

ID&E Group Business Segments

ID&E Group promote the creation of an affluent society around the world, through its three business segments described as below.

Consulting Business

Main Client

National and local governments, JICA, overseas government agencies, and private companies

In Japan, the Consulting Business provides a full range of civil engineering consultation related to infrastructure development, maintenance, and safety for local and national government agencies, such as the Ministry of Land, Infrastructure, Transport and Tourism. With proven technologies informed by diverse experience and R&D, our operation has grown into a comprehensive consulting service covering vast stages of infrastructure projects not only in the development but also in the maintenance. We are involved in many projects that support the infrastructure of people's lives in Japan. For overseas countries, we are developing business in Asia, Africa, the Middle East, Central and South America, and other regions

mainly under Japanese ODA projects. We play active role in infrastructure development projects that support regional and national development in a wide range of fields, including water resources management, energy, urban and regional development, transportation, agriculture and rural development, the environment, and disaster prevention.

ID&E Group is also active on the front lines of global social issues and humanitarian aid across borders. Examples of our activities include environmental measures to combat global warming, and assisting in reconstruction of regions affected by conflict or natural disasters.

Urban & Spatial Development Business

Main Client

National and local governments, and private companies

Anticipating growing needs in the architectural field amid global urban development, we welcomed UK-based design company BDP to the Group in 2016 and launched our Urban & Spatial Development Business. Through collaboration with BDP, we are working to create urban spaces mainly in Asia by combining civil engineering and architectural technologies. We are also working to diversify our business fields by adding Canada-based Quadrangle, which specializes in high-rise buildings, to our group in 2019, and UK-based Pattern, which specializes in sports facility, to our group in 2021.

Against the backdrop of the increasing number of projects in Japan that need to be approached from both civil engineering

and architectural perspectives, such as urban development and rejuvenation, we merged the urban & spatial development unit of Nippon Koei with one of its group company named Tamano Consultants, and then formed Nippon Koei Urban Space, in July 2022. By integrating the technologies and functions of both companies, we aim to enter the market for urban infrastructure formation in Japan and overseas, and become a comprehensive producer with greater proposal and development capabilities than ever before for urban and regional rejuvenation projects, public-private partnerships, and smart city development, in order to work toward the formation of sustainable cities.

Energy Business

Main Client

Power companies, local governments, and private companies

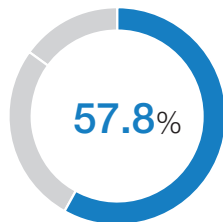
The segment constructs and renovates substations, switching stations, and power plants operated by power companies, constructs central monitoring and control systems of power grid to improve operating efficiency, constructs dam control systems at hydropower plants, and manufactures related equipment. The Power Engineering Business proposes optimal solutions for electric power companies to support electric power development and meet electric power needs in Japan and emerging countries.

As a new initiative, we are engaged in research, development, design, construction, management and operation support, and system and technology development for energy management projects utilizing distributed energy resources in response to

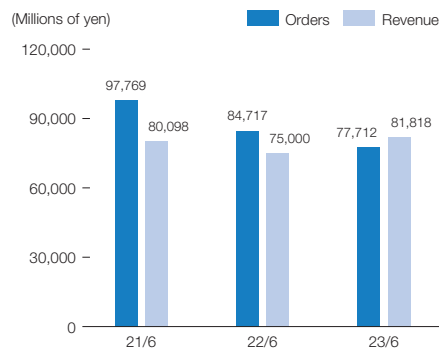
the recent expansion of renewable energy markets and power system reforms in Japan and overseas. We are accumulating business and technological know-how in Europe, where the business environment is well established through the unbundling of power generation and transmission system, and the renewable energy penetration is generally high and are aiming to expand our business in Japan and other Asian countries in the future. ID&E Group is also involved in the business of operating hydroelectric power plants and sale of electricity. We install small-scale hydroelectric power plants in existing dams that are originally not used for power generation purposes to generate clean electricity by an economical measures.

FYE June 2023

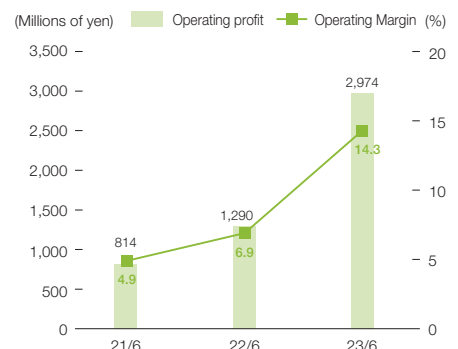
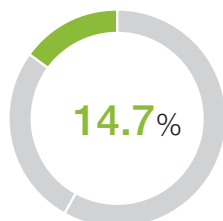
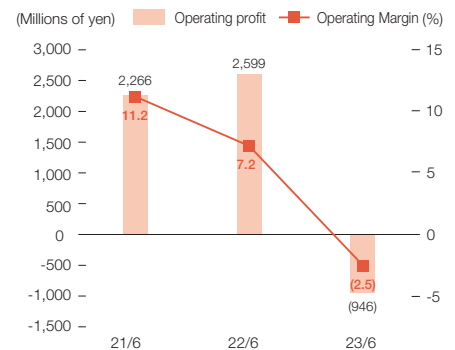
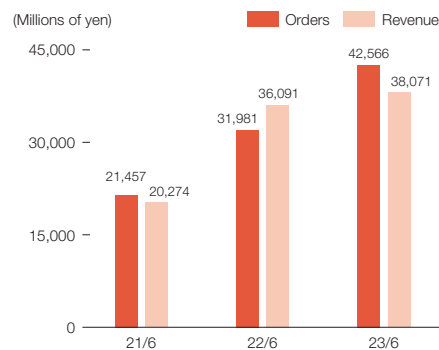
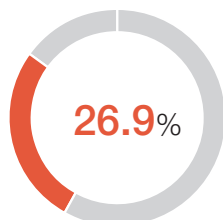
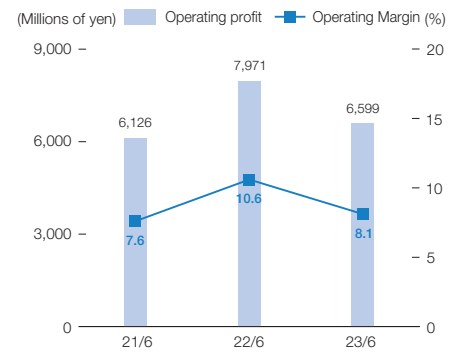
Composition Ratio of Revenue



Orders and Revenue (millions of yen)



Operating Profit and Operating Margin (millions of yen/%)



* The Company has been conducting business in three business segments since FYE June 2022. For the Consulting Business, we combined our domestic and overseas consulting businesses and combined our former Power Engineering and Energy Business to form our current Energy Business.

* From the fiscal year ending June 30, 2023, Nippon Koei Urban Space and its subsidiaries will change their business segment classification from "Consulting Business" to "Urban & Spatial Development Business." Segment information for the fiscal year ended June 30, 2022 has been prepared based on the revised business segment classification.

Consulting Business

Main Business Areas

Water resources management

Flood protection, efficient water use, and water environment improvement

Water and sewage

Support for efficient operation and management of water and sewage facilities

Urban and regional development

Policy planning advisory for master planning of urban areas and region development of local governments

Disaster Prevention and Mitigation

Emergency response to disasters such as earthquakes, volcano eruptions, landslides and localized torrential downpour and planning of disaster prevention

Dams and power generation

New dam construction, redevelopment and extension of service life for existing dams

Transportation (roads, bridges, airports, etc.)

Construction, extension of service life, efficient maintenance and management, automatic operation planning, and MaaS planning related to traffic and transport facilities

Environmental Management

Improvement of air, water, and soil environments and biodiversity conservation

Maintenance and aging countermeasures

Management planning of measures for aging infrastructure (bridges, tunnels, embankments, water supply and sewage systems, etc.) and efficient maintenance

Management

Asset management, public-private partnerships (PPP, PFI)

Strengths

Comprehensive Capabilities and Networks in a Wide Range of Fields

With experts in various fields, we will respond to the needs of our clients with our comprehensive capabilities as the world faces increasingly complicated and complex issue. We have offices in all prefectures in Japan, and also major cities in Asia, Africa, the Middle East, Central and South America, and Eastern Europe in overseas.

Human Resources with High Technical Skills

ID&E's commitment to human resource development and technical research for many years has led to the Company reaching its current No.1 position. Each and every one of our employees, who have the responsibility to contribute to the development of social infrastructure, as well as the superior technology and knowledge to realize such responsibility, always learn from each other and play fundamental role for the sustainable growth of our Group.

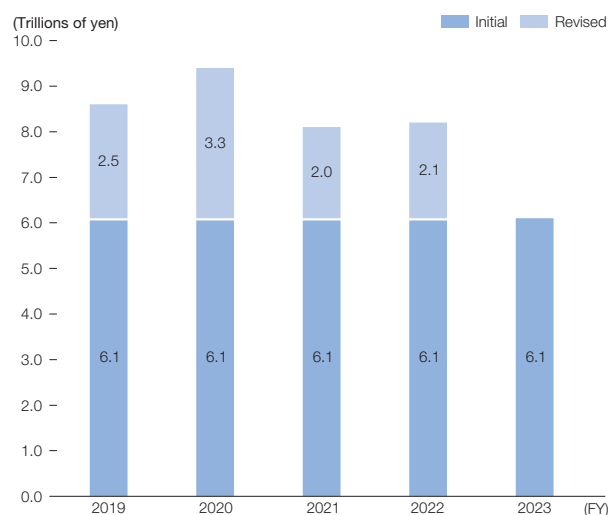
Practical Wisdom and Visionary R&D

We have accumulated a wide range of technologies and know-how through numerous projects that have been carried out since our establishment. At the R&D Center, which is the largest of its kind in the industry, we conduct the latest basic research with a view to the future and applied research in large experimental facilities and fields.

Market Trends (Japan)

In Japan, our Consulting Business is mainly engaged with the study and design of public and utility projects. Therefore, its performance is affected by factors such as investment in construction and the scale of public investment. In recent years, the volume of work has been increasing due to the growing demand for disaster resilience and extension of infrastructure service life in the face of increasingly severe disasters. In addition, PPPs (Public-Private Partnerships) and PFIs (Private Finance Initiatives) are on the rise, where public and private sectors collaborate to provide public services. As a result, the roles of engineering consultants are expanding year by year.

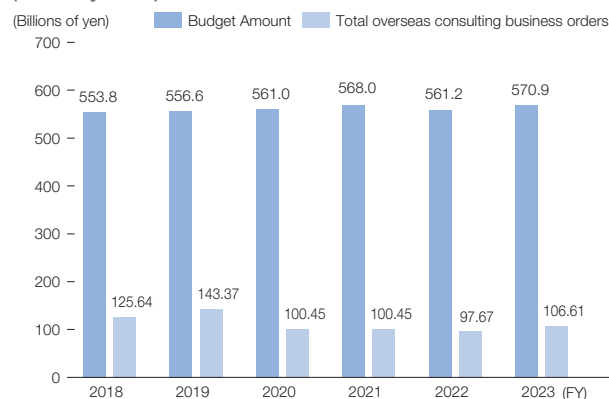
Public works spending (original + additional budget)



Market Trends (Overseas)

Our clients include the Japan International Cooperation Agency (JICA) and other Japanese ODA implementing agencies, international organizations, such as the World Bank and the Asian Development Bank, and overseas governments. In recent years, due to the increasing demand for infrastructure in emerging countries, the number of projects has been increasing year by year and becoming larger in size. "Infrastructure Systems Overseas Expansion Strategy 2025" issued by the Japanese government set high level of order targets of infrastructure export, and that leads consistently strong demand in overseas projects. In regard to ODA loans, the ratio of projects in India and Bangladesh has been increasing, and in terms of fields, new development of transportation, such as railroads, and urban development, such as smart cities, have been increasing in order to cope with population growth in emerging countries and to achieve a decarbonized society.

ODA budget/Total overseas consulting business orders (industry total)



Performance Summary for Fiscal Year Ended June 30, 2023

Orders **¥77.712** billion

Revenue **¥81.818** billion

Operating profit **¥6.599** billion

- Acquired large orders, including an order for a high speed rail project in India
- Revenue increased by promoting on-hand projects in Japan and overseas as planned
- Operating profit decreased due to an increase in the number of business trips after relaxation of restrictions on entry into countries overseas and an increase in costs caused by the price inflation

Key Initiatives of the Medium-term Management Plan Building Resilience 2024

Review of the results for the fiscal year ended June 30, 2023

- Expanded our dam rehabilitation and new dam construction businesses
- Built AI-based inspection and diagnosis systems for local governments and utilized DX technology
- Concluded town development partnership agreements with local governments

Initiatives Being Carried Out in the fiscal year ending June 30, 2024

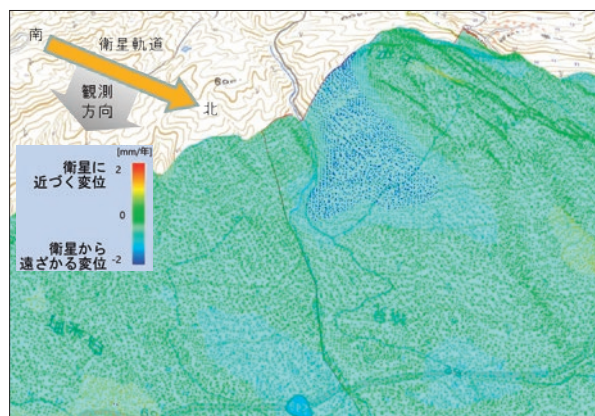
- Improvement of market share in various fields
- Business operations with intensive monitoring of its efficiency, including the KPI for the ratio of contract person-months
- Thorough risk and quality control

Project Information

Advancement of Disaster Prevention/Mitigation Technologies Using Satellite Data

In order to quickly provide disaster information using satellite data in response to increasingly severe natural disasters, Nippon Koei has been developing technologies to grasp the actual damage caused by heavy rainfall using satellites, which are great for wide-area monitoring, and has been engaged in disaster prevention and mitigation projects through infrastructure monitoring.

LIANA (Land-deformation and Infrastructure ANALysis) is one of the services jointly developed by the three companies Nippon Koei, SKY Perfect JSAT Corporation and Zenrin, Co., Ltd., and is capable of monitoring changes in slopes and infrastructure. It displays ground deformation chronologically in areas to be checked and evaluates the risk based on the Ministry of Land, Infrastructure, Transport and Tourism's standard for ground extensometers and the findings of Nippon Koei.



© LIANA © Geospatial Information Authority of Japan
© Original ALOS-2 data provided by JAXA Tellus Satellite Data Master is used.

Urban & Spatial Development Business

Main Business Areas

Architecture

Architectural design, structural design, MEP (mechanical, electrical and plumbing) design, and interior design

Landscape and urban design

Redevelopment planning of districts and buildings in accordance with development policies, and design of railway station buildings and airport passenger terminal buildings

Refurbishment of historic buildings

Renovation and refurbishment of historic buildings in the UK and other countries

Civil engineering and architecture

Comprehensive technical consulting service combining Nippon Koei's civil engineering technology and BDP's architectural technology

Urban area and smart city development

Provision of one-stop services in the fields of civil engineering, energy, and architecture including research, planning, design, and management

Strengths

Ability to Make Proposals That Combine Civil Engineering and Architecture

The Urban & Spatial Development Business is characterized by its ability to develop not only buildings in specific areas, but also in the dynamic field of infrastructure including water and sewage, electricity, and transportation networks, utilizing skills and experience across the fields of civil engineering and architecture.

Cross-sectoral Town Planning

In the urban space field, it is necessary to carry out initiatives that bring together multiple fields such as civil engineering, architecture, and the environment, starting with basic surveys of projects. We will support the promotion of the business as a coordinator who coordinates the whole by utilizing our experience in each field.

Solving Local Issues

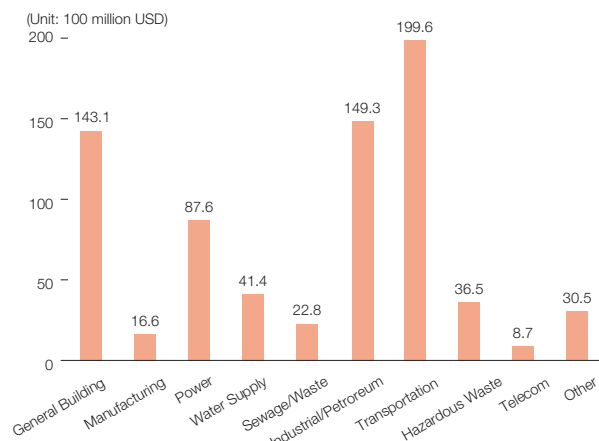
We have a wealth of experience working on long-term projects in several regions. Utilizing this experience, we will promote tailor-made town planning to address the unique issues that differ from region to region, and aim for sustainable regional development.

Market Trends

The architecture field is one of the most active fields, accounting for 25% of the sales of international design firms. In Asia, Africa, and Latin America, the market for buildings integrated with transportation-related facilities such as railroads, roads, and airports, base development integrated with peripheral infrastructure development, and ancillary surface development and smart cities is expanding in the urban centers and suburbs of metropolitan areas that will serve as receptacles for population concentration and growth, and the growing industrial economy. In terms of funding, the appetite for infrastructure investment through private funding is increasing.

In Japan, the market is expanding for the effective use and revitalization of the large amount of stock (buildings) that exists nationwide, and for the consolidation and reorganization of highly sustainable bases in regional cities as their populations decline.

Ranking of 225 International Design Firms - FY2022 sales by field



* Excerpt from the August 2022 Issue of ENR

Performance Summary for Fiscal Year Ended June 30, 2023

Orders	¥42.566 billion	<ul style="list-style-type: none"> Domestic orders increased year-on-year. BDP also acquires large-scale additional orders
Revenue	¥38.071 billion	<ul style="list-style-type: none"> Revenue increased in both Japan and the UK due to the steady influx of orders received in the previous fiscal year and the impact of the depreciation of the yen on the BDP Group
Operating profit	(¥946) million	<ul style="list-style-type: none"> General and administrative expenses increased due to BDP's upfront investment (approximately ¥0.7 billion) and domestic organizational restructuring expenses Recorded BDP goodwill impairment loss of (¥3.9 billion)

Key Initiatives of the Medium-term Management Plan Building Resilience 2024

Review of the results for the fiscal year ended June 30, 2023

- More orders received for railway station area development
- BDP's penetration in Asia is still an issue to be addressed for the future
- Although progress was made on the project to demonstrate integrated corporate strength (JFE Coastal Land Use Conversion Project), orders received in the urban development field fell short of plans
- Further strengthening and utilization of private-sector networks is an issue for the future

Initiatives Being Carried Out in the fiscal year ending June 30, 2024

- Improvement of the production system, including securing personnel and strengthening quality control
- Evolution of segment management through collaboration with Group companies
- Development of new clients and businesses in Japan and overseas

BDP Business Introduction

BDP and its subsidiaries are leading multidisciplinary design across the globe.

BDP joined the ID&E Group in 2016, providing more comprehensive solutions to complex urban problems affecting the world's cities.

We continue to take on various challenges, such as increasing the value of social capital through collaboration between the infrastructure development technologies of Nippon Koei and Nippon Koei Urban Space and the architectural and urban development technologies of BDP; expanding into Asia alongside the ID&E Group.

During a year with considerable social and economic instability, BDP achieved sustainable financial growth which sets out a strong platform for the FY2024.

BDP will continue to innovate, seeing us merge our skills, expertise, and experience with our international colleagues to create exceptional, innovative, and sustainable global designs.

We are already witnessing the fruits of these multi-studio, multidisciplinary collaborations through significant projects such

as the Dhaka Metro and the new Dublin Children's Hospital.

With cutting-edge technology and an ambitious track record, our goal is to provide comprehensive services for projects of all sizes throughout the world.

Under the continued mantra of 'autonomy and collaboration' we look forward to BDP playing an active role in shaping ID&E's plans, driven by passion, expertise, and an unwavering commitment to creating a better world through our designs.



Nicholas Fairham
BDP HOLDINGS LIMITED
Chief Executive

Energy Business

Main Business Areas

Manufacture of equipment and devices

Manufacture of various types of water turbines for hydroelectric power generation, manufacture of substation control equipment, and development of centralized substation monitoring systems and dam management systems

Mechanical and electrical consulting

Comprehensive consulting services for domestic and international projects in the fields of power, electrical, mechanical and telecommunications, and energy engineering including EPC

Sales of Geotechnical surveying and measurement devices

Installation, maintenance, and inspection of automatic observation systems for slope disaster prevention, and manufacture and sales of ground measurement equipment

Construction of electrical facilities

Planning, investigation, design and construction management for reinforcement and renovation of substations, power plants and other electrical facilities

Energy solutions

Consulting service for improving the efficiency of energy use

Energy management related products

Manufacture and sale of EMS, in-house energy storage systems, and microgrid aggregation systems

Overseas energy management

Investment in ancillary services business, etc. in Europe, New business development and business promotion

Domestic power generation

Development of hydroelectric power facilities and sale of electricity through the operation of eight domestic hydroelectric power plants

Domestic energy management

Renewable energy monitoring, and consulting services for renewable energy efficiency and energy conservation

Strengths

Long Track Record in Product Manufacturing and Construction

For many years, our main clients have been Tokyo Electric Power Company and other electric power companies in Japan, with whom we have built a relationship of trust through the manufacture and sale of substation equipment, mechanical and electrical consulting, and planning, investigation, design, and construction for reinforcement and renovation of electrical facilities.

Provision of One-stop Services

ID&E Group provides one-stop services encompassing every stage from planning and investigation to engineering and construction as well as equipment manufacture and maintenance for electric power facilities and equipment. This results in speedy response times and reduces the burden on the client.

Knowledge of Energy Management Cultivated in Europe

We are promoting ancillary services using storage batteries in Europe, where the business environment is well established through the unbundling of power generation and transmission system. We cultivate knowledge of energy management and are able to propose a variety of solutions using storage battery.

Market Trends

The Japanese electric power market is expected to shift to a new competitive environment with the unbundling of generation and transmission system and the complete liberalization of generation, transmission, distribution, and retail. At present, we are working to strengthen our production system and earnings management to meet the cost reduction demands of power companies. Expanding demand in the global market for renewable energy accompanying the drive for low-carbon operations and distributed power sourcing. In line with this, it also anticipates the expansion of new markets for ancillary services, peak arbitrage, capacity markets, etc.

Performance Summary for Fiscal Year Ended June 30, 2023

Orders **¥18.827** billion

Revenue **¥20.855** billion

Operating profit **¥2.974** billion

- Exceeded both year-on-year and plan targets due to strong performance in the power engineering business and mechanical/electrical consulting business
- Revenue increased due to the progress of large-scale renovation work for power plants received orders from government agencies and the progress of overseas projects in mechanical/electrical consulting business
- Profit increased due to gain on sale of shares in PT. Arkora Hydro, which was an affiliate, and gain on investment in securities (approximately ¥1.9 billion)

Key Initiatives of the Medium-term Management Plan Building Resilience 2024

Review of the results for the fiscal year ended June 30, 2023

- Sales and production capacity of core products have not been stabilized
- Started Large-Scale Battery Storage Project operations in Belgium

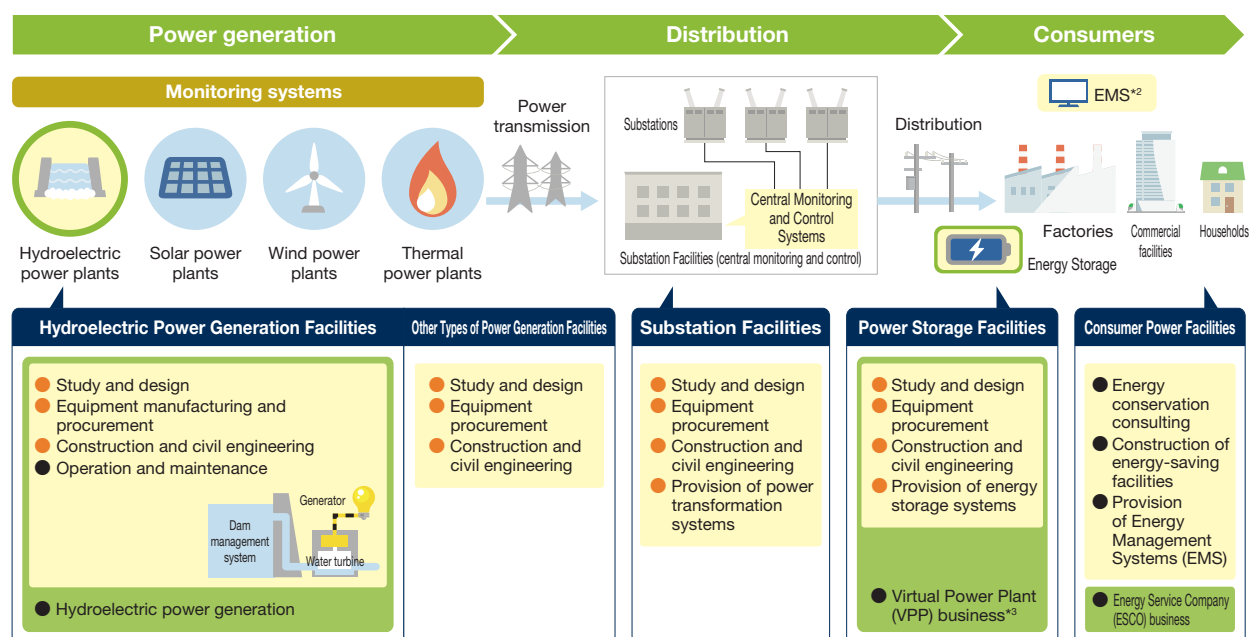
Initiatives Being Carried Out in the fiscal year ending June 30, 2024

- Full-scale expansion into the energy management business
- Promptly rebuild the production structure of manufacturing departments
- Establish the structure of mechanical/electrical consulting & engineering departments

Nippon Koei Energy Solutions Business Domain

We provide one-stop services related to energy.

- : Nippon Koei Energy Solutions services (for other companies, provision of services)
- : Asset Maintenance Business (operations provided in-house by Nippon Koei Energy Solutions)
- : EPC^{*1}



*1 EPC: Engineering, Procurement, Construction

*2 EMS: Energy management systems

*3 VPP: Virtual Power Plant