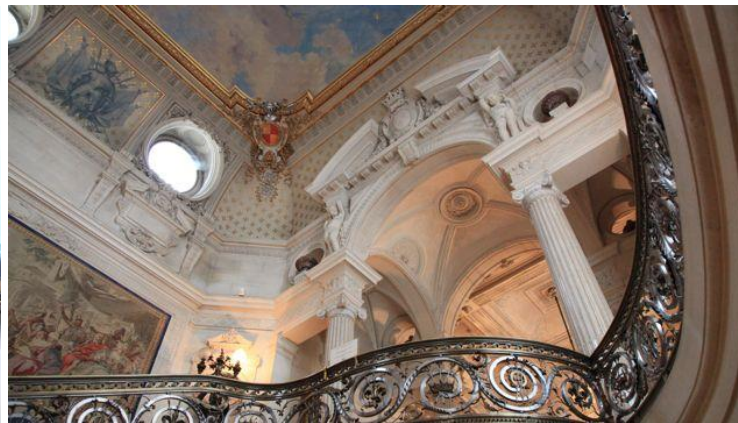


Financial Results for the 2nd Quarter of Fiscal Year Ending March 31, 2020

November 27, 2019



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 3 Consolidated Financial Results for 1H FY3/20

 12 Consolidated Financial Forecasts for FY3/20

 18 Medium-Term Growth Strategies

Consolidated Financial Results for 1H FY3/20



Consolidated Financial Results Highlights

Net Sales

¥52,446 million (+ 13.4% YoY)

- Renewal of existing contracts was firm, and fixed term contracts increased through expansion of the scope of business
- Increased in orders for repair work sales including large-scale projects

Operating Profit

¥3,360 million (+ 16.5% YoY)

- Improved profitability on change of specification details and review of work efficiency in addition to price revisions

Ordinary Profit

¥3,450 million (+ 13.4% YoY)

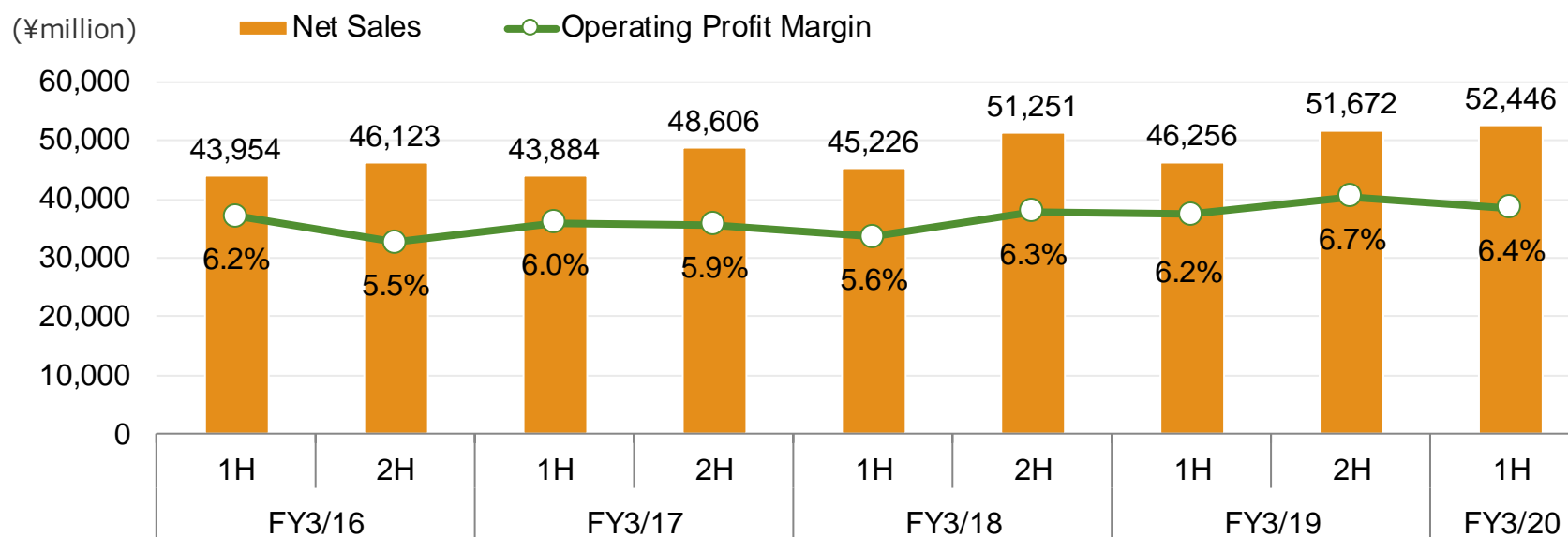
- Share of profit of entities accounted for using equity method increased
- Booked foreign exchange losses on the weak yen reversing to a strong yen

Profit Attributable to Owners of Parent

¥2,160 million (+ 14.0% YoY)

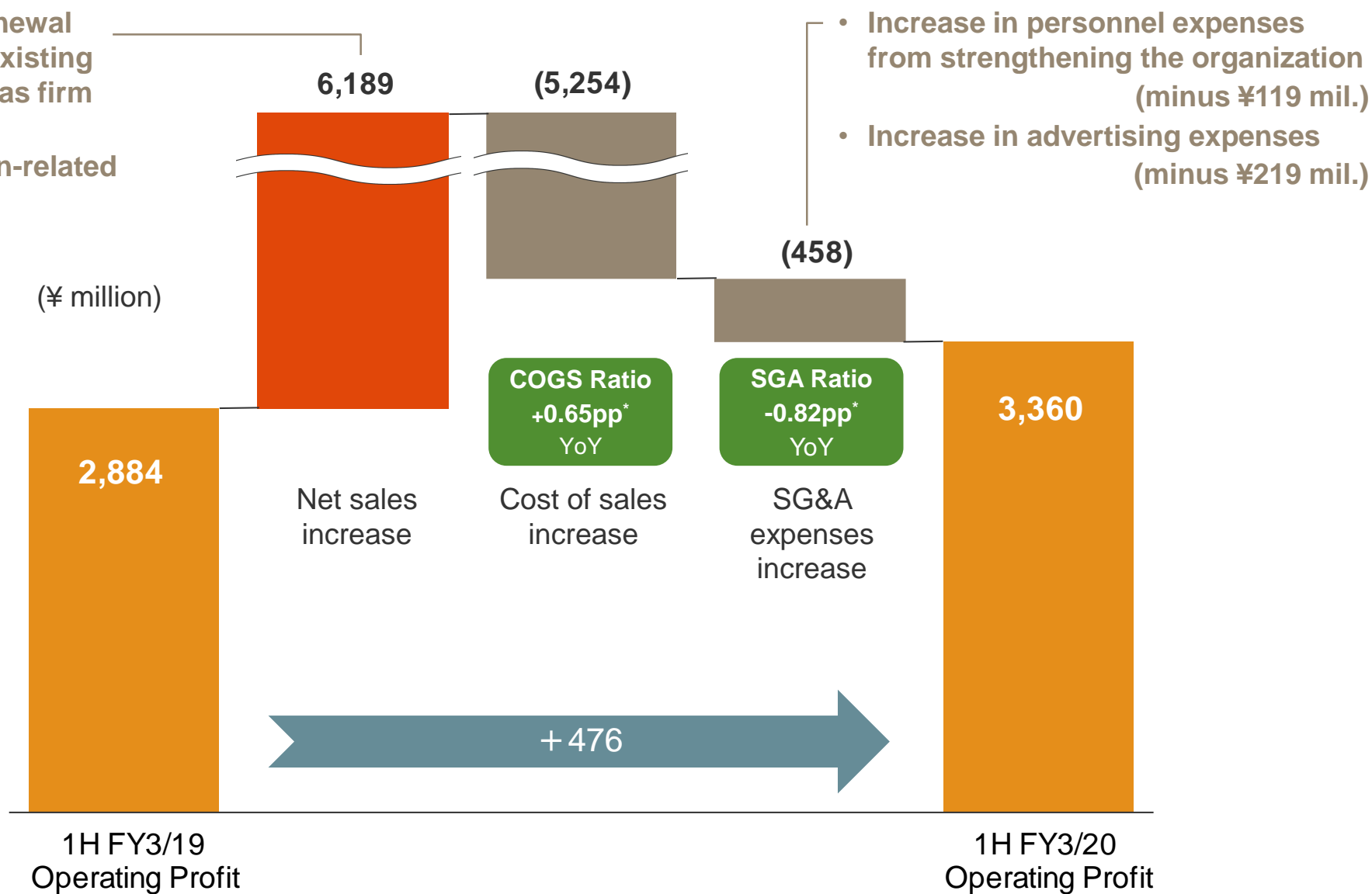
Consolidated Financial Results Summary

Consolidated (¥ million)	1H FY3/19		1H FY3/20		YoY Changes	
	Actual	Ratio	Actual	Ratio	Amount	Ratio
Net Sales	46,256	100.0%	52,446	100.0%	6,189	13.4%
Gross Profit	9,532	20.6%	10,468	20.0%	935	9.8%
SG&A Expenses	6,648	14.4%	7,107	13.6%	458	6.9%
Operating Profit	2,884	6.2%	3,360	6.4%	476	16.5%
Ordinary Profit	3,042	6.6%	3,450	6.6%	408	13.4%
Profit Attributable to Owners of Parent	1,894	4.1%	2,160	4.1%	265	14.0%



Increases/Decreases in Consolidated Operating Profit

- Contract renewal mainly for existing contracts was firm
- Increase in construction-related work



*pp (percentage point)

Overview of Consolidated Balance Sheets

Consolidated (¥ million)	FY3/19 End		1H FY3/20 End		YoY Changes	
	Actual	Ratio	Actual	Ratio	Amount	Ratio
Current assets	45,508	62.6%	48,421	64.2%	2,912	6.4%
Cash and deposits	25,817	35.5%	28,136	37.3%	2,319	9.0%
Notes and accounts receivable - trade	13,461	18.5%	13,852	18.4%	391	2.9%
Real estate for sale	4,372	6.0%	4,337	5.8%	(35)	-0.8%
Non-current assets	27,161	37.4%	26,950	35.8%	(211)	-0.8%
Property, plant and equipment	5,191	7.1%	5,169	6.9%	(22)	-0.4%
Intangible assets	2,263	3.1%	2,190	2.9%	(73)	-3.2%
Investments and other assets	19,705	27.1%	19,590	26.0%	(115)	-0.6%
Total Assets	72,670	100.0%	75,372	100.0%	2,701	3.7%
Current liabilities	15,209	20.9%	13,603	18.0%	(1,605)	-10.6%
Notes and accounts payable - trade	7,594	10.5%	7,705	10.2%	110	1.5%
Income taxes payable	1,621	2.2%	955	1.3%	(665)	-41.1%
Non-current liabilities	9,973	13.7%	9,347	12.4%	(626)	-6.3%
Long-term borrowings	1,500	2.1%	1,312	1.7%	(187)	-12.5%
Long-term guarantee deposited	2,739	3.8%	2,577	3.4%	(161)	-5.9%
Retirement benefit liability	1,102	1.5%	327	0.4%	(775)	-70.3%
Total Liabilities	25,182	34.7%	22,950	30.5%	(2,232)	-8.9%
Shareholders' equity	45,292	62.3%	50,593	67.1%	5,301	11.7%
Share capital	3,000	4.1%	3,000	4.0%	0	0.0%
Capital surplus	1,415	1.9%	3,785	5.0%	2,369	167.4%
Retained earnings	45,298	62.3%	46,580	61.8%	1,281	2.8%
Accumulated other comprehensive income	901	1.2%	621	0.8%	(280)	-31.1%
Share acquisition rights	22	0.0%	-	-	(22)	-
Non-controlling interests	1,271	1.7%	1,206	1.6%	(64)	-5.1%
Total Net Assets	47,487	65.3%	52,421	69.5%	4,933	10.4%
Total Liabilities and Net Assets	72,670	100.0%	75,372	100.0%	2,701	3.7%

Main Factors for Increase/Decrease

(¥ million)

Assets

- Increase in cash and deposits 2,319

Liabilities

- Increase in notes and accounts payable - trade 110
- Decrease in long-term borrowings (187)
- Decrease in retirement benefit liability (775)

Net Asset

- Increase in capital surplus 2,369

Equity Ratio

67.9%

(+4.3pp YoY)

Overview of Consolidated Statement of Cash Flows

Consolidated (¥ million)	1H FY3/19 Actual	1H FY3/20 Actual	YoY Changes Amount
Profit before income taxes	3,042	3,450	408
Depreciation	277	286	9
Decrease (increase) in notes and accounts receivable - trade	2,564	(790)	(3,354)
Increase (decrease) in notes and accounts payable - trade	(2,323)	(482)	1,841
Decrease (increase) in inventories	(1,966)	25	1,991
Other, net	(1,526)	(2,336)	(810)
Cash Flows from Operating Activities	66	152	85
Purchase of property, plant and equipment, and intangible assets	(299)	(243)	56
Purchase of investment securities	(25)	(273)	(247)
Other, net	66	(45)	(111)
Cash Flows from Investing Activities	(259)	(561)	(302)
Increase (decrease) in borrowings (incl. non-recourse loans)	2,033	(200)	(2,233)
Dividends paid (incl. dividends paid to non-controlling interests)	(856)	(1,014)	(158)
Proceeds from disposal of treasury shares through exercise of share acquisition rights	-	3,996	3,996
Other, net	142	(23)	(165)
Cash Flows from Financing Activities	1,319	2,758	1,439
Net increase (decrease) in cash and cash equivalents	1,135	2,319	1,183
Cash and cash equivalents at the beginning of current period	21,757	25,572	3,815
Cash and cash equivalents at the end of current period	22,892	27,891	4,998
Free Cash Flows	(192)	(409)	(216)

Main Factors for Increase/Decrease

(¥ million)

CF from Operating Activities 85

- Increase in notes and accounts receivable - trade (3,354)
- Increase in notes and accounts payable - trade 1,841
- Decrease in inventories 1,991

CF from Investing Activities (302)

- Increase in purchase of investment securities (247)

CF from Financing Activities 1,439

- Decrease in borrowings (2,233)
- Increase in proceeds from disposal of treasury shares through exercise of share acquisition rights 3,996

Business Segments and Major Group Companies

Facilities Management and Operation

¥36,830 mil

Building Maintenance and Property Management (excl. Security Service)
¥26,178 mil

Japan Property Solutions Co., Ltd.
Japan Environmental Solutions Co., Ltd.
Okinawa Nippon Kanzai Co., Ltd.
SANEI WORK Co., Ltd.

Security Service ¥10,651 mil

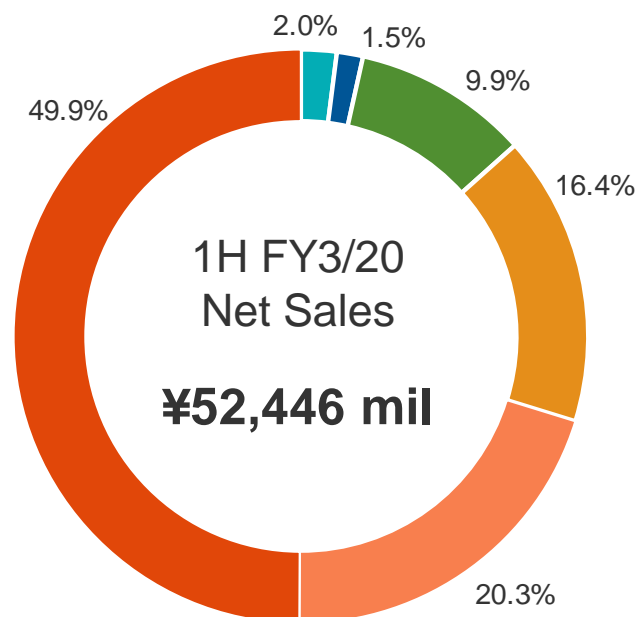
Three-S Co., Ltd.

Residential Management and Operation

¥8,593 mil

Condominium Management

NKJ Holdings Co., Ltd.
Japan Housing Management Co.
NJK Staff Service Co., Ltd.
Nippon Kanzai Housing Management Co., Ltd.
(including Nippon Kanzai Residential Management Administrative Department and Public Housing Management Division)



Environmental Facility Management

¥5,196 mil

Environmental Facility Management

Nippon Kanzai Environment Service Co., Ltd.

Real Estate Fund Management

¥772 mil

Asset Management

Tokyo Capital Management Co., Ltd.

Other

¥1,052 mil

Other Business

NS Corporation Co., Ltd.
(Advertisement, Sales Promotion,
and Design Supervision)

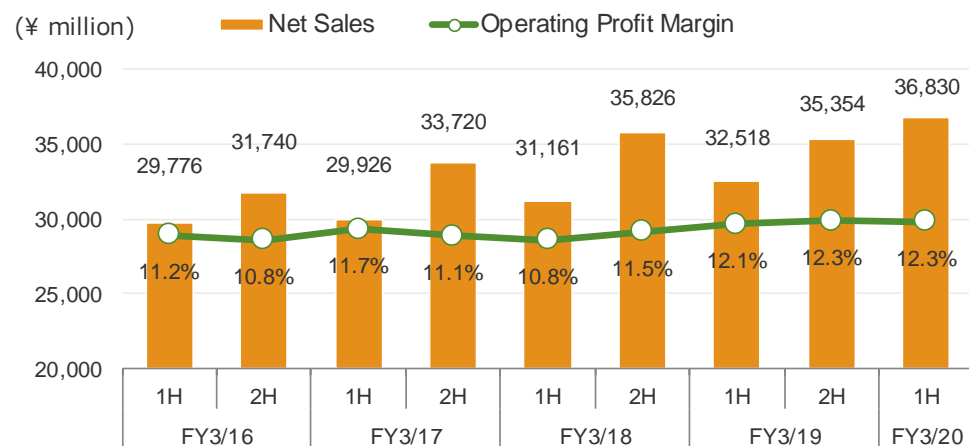
Financial Results by Business Segment

Consolidated (¥ million)	1H FY3/19		1H FY3/20		YoY Changes	
	Actual	Ratio/Margin	Actual	Ratio/Margin	Amount	Ratio
Net Sales	46,256	100.0%	52,446	100.0%	6,189	13.4%
Facilities Management and Operation Business	32,518	70.3%	36,830	70.2%	4,312	13.3%
Building Maintenance and Property Management	22,153	47.9%	26,178	49.9%	4,025	18.2%
Security Service	10,365	22.4%	10,651	20.3%	286	2.8%
Residential Management and Operation Business	7,379	16.0%	8,593	16.4%	1,213	16.4%
Environmental Facility Management Business	4,783	10.3%	5,196	9.9%	413	8.6%
Real Estate Fund Management Business	213	0.5%	772	1.5%	559	262.8%
Other Businesses	1,361	2.9%	1,052	2.0%	(309)	-22.8%
Operating Profit (Segment Profit or Loss)	2,884	6.2%	3,360	6.4%	476	16.5%
Facilities Management and Operation Business	3,935	12.1%	4,523	12.3%	587	14.9%
Building Maintenance and Property Management	2,667	12.0%	3,256	12.4%	588	22.1%
Security Service	1,267	12.2%	1,266	11.9%	(1)	-0.1%
Residential Management & Operation Business	639	8.7%	756	8.8%	117	18.3%
Environmental Facility Management Business	603	12.6%	656	12.6%	52	8.8%
Real Estate Fund Management Business	(19)	-9.3%	97	12.7%	117	-
Other Businesses	218	16.0%	144	13.7%	(74)	-33.9%
Adjustments	(2,492)	-	(2,817)	-	(324)	-

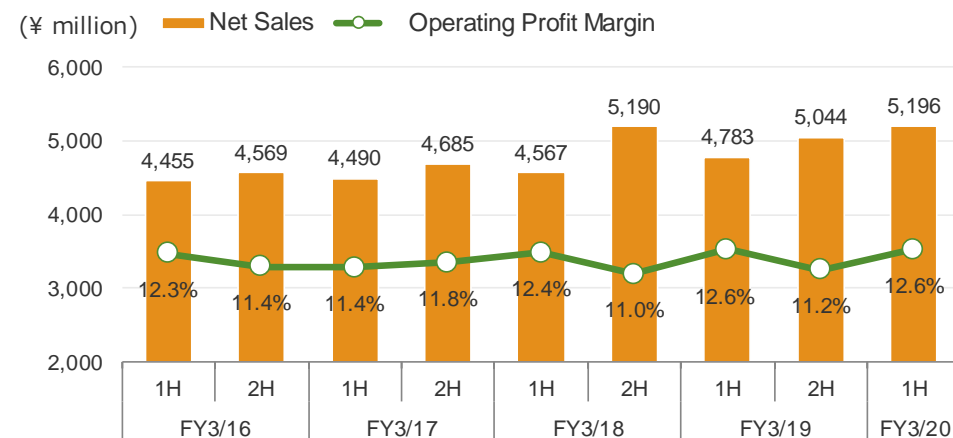
*The adjustment amount of operating profit (segment profit or loss) is SG&A expenses which are not attributable to any segment.

Performance of Major Segments

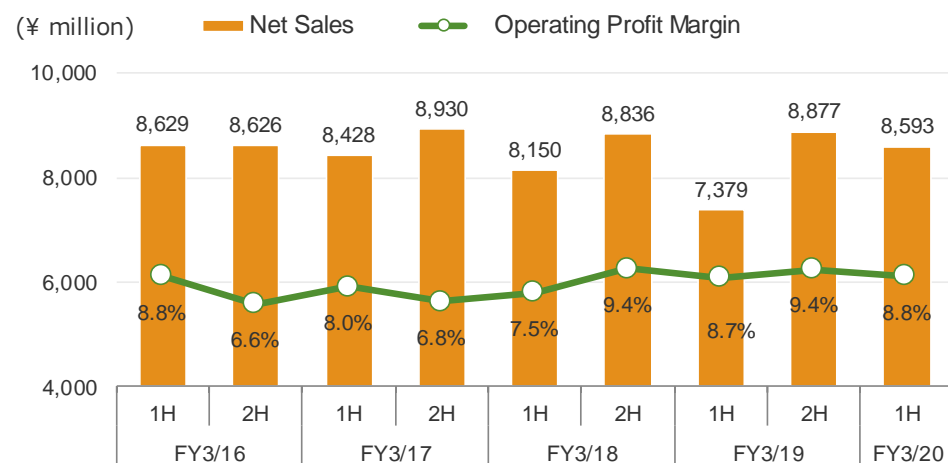
Facilities Management and Operation Business



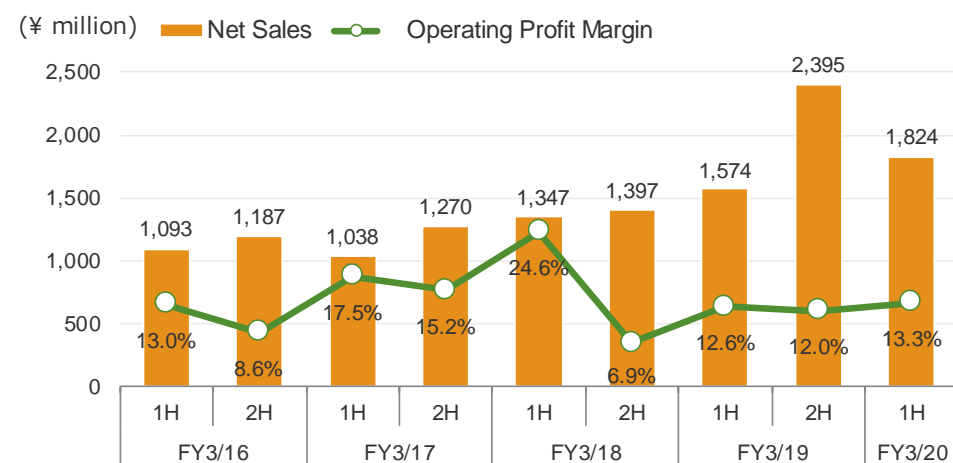
Environmental Facility Management Business



Residential Management and Operation Business



Real Estate Fund Management and Other



Consolidated Financial Forecasts for FY3/20



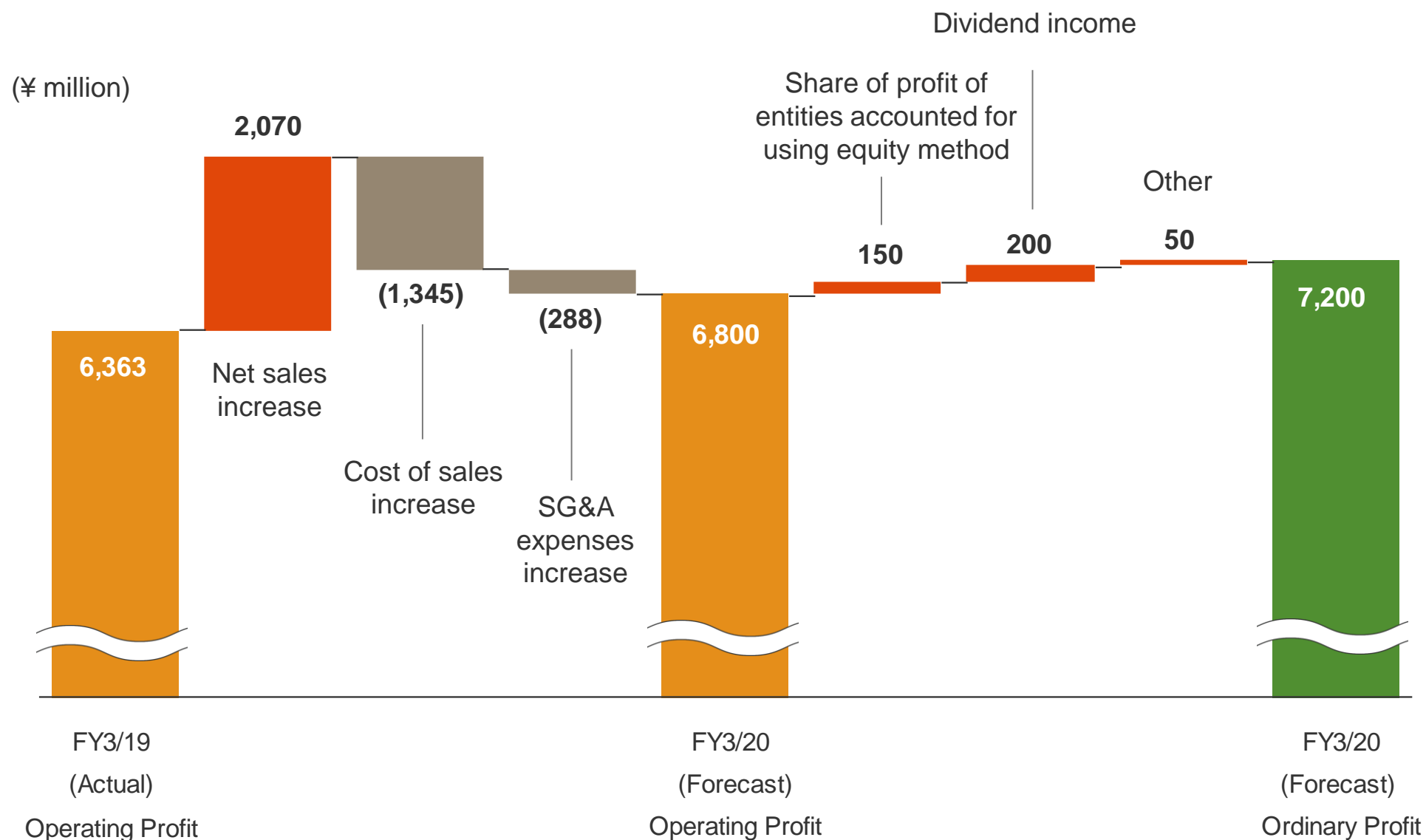
Consolidated Financial Forecasts Summary

Market Background

- Large-scale building developments continue mainly in major urban areas.
 - Developments of commercial facilities to meet inbound tourist demand continue in both suburban and regional areas.
 - Our targets, medium- to large-size facilities, are expected to increase.
 - Difficulties in securing on-site staff and rise in wages may cause concerns.
-
- Operating profit is expected to increase from business line expansion and cost restraints.
 - For ordinary profit, share of profit of entities accounted for using equity method is expected to increase and non-operating expenses are expected to be controlled.
 - There is no change to initial forecasts published on May 8, 2019.

Consolidated (¥ million)	Full-Year FY3/19		1H FY3/20		2H FY3/20		Full-Year FY3/20		YoY Changes	
	Actual	Ratio	Actual	Ratio	Forecast	Ratio	Forecast	Ratio	Amount	Ratio
Net Sales	97,929	100.0%	52,446	100.0%	47,553	100.0%	100,000	100.0%	2,070	2.1%
Gross Profit	19,874	20.3%	10,468	20.0%	10,131	21.3%	20,600	20.6%	725	3.6%
SG&A Expenses	13,511	13.8%	7,107	13.6%	6,692	14.1%	13,800	13.8%	288	2.1%
Operating Profit	6,363	6.5%	3,360	6.4%	3,439	7.2%	6,800	6.8%	436	6.9%
Ordinary Profit	6,760	6.9%	3,450	6.6%	3,749	7.9%	7,200	7.2%	439	6.5%
Profit Attributable to Owners of Parent	4,313	4.4%	2,160	4.1%	2,439	5.1%	4,600	4.6%	286	6.7%

Increases/Decreases in Consolidated Ordinary Income Forecast



Financial Forecasts by Business Segment

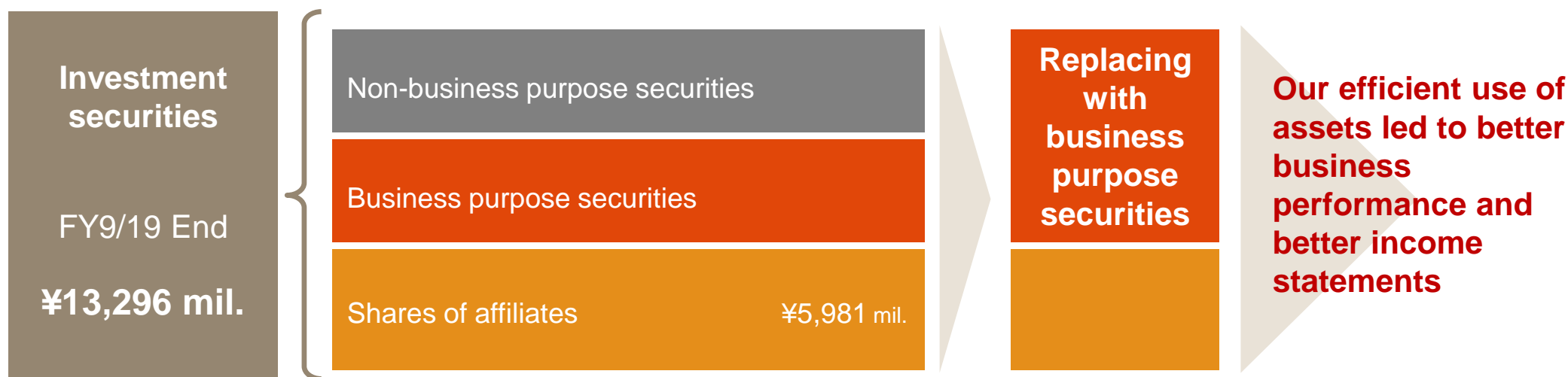
Consolidated (¥ million)	Full-Year FY3/19		1H FY3/20		2H FY3/20		Full-Year FY3/20		YoY Changes	
	Actual	Ratio/Margin	Actual	Ratio/Margin	Forecast	Ratio/Margin	Forecast	Ratio/Margin	Amount	Ratio
Net Sales	97,929	100.0%	52,446	100.0%	47,553	100.0%	100,000	100.0%	2,070	2.1%
Facilities Management and Operation Business	67,873	69.3%	36,830	70.2%	32,669	68.7%	69,500	69.5%	1,626	2.4%
Building Maintenance and Property Management	46,713	47.7%	26,178	49.9%	21,621	45.5%	47,800	47.8%	1,086	2.3%
Security Service	21,160	21.6%	10,651	20.3%	11,048	23.2%	21,700	21.7%	539	2.6%
Residential Management and Operation Business	16,257	16.6%	8,593	16.4%	8,006	16.8%	16,600	16.6%	342	2.1%
Environmental Facility Management Business	9,828	10.0%	5,196	9.9%	5,103	10.7%	10,300	10.3%	471	4.8%
Real Estate Fund Management Business	1,514	1.5%	772	1.5%	427	0.9%	1,200	1.2%	(314)	-20.7%
Other Businesses	2,456	2.5%	1,052	2.0%	1,347	2.8%	2,400	2.4%	(56)	-2.3%
Operating Profit	6,363	6.5%	3,360	6.4%	3,439	7.2%	6,800	6.8%	436	6.9%
Facilities Management and Operation Business	8,296	12.2%	4,523	12.3%	4,476	13.7%	9,000	12.9%	703	8.5%
Building Maintenance and Property Management	5,622	12.0%	3,256	12.4%	3,043	14.1%	6,300	13.2%	677	12.1%
Security Service	2,674	12.6%	1,266	11.9%	1,433	13.0%	2,700	12.4%	25	1.0%
Residential Management and Operation Business	1,472	9.1%	756	8.8%	803	10.0%	1,560	9.4%	87	6.0%
Environmental Facility Management Business	1,170	11.9%	656	12.6%	583	11.4%	1,240	12.0%	69	5.9%
Real Estate Fund Management Business	82	5.4%	97	12.7%	(27)	-6.5%	70	5.8%	(12)	-15.1%
Other Businesses	403	16.4%	144	13.7%	135	10.1%	280	11.7%	(123)	-30.5%
Adjustments	(5,061)	-	(2,817)	-	(2,532)	-	(5,350)	-	(288)	-

*The adjustment amount of operating profit (segment profit or loss) is SG&A expenses which are not attributable to any segment.

Corporate Governance Measures

Promotion of Effective Asset Utilization in Accordance with the Corporate Governance Code (since April 2015)

- Improving the portfolio of investment securities to enhance business development

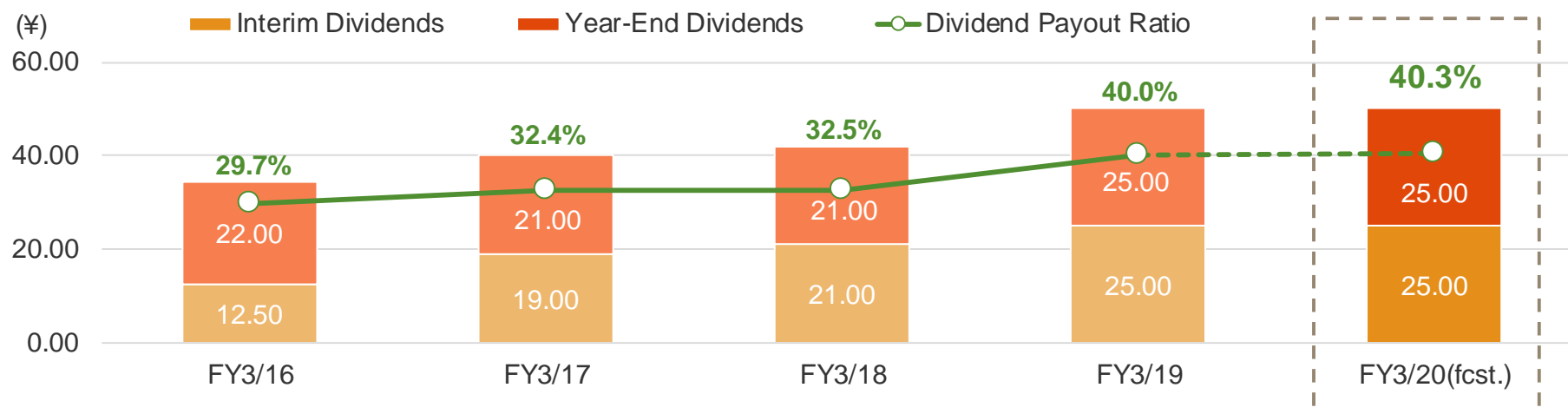


Current initiatives

- Ongoing negotiations with several additional companies for sale of non-business purpose securities.

Topics: Shareholder Return Policy

- Dividend policy is one of the Company's most important tasks and we return profit by appropriate distribution of results according to performance.
- For FY3/20, the interim dividend was decided at ¥25. The year-end dividends will be set at ¥25, planning for total dividends of ¥50 per share.
- Going forward, we will continue to strive to be able to maintain a consolidated payout ratio of 35% or more.



Medium-Term Growth Strategies



Medium-Term Growth Strategies of Our Group

Business Opportunities

1 Increase in demand for private sector's expertise in public sector

2 Global development of know-how accumulated through domestic businesses

3 Approach based on IT technologies etc.

Growth Strategies

- Create business opportunities through PPP/PFI and designated administrator projects (P.20~P.24)

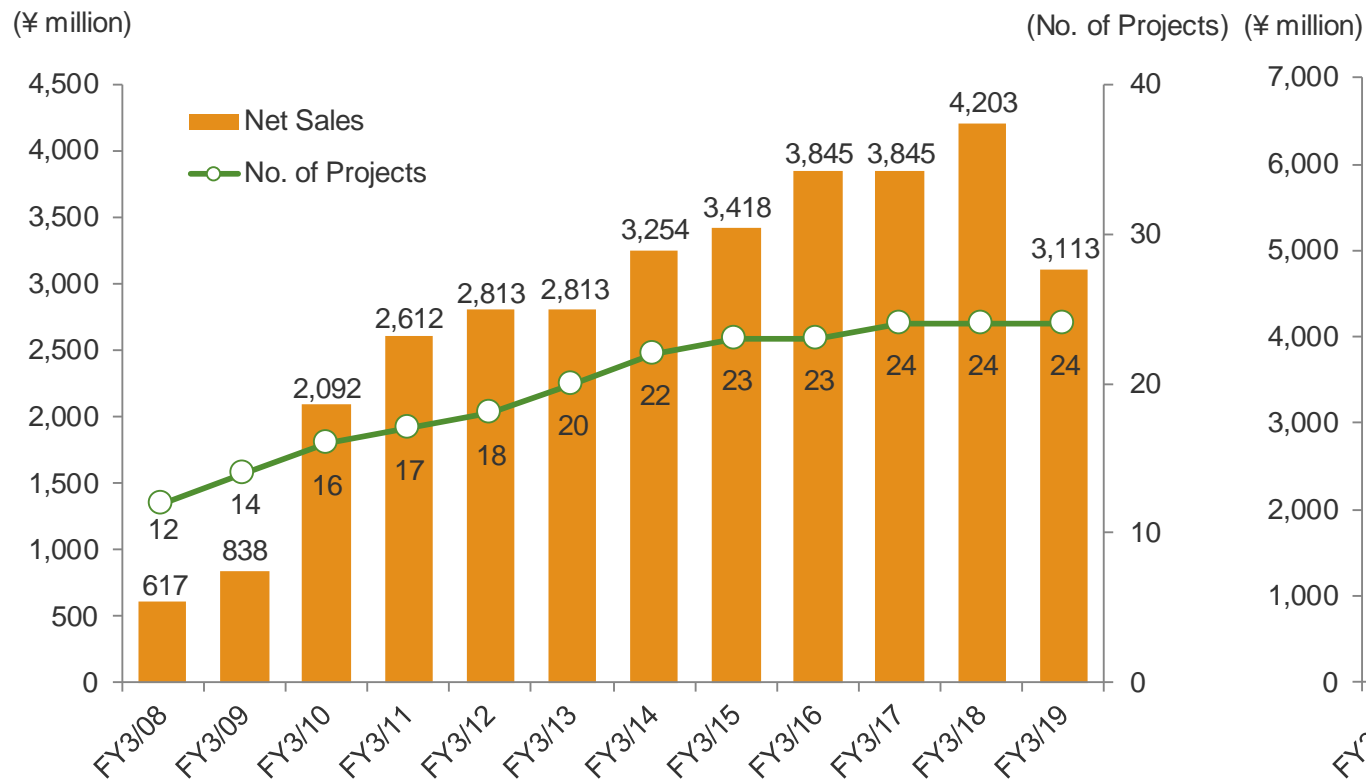
- Invest in overseas companies
- Reinforce our residential management business through cooperation with overseas group companies (P.26~P.27)

- Introduce IT into work management know-how and create new partners
- Standardize service quality and increase work efficiency (P.29~P.33)

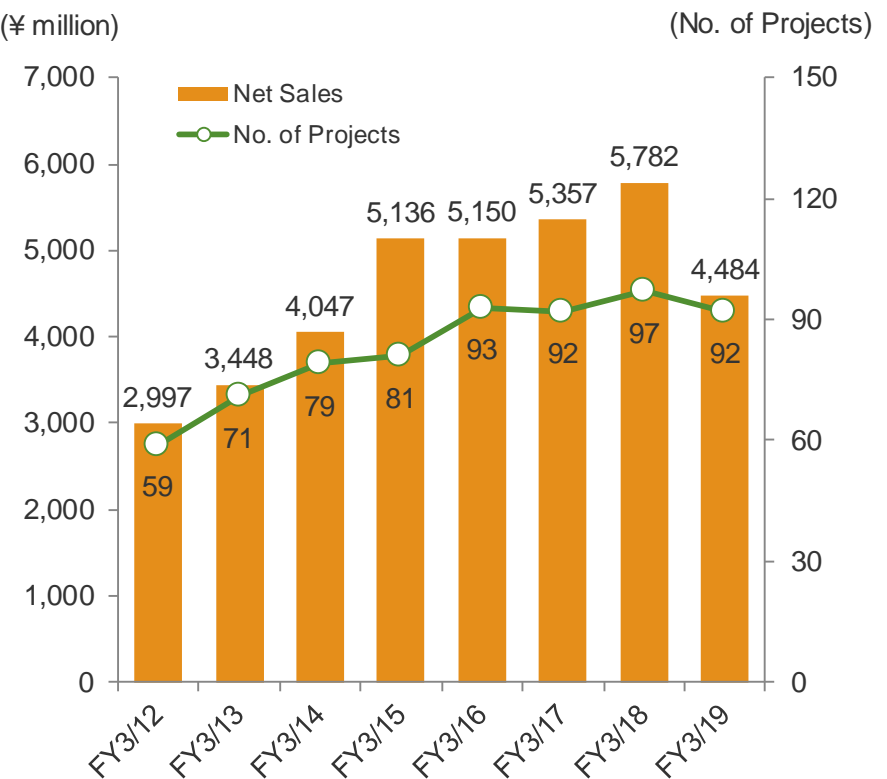
Business Opportunities (1): Track Records for Public Sector Business (excluding conventional general bidding)

Continuous Efforts toward Expansion of Ancillary Business

PFI



Designated Administrator

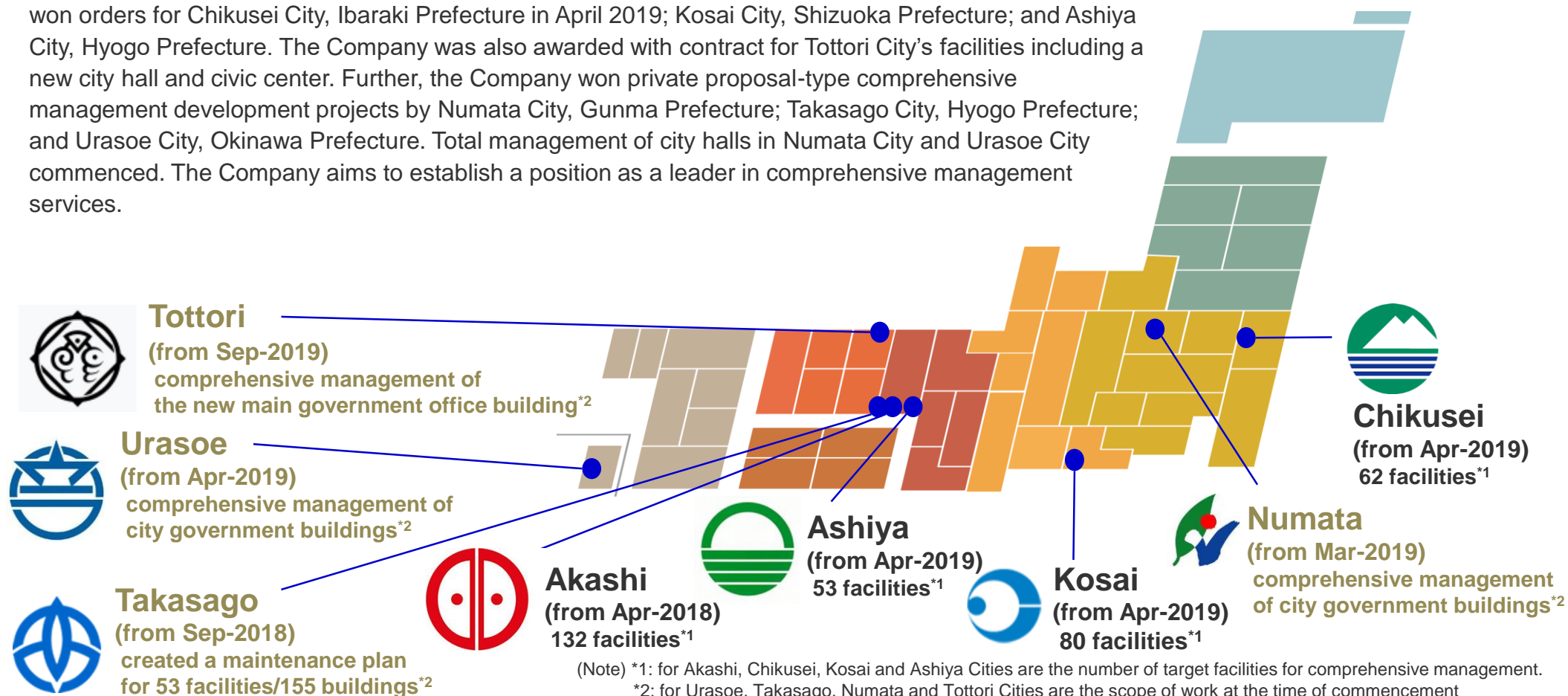


Business Opportunities (1): Comprehensive Management of Public Facilities

Comprehensive Management of Public Facilities

Comprehensive management is a form of contract for facilities management work for multiple public facilities of local governments.

Starting with comprehensive management services for Akashi City, Hyogo Prefecture, the Company has won orders for Chikusei City, Ibaraki Prefecture in April 2019; Kosai City, Shizuoka Prefecture; and Ashiya City, Hyogo Prefecture. The Company was also awarded with contract for Tottori City's facilities including a new city hall and civic center. Further, the Company won private proposal-type comprehensive management development projects by Numata City, Gunma Prefecture; Takasago City, Hyogo Prefecture; and Urasoe City, Okinawa Prefecture. Total management of city halls in Numata City and Urasoe City commenced. The Company aims to establish a position as a leader in comprehensive management services.



Business Opportunities (1): PFI Business

First arena for concessions in Japan

NIPPON KANZAI participates in the consortium that was selected as the operating rights (concessions) holder candidate for the “Ariake Arena Management Operations Project” announced by the Tokyo Metropolitan Government on July 11, 2018.

This is the first attempt at arena management under a concessions-type contract in Japan. The objectives are to create a sports trend for Tokyo residents, to make the best use of private company know-how, as well as starting a new culture by holding events like concerts.

Working toward improving service for Tokyo residents, we aim to make the Ariake Arena a new sports and culture hub for Tokyo.

As a member of the proposing group, the Company is involved in the entire project. We will play a role in achieving stable business execution during the period of the project. To be more specific, we are responsible for management and maintenance work.

Consortium companies

Representative company	DENTSU INC.
Members	NTT DOCOMO, INC. NIPPON KANZAI Co., Ltd. AMUSE INC. LIVE NATION JAPAN DENTSU LIVE INC. ASICS Japan Corp.
Partner companies	NTT FACILITIES, INC. Xross Sports Marketing Co., Ltd. Mitsubishi Research Institute, Inc.

Facilities overview

Name	Ariake Arena
Owner	Tokyo
Site area	Approx. 36,576 m ²
Total floor space	Approx. 47,200 m ²
Structure	Steel reinforced concrete, partial steel-frame steel reinforced concrete / steel-frame
Height / no. of floors	Approx. 37 meters, 5 floors above ground

Facility image



Business Opportunities (1): Public Facilities Management Support Business

Public Facilities Management Support Services and Publicity Strategy

■ PPP Agreement Partner with Ministry of Land, Infrastructure, Transport and Tourism (MLIT)

A PPP agreement is a partnership agreement between MLIT and private enterprises to promote partnership agreements with local governments in order to increase the opportunities for local government officials and local companies to obtain knowledge and know-how on PPP/PFI, and promote seminars and consulting by partner companies. The Company was certified as a PPP Agreement Partner in FY2018, and we conducted seminars in 6 locations nationwide. The Company is certified as an Agreement Partner for both seminar-type and consulting-type for FY2019. Going forward, we plan to actively conduct enlightenment activities aimed at local governments.

■ Public Facilities Management Support Services

Leveraging its know-how and experience of life cycle cost management cultivated through building management over many years, Nippon Kanzai supports public facilities management of local governments. Associate Professor Hiroki Tsutsumi from Maebashi Institute of Technology and Visiting Professor Manabu Minami from Toyo University were invited as advisers, and they are promoting the collaboration between industry and academia as well as business expansion.

Also, in order to strengthen sales development to government offices, we continue to publish articles introducing the Company's support work for local governments in each issue of "JICHITAI TSUSHIN"* since Apr-2018.

Seminars conducted in FY2019

Event location	Event date	No. of participating municipalities
Osaka	26-Jun	48 municipalities: 79 persons
Nagoya	10-Jul	36 municipalities: 57 persons
Fukuoka	12-Jul	28 municipalities: 53 persons
Naha	17-Jan	—
Tsukuba	24-Jan	—
Tokyo	6-Feb	—

PPP: Public-Private-Partnership



Seminar held in Osaka

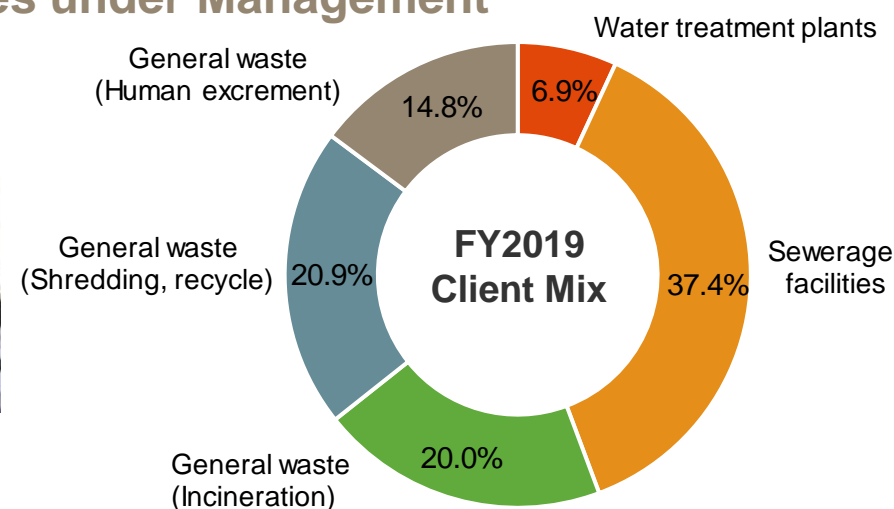
JICHITAI TSUSHIN (local government communications) articles introducing Nippon Kanzai



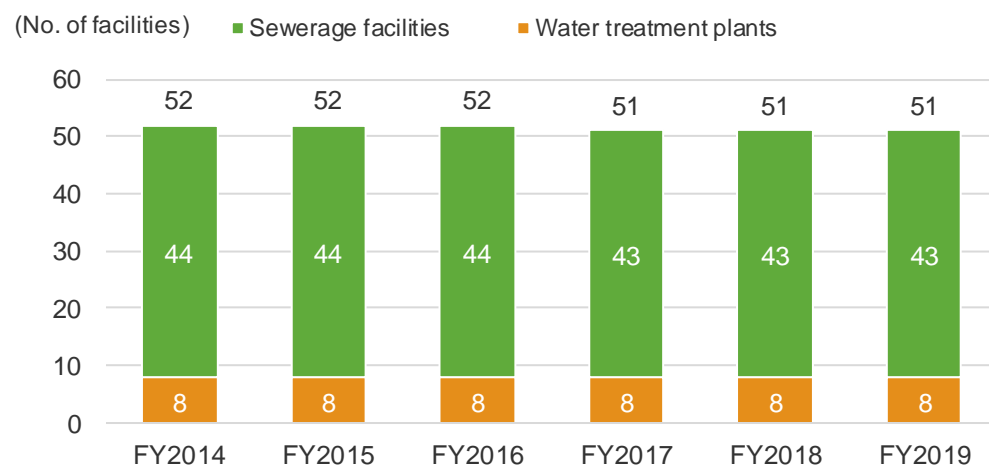
*JICHITAI TSUSHIN (local government communications) is an information magazine that introduces local governments solutions for issues and private companies that support them, and it has free distribution of approximately 28,000 copies in 1,700 municipalities in 47 prefectures.

Business Opportunities (1): Track Records in Environmental Facilities

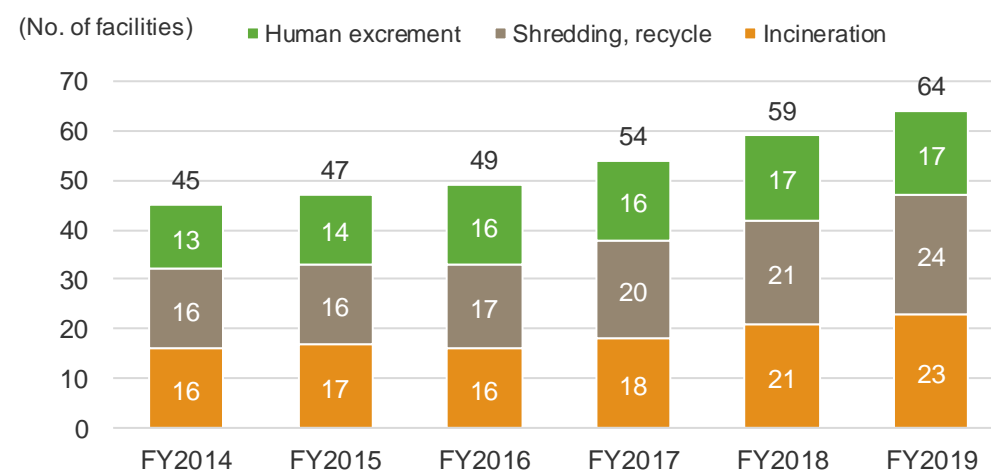
Overview and Historical Number of Major Facilities under Management



Number of water and sewerage facilities



Number of general waste treatment facilities



*No. of contracts as of Mar 31

Medium-Term Growth Strategies of Our Group

Business Opportunities

- 1** Increase in demand for private sector's expertise in public sector
- 2** Global development of know-how accumulated through domestic businesses
- 3** Approach based on IT technologies etc.

Growth Strategies

- Create business opportunities through PPP/PFI and designated administrator projects (P.20~P.24)
- Invest in overseas companies
- Reinforce our residential management business through cooperation with overseas group companies (P.26~P.27)
- Introduce IT into work management know-how and create new partners
- Standardize service quality and increase work efficiency (P.29~P.33)

Business Opportunities (2): Overseas Development (Overview of PICA Pty Ltd.)

Company Overview

PICA is the largest “Strata Manager” in Australia that acts as an agent for owners’ associations. Using multiple brand names, such as “BCS” (Body Corporate Services), PICA mainly provides services to support owners’ associations as well as debt collection for delinquent levies.

With Nippon Kanzai’s engineering abilities, PICA has introduced services related to physical aspects of buildings.

Background

Nippon Kanzai acquired 50% shares of PICA from Fexco, a global fintech organization in March 2013. Founded in 1981, Fexco employs over 2,300 people and now has operations in 29 countries across Europe, the Middle East, Asia-Pacific, North America and Latin America.

Fexco website <http://www.fexco.com/>



Reception



Properties under Management



Company Name

Prudential Investment Company of Australia Pty Ltd.

Establishment

October 4, 1948

Capital

AUD28 million as of December 31, 2018

Main Business

Strata management, Debt collection

HQ

Sydney

Major Branches

Major cities of East Coast, include Sydney, Melbourne, Brisbane, Cairns etc.

Employees

Approx. 680 as of December 31, 2018

No. of Lots under Management

Approx. 198,000 lots, 12,000 associations as of December 31, 2018

Business Opportunities (2): Overseas Development (Overview of KPPM, LLC)

Company Overview

Keystone Pacific Property Management, LLC (hereinafter “Keystone Pacific LLC”) is a management company of gated communities which are developments consisting detached houses and high-end multi-unit housings in estates surrounded by walls. Keystone Pacific provides home owners’ associations with supporting services including holding annual general meeting, accounting and financial reporting and stationing on-site manager and has a reputation for offering high-quality and detailed services. Other than subsidiaries and affiliates of major nationwide companies, Keystone Pacific is ranked within the top ten companies in Southern California. Going forward the Company is also considering growth through acquisitions, and in April 2019, made the first acquisition of business rights of a local competitor.

Background

Nippon Kanzai’s subsidiary, Nippon Kanzai USA, Inc. acquired minority interests from Keystone Pacific Property Management Inc., the owner of the interests.

Keystone Pacific LLC became an equity-method affiliate of the Nippon Kanzai.

We will work to raise operations efficiency and expand services through renovation of the IT system, and target future growth through incorporating the Company’s know-how and expanding properties under management to include high-rise condominiums etc.

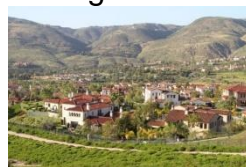


Irvine, California

Office



Properties under Management



Company Name

Keystone Pacific Property Management, LLC

Establishment

September 15, 2016

Main Business

Residential management

HQ

Irvine, California

Major Branches

Southern California, and especially in Orange County

Employees

Approx. 210 as of December 31, 2018

No. of Lots under Management

Approx. 72,000 lots, approx. 320 associations as of December 31, 2018

Medium-Term Growth Strategies of Our Group

Business Opportunities

- 1** Increase in demand for private sector's expertise in public sector
- 2** Global development of know-how accumulated through domestic businesses
- 3** Approach based on IT technologies etc.

Growth Strategies

- Create business opportunities through PPP/PFI and designated administrator projects (P.20~P.24)
- Invest in overseas companies
- Reinforce our residential management business through cooperation with overseas group companies (P.26~P.27)
- Introduce IT into work management know-how and create new partners
- Standardize service quality and increase work efficiency (P.29~P.33)

Business Opportunities (3): Approach Based on IT

We aim to create new partners by introducing IT to work management and sharing information, and further utilization of IT to standardize service quality and to improve efficiency, and to achieve reformation through IT approach both externally and internally.

External approach

- We aim to systematize our work management and commercialize work management including agency work as package products. By providing our package products to local governments, building owners who manage buildings on their own, and small and medium-size building management companies, we aim to reinforce relationships with them and increase the number of our loyal customers without providing excessive services.

Public facilities management system	: Cross Point FM
Building information sharing system	: LEAD-Web
Work management support application	: NK Application



LEAD-Web

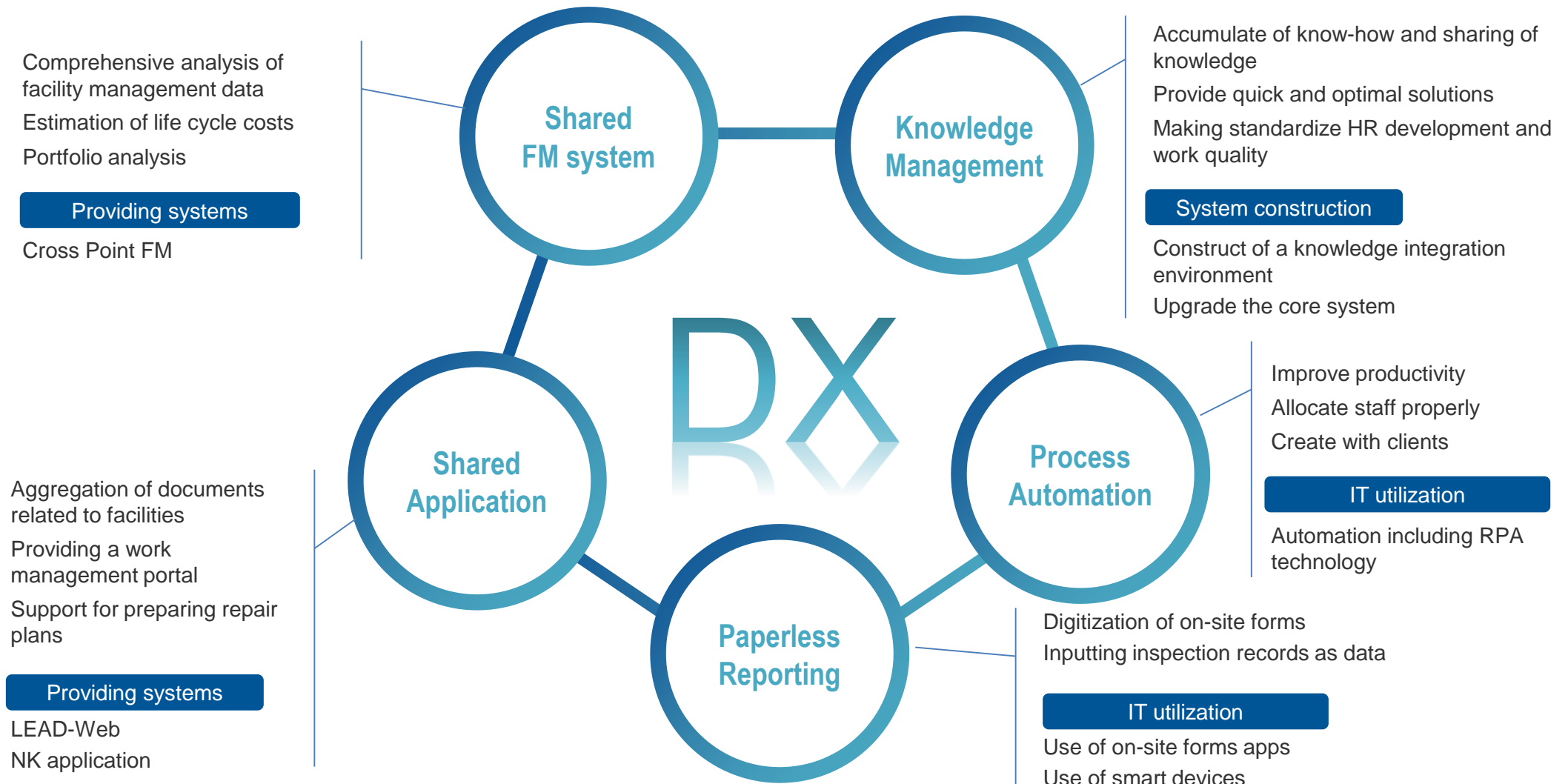


Internal approach

- Construction of knowledge integration environment is in process with an objective of turning collective tacit knowledge into explicit knowledge. Our tacit knowledge has been accumulated over 50 years of experience since foundation. A system using AI technology which can easily retrieve the relevant information leads to the development of human resources for early deployment and uniform work quality.
- Using IT including RPA, we aim to enhance work efficiency and automation in every detail of work at customer service, engineering and back office. Furthermore, our staff will spend more time for customer relations once we reduce back office staff and place them at front office.
- By promoting the digitization of on-site forms and inputting inspection records as data, we are aiming to raise work efficiency and to create a cross-sectional database of the status of building management. We will continue to provide customers with proposals based on data accumulated in the past, at the present as well as in the future.

Business Opportunities (3): Approach Based on IT -Digital Transformation-

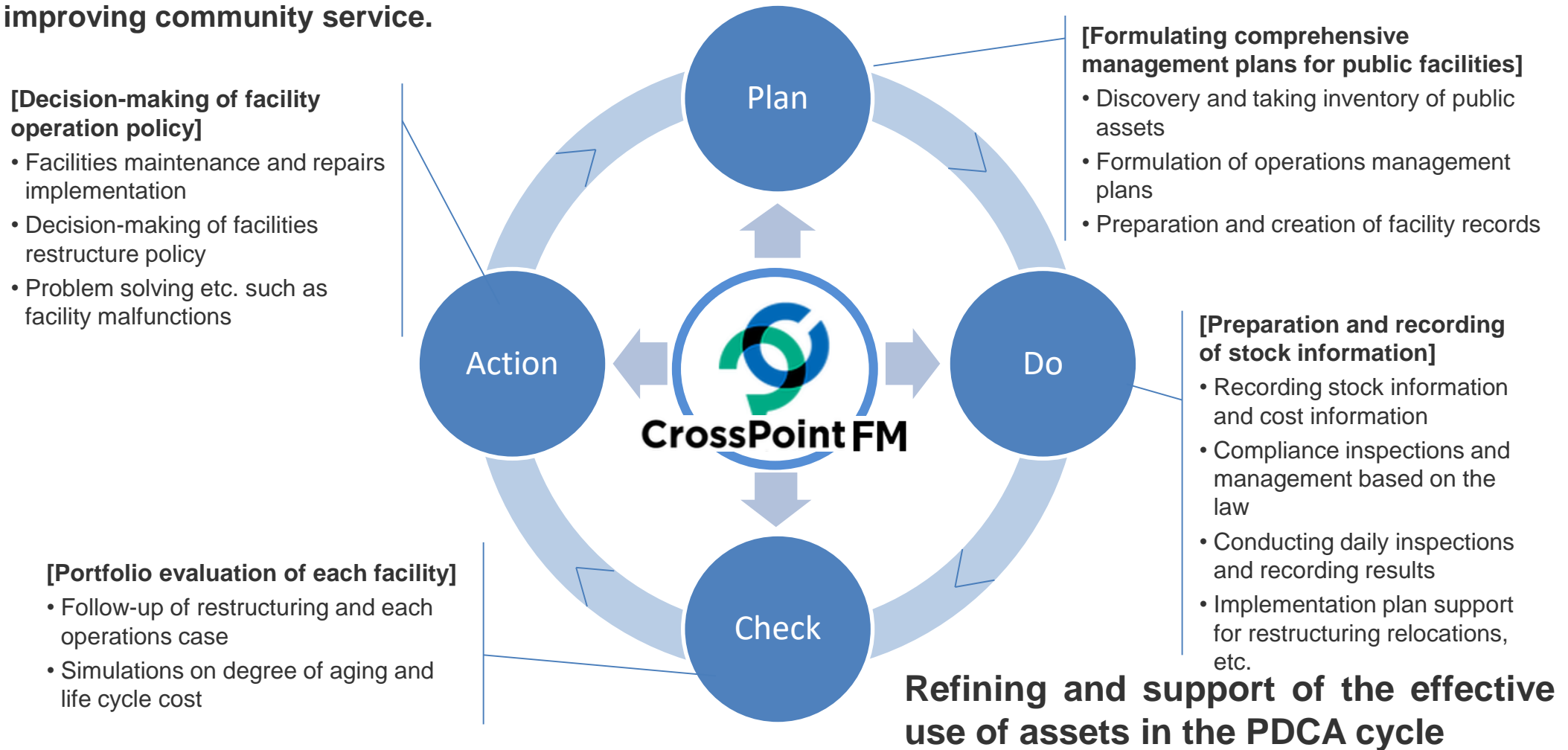
With IT approaches both externally and internally, and fusion of digital and analog, we provide optimal services to customers. -NIPPON KANZAI's "Digital Transformation" Strategy-



Business Opportunities (3): Providing Systems

-Public Facilities Management Systems Cross Point FM-

Cross Point FM supports automatic evaluation of public facilities, optimal placement planning, operations management, and supports the reduction of the duties of staff in charge as well as maintaining and improving community service.



Note: Cross Point FM is a system developed by Cross Point Consulting Co., Ltd., in which the Company has a stake, under a consigned R&D project of the Japan Science and Technology Agency (JST).

Business Opportunities (3): Combining Digital and Analog Resources of Building Management

Digital Business Base

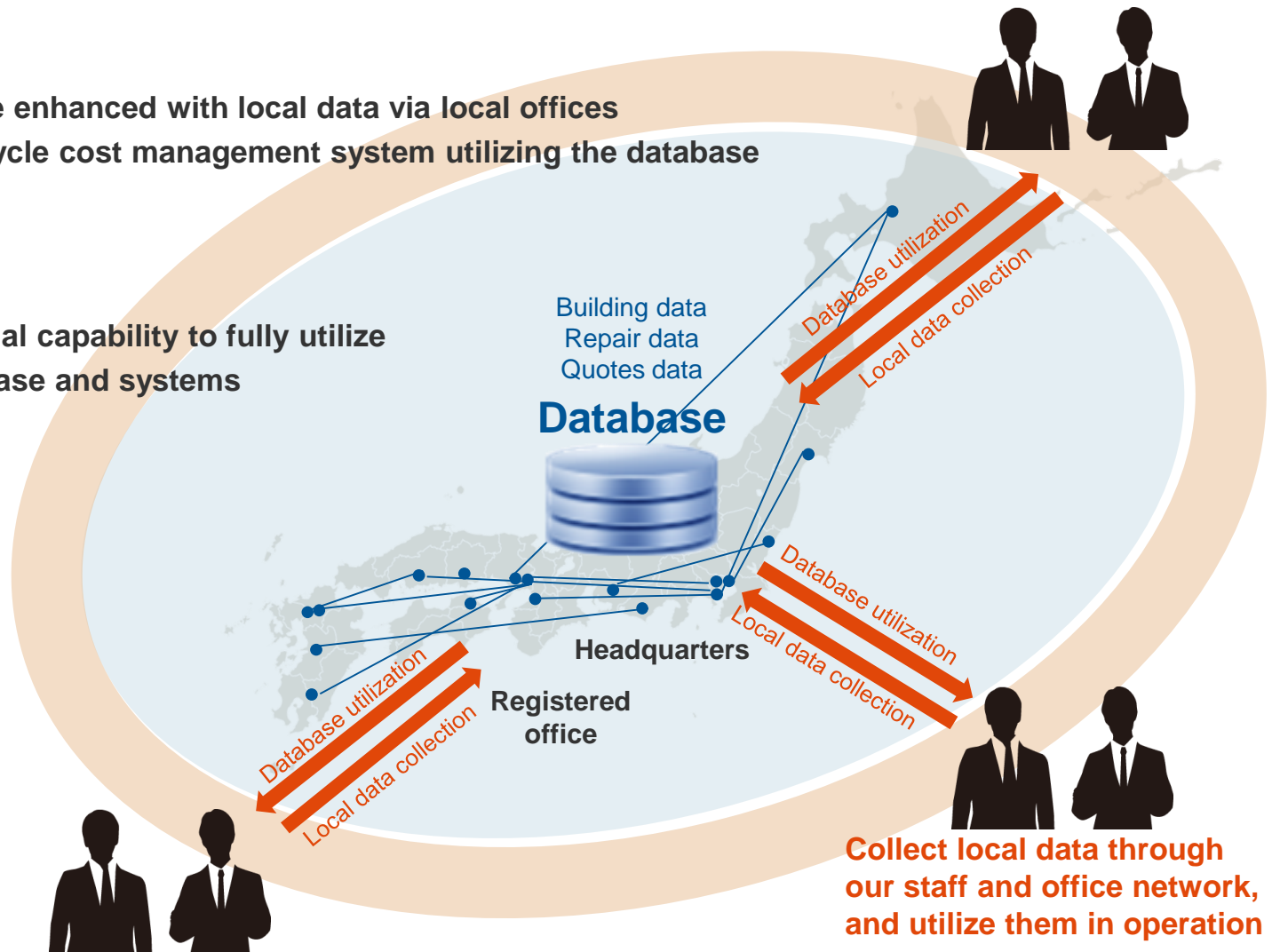
1. Building management database enhanced with local data via local offices
2. Independently developed life cycle cost management system utilizing the database

Analog Business Base

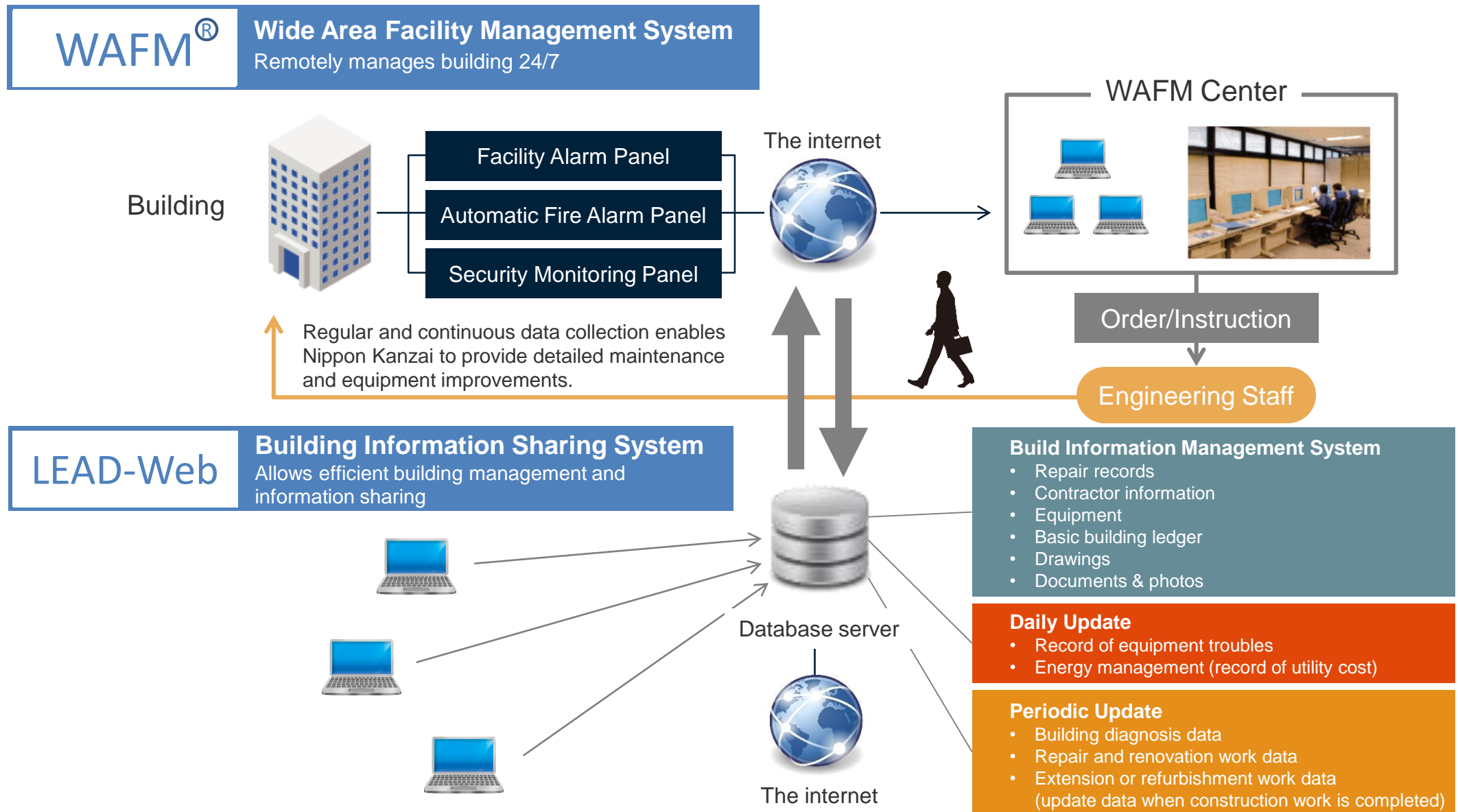
Specialized expertise and operational capability to fully utilize the independently developed database and systems

BEST system

- Building diagnosis
- Long-term repair plan
- Construction design/management
- Construction work
- Energy-saving diagnosis
- Total facilities management proposals
- Remote facility management system (WAFM® system)
- Cloud service for building information (LEAD-Web system)



Business Opportunities (3): Example of Combining Digital and Analog Resources of Building Management



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Please note that actual results may differ from the statements contained in this material due to various factors.

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