

Supplementary Materials for the Summary of Financial Reports 3Q, FYE June 30, 2022

May 13, 2022

Nippon Koei Co., Ltd.

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3Q Results for FYE June 30, 2022

Sales and profits increased in all segments. Each profit increased due to productivity improvement, cost reduction and a weaker yen.

(Millions of yen)	FYE21/6 3Q Results	FYE22/6 3Q Results	YoY Change	
			Amount	%
Orders	82,648	80,215	-2,433	97.1%
Revenue	86,537	95,682	9,145	110.6%
Gross profit	28,755	31,257	2,502	108.7%
Operating profit	6,839	9,509	2,670	139.0%
Profit before tax	6,798	10,373	3,575	152.6%
Profit attributable to owners of parent	4,270	7,083	2,813	165.9%

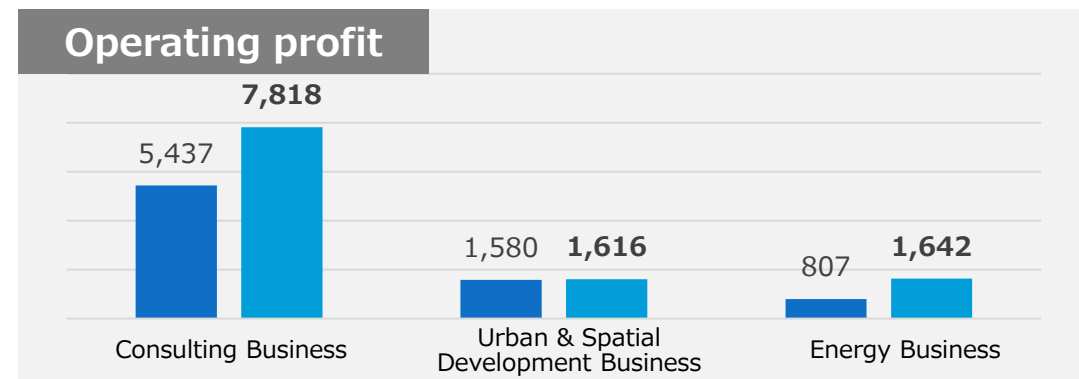
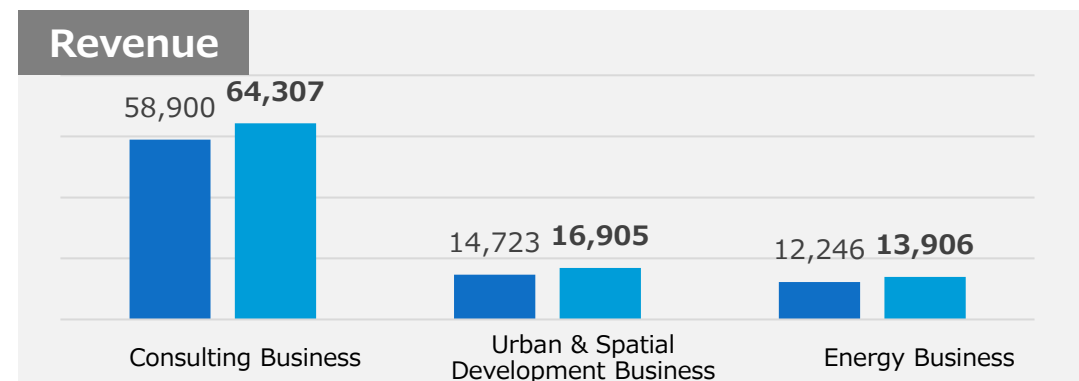
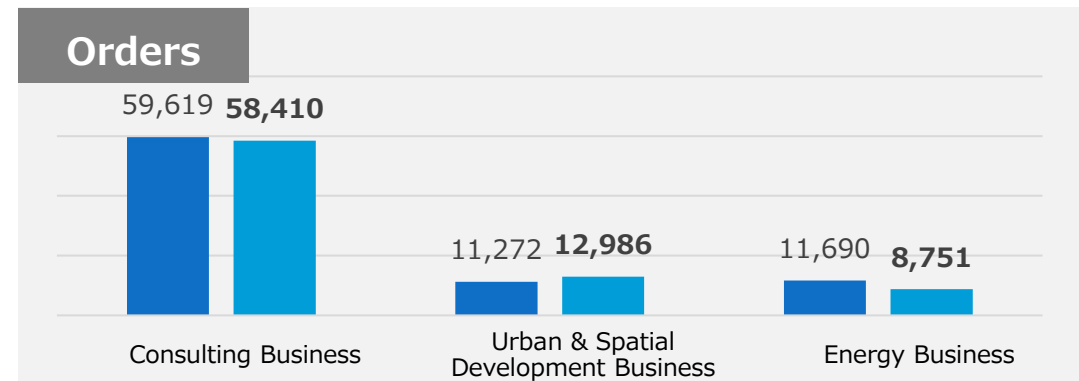
*The Group has applied International Financial Reporting Standards (IFRS) from the year-end of the fiscal year ended June 30, 2021. The figures for the previous consolidated third quarter are also disclosed based on IFRS.

- Orders in the domestic division of the Consulting Business and the Urban & Spatial Development Business have well-progressed, while orders of the Energy Business have decreased comparing to the same period of previous year due to the order restraint as the consideration of production capacity.
- Revenue grew in all the segments. Particularly the overseas projects of the Consulting Business went well comparing to the same period of previous year as travel restrictions have eased.
- Each profit increased due to strong overseas performance of the Consulting Business, resolution of temporary loss of previous year and a weaker yen.

Results by Business Segment

(Millions of yen)	FYE21/6 3Q Results	FYE22/6 3Q Results	YoY Change	
			Amount	%
Orders	82,648	80,215	-2,433	97.1%
Consulting Business	59,619	58,410	-1,209	98.0%
Urban & Spatial Development Business	11,272	12,986	1,713	115.2%
Energy Business	11,690	8,751	-2,939	74.9%
Other	65	67	1	102.0%
Revenue	86,537	95,682	9,145	110.6%
Consulting Business	58,900	64,307	5,406	109.2%
Urban & Spatial Development Business	14,723	16,905	2,181	114.8%
Energy Business	12,246	13,906	1,659	113.6%
Other	666	563	-103	84.5%
Operating profit	6,839	9,509	2,670	139.0%
Consulting Business	5,437	7,818	2,380	143.8%
Urban & Spatial Development Business	1,580	1,616	36	102.3%
Energy Business	807	1,642	835	203.4%
Other	-985	-1,568	-582	-

■ FYE21/6,3Q ■ FYE22/6,3Q (Millions of yen)



Overview by Segment

Consulting Business

- Orders: Domestic division progressed well due to by a favorable market environment, while oversea division decreased year-on-year as the order receipt timing was skewed for large overseas projects.
- Revenue: Increased mainly because of local projects in overseas division went well.
- Operating profit: Increased due to the increasing operating rates of overseas and the resolution of temporary loss of previous year.

Urban & Spatial Development Business

- Orders: Increased year-on-year due to strong private-sector orders received by BDP (UK) as well as solid performance by Quadrangle (Canada).
- Revenue: Increased due to well-progressed projects which had been ordered in BDP (UK) and Quadrangle (Canada) in the previous period.
- Operating profit: Operating profit increased, although general & administrative expenses increased due to the former reaction of COVID-19.

* Actual exchange rate in 3Q of FYE June 30, 2022: £ 1=154.00 yen (actual exchange rate in 3Q of FYE June 30, 2021; £ 1= 141.31 yen; assumed exchange rate for FYE June 30 2022: £ 1= 151.65 yen)

Energy Business

- Orders: Decreased year-on-year due to an order-receiving system in consideration of production capacity of the plant, in addition with the delayed procurement of semiconductors.
- Revenue: Increased due to well-progressed projects including large-scale projects which had been ordered in the previous period, in addition of battery storage projects in Europe.
- Operating profit: Increased due to cost reduction such as outsourcing fees through productivity improvement in manufacturing units.

FYE June 30, 2022 forecast (revised on May 13)

The profit forecast released at period-start was revised upwards as the cost reduction in overseas division of Consulting Business, structural improvement of consolidated subsidiaries, and the yen weakened compared with the rate assumed at the time of the period-start forecasting.

(Millions of yen)	Period-start forecast for FYE June 30, 2022 (released in August 2021)	FYE June 30, 2022 forecast revised this time (released in May 2022)		
			Amount of change	Percentage change
Revenue	131,000	131,000	0	-
Operating profit	7,700	9,000	+1,300	+16.9%
Profit attributable to owners of parent	4,700	6,600	+1,900	+40.4%

■ Overview by Segment

(Millions of yen)		FYE 2021/6 Results	FYE 2022/6 Plan	FYE June 30, 2022 forecast revised this time	Amount of change compared with period-start plan	Percentage change compared with period-start plan
Revenue	Consulting Business	80,098	89,000	90,000	1,000	101.1%
	Urban & Spatial Development Business	20,274	21,000	21,000	0	100.0%
	Energy Business	16,621	20,000	19,000	-1,000	95.0%
	Real Estate Leasing and Other	865	1,000	1,000	0	100.0%
Operating Profit	Consulting Business	7,981	7,700	9,300	1,600	120.8%
	Urban & Spatial Development Business	2,266	1,500	2,000	500	133.3%
	Energy Business	-1,061	1,700	1,300	-400	76.5%
	Real Estate Leasing and Other	-2,058	-3,200	-3,600	-400	-

* Figures in three segments for FYE 21/6 are simple aggregations before intercompany eliminations.

* Please see page 14 for the method of segmentation into three segments and page 16 for the reference values for five segments.

Project Highlights (Consulting Business / Domestic)

BIM/CIM Use Assistance Project for R2 Arakawa River Regulating Reservoirs

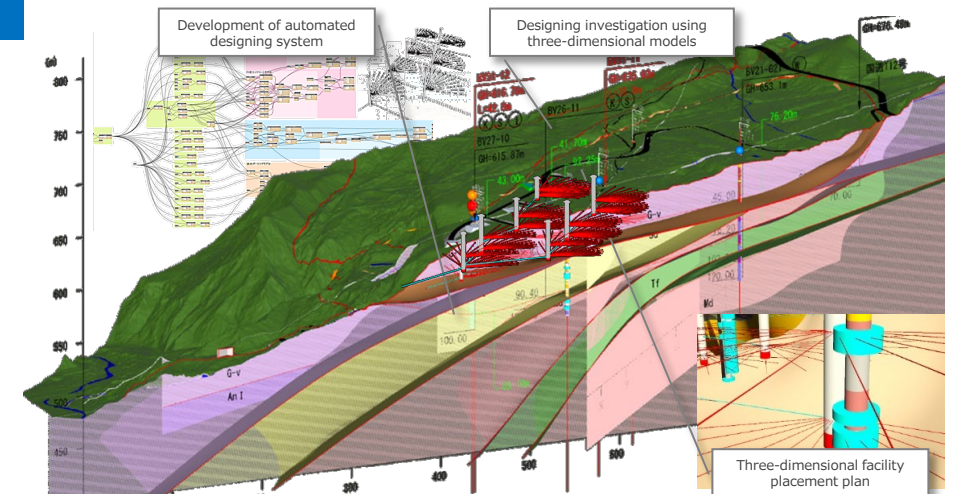
- Client** Arakawa River Regulating Reservoir Work Office, Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism
- Overview**
- Assisted a digital transformation (DX) promotion initiative in the Arakawa River 2nd and 3rd Regulating Reservoir Development Project, a major project of the Kanto Regional Development Bureau
 - Created integrated BIM/CIM models, an achievement from designing regulating reservoirs, before releasing them as open data to the general public
 - Used game engines to develop BIM/CIM models into ones looking more realistic, created project highlighting videos and virtual reality (VR) and augmented reality (AR) models
 - Held learning sessions for office staff on operation software for BIM and CIM



Video highlighting a project using BIM/CIM models and game engines

Designing for landslide prevention work (using BIM/CIM)

- Client** Shinjo River Office, Tohoku Regional Development Bureau, Ministry of Land, Transport, Infrastructure and Tourism
- Overview**
- Created landslide BIM/CIM models integrating landslide research & analysis and designing results for a detailed designing task at a landslide-prevention facility of the directly operated landslide control project in the Gassan area
 - Streamlined preparation of three-dimensional models by using an automated BIM/CIM model designing system developed in house, and realized a facility placement plan on a three-dimensional basis, something that had previously been difficult
 - Realized advanced designing taking into account detailed landforms and ground structure, which had been difficult to know with past methods, by streamlining a facility placement plan on a three-dimensional basis
 - Contributed to enhancing designing reliability by doing a designing investigation using BIM/CIM models in addition to streamlining and advancing operations



Visualized landforms, ground quality, and designing by using a landslide CIM model

Project Highlights (Consulting Business / Domestic)

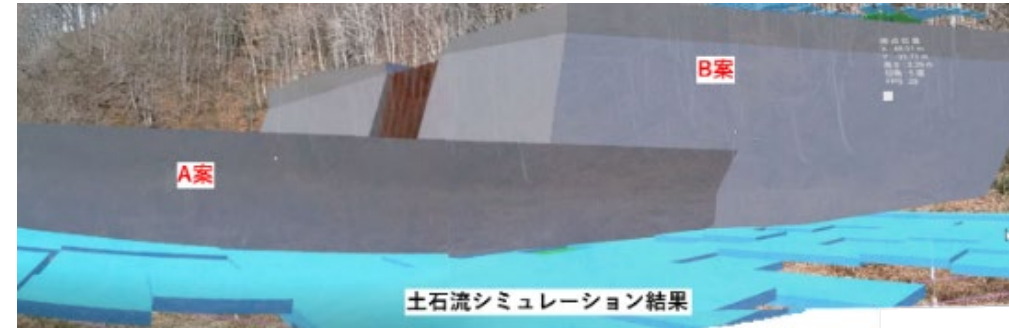
Studied streamlining operations by using an MR device in the sand erosion control business

Client

Shinjo River Office, Tohoku Regional Development Bureau, Ministry of Land, Transport, Infrastructure and Tourism

Overview

- Studied and conducted onsite verifications on remote control function using mixed reality (MR) devices and on BIM/CIM model projection function in order to streamline operations and improve productivity for sand erosion control service
- A remote control function was verified to be useful for saving travel time and cost and for COVID-19 infection risk prevention by connecting office and work sites online on a real time basis
- Contributed to speeding up agreement, advancing scenery study, and checking interference of detrimental objects, etc., among others, through sharing completion images as the BIM/CIM models of designed matters became able to be projected on a real-size basis on site by using the BIM/CIM model projection function



BIM/CIM model for sand erosion control embankment as projected on site

DX assistance linking a dam and people (Toga Dam designing operations for fiscal 2020 and 2021)

Client

Toga Dam Work Office, Hokuriku Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism

Overview

- Produced and provided a CIM video and augmented reality (AR) of a dam at the Toga Dam DX Room opened in October 2021 in a citizens' center near a site where the dam was planned to be constructed (Toyama Prefecture, 112 meters in height)
- Nippon Koei personnel provided a briefing on AR using an iPad at a dam site tour meeting held by the Hokuriku Regional Development Bureau for local residents



AR as shown on an iPad screen

Project Highlights (Consulting Business / International)

Investigation and study operations intended to promote i-Construction overseas

Client	Ministry of Land, Infrastructure, Transport and Tourism
Overview	<ul style="list-style-type: none">■ Surveyed relevant government agencies and private-sector companies in the Philippines and Thailand with the aim of implementing specific infrastructure projects overseas by tapping into Japanese i-Construction knowledge■ Gathered information on legal systems, positional measurement, and existing infrastructure projects before examining issues Checked the possibility of applying Japanese telecommunication systems locally <p>Specific example: A bypass four-lane shift and improvement of bridge and intersection in a northern area in the city of Manila in the Philippines</p> <ul style="list-style-type: none">■ Prepared a final report in March 2022 after formulating a specific measure intended to apply i-Construction and putting forward proposals to local government and relevant agencies



A site where investigation and study operations were performed in Philippines

Investigation for transit-oriented development (TOD) for urban Transportation Line 3 in the metropolitan area of the Republic of Panama

Client	JICA
Overview	<ul style="list-style-type: none">■ Organized information and studied measures in order to realize transit-oriented development (TOD) in a western part of the capital in the Republic of Panama in connection with a monorail development project for which the Company received an order from JICA in the country (line extension of about 25 kilometers)■ Studied measures and put forward proposals on improving convenience through development of areas close to train stations, increasing job opportunities in western areas of the capital, diversifying economic activity concentrated in the central parts of the capital, and equalizing commercial activity in areas■ Promoted understanding about the TOD initiative on the part of Panama by sharing information on the investigation result and highlighting TOD cases in Japan■ The overall investigation period was from April 2021 to February 2022



Conceptual imagine of station building of Transportation Line 3 in the metropolitan area of the Republic of Panama

Project Highlights (Urban & Spatial Development Business)

Construction management (CM) service for assistance for the orderer of an extension and remodeling of the Kitakami Works RFID plant

Client

Sato Holdings Corporation

Overview

- Project for extension and remodeling of existing facilities and installation of a clean room at a production plant for radio frequency identifiers (RFID), a type of non-contact IC tag
- As a construction management service for different work stages, the Company assisted in the confirmation of compatibility between works ordered for separately (construction, electrical facilities and machinery), orderer decision-making, control of work processes and expenses, verification of work execution, and technical checking for clean room operation, among others



Provided by Sato Holdings Corporation

Large-scale renovation project for Welsh School of Architecture, Cardiff University

Client

Welsh School of Architecture, Cardiff University

Overview

- BDP served as a project architect for a large renovation project for the Cardiff University building, which is home to the Welsh School of Architecture that has a tradition of over a century and is renowned internationally
- Conducted a large-scale renovation of the roof and the inside of the building while adding a studio, office, and workshop room, and leading-edge exhibition hall



Project Highlights (Urban & Spatial Development Business)

Assisted in a study for vitalizing an area around the Old Sakai Port

Client

Sakai City Government, Osaka, Japan

Overview

- Assistance service for creating a communication space leveraging waterside attractiveness and for forming interaction places
- Assisted in a social experiment aimed at enhancing the potential and social profile of public-private-sector collaboration projects and contributed to discovering and publicizing local area attractiveness and forming public-private-sector collaboration projects
- Publicized the image of forming an interaction space by temporarily installing restaurants and street furniture and providing music events and mobility experience
- Now considering how to introduce interaction and gathering functions with the aim of vitalizing local communities in ways utilizing open seaside spaces in close proximity to urban areas



Music event utilizing a waterside space



Street furniture

Project Highlights (Energy Business)

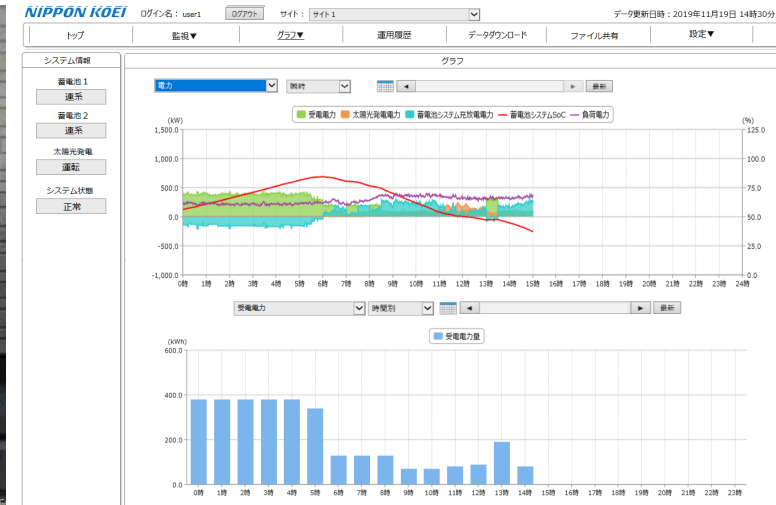
Ookuma Rururun Denryoku: Built an energy management system

Client Ookuma Rururun Denryoku Ltd.

- Overview**
- Received an order for building an energy management system (EMS) that will monitor and control renewable energy power generation facilities and batteries and operate power demand and supply in Okuma-machi in Fukushima, Japan
 - Installed terminal machines at users (two locations) to monitor and control the volumes of renewable energy power generation equipment and battery charging and discharging Contributed to local generation and consumption of electricity
 - Developed a system enabling operations to be monitored remotely and past data to be downloaded by using a cloud server Delivered in March 2022



Terminal equipment



Conceptual image of screen for system operation

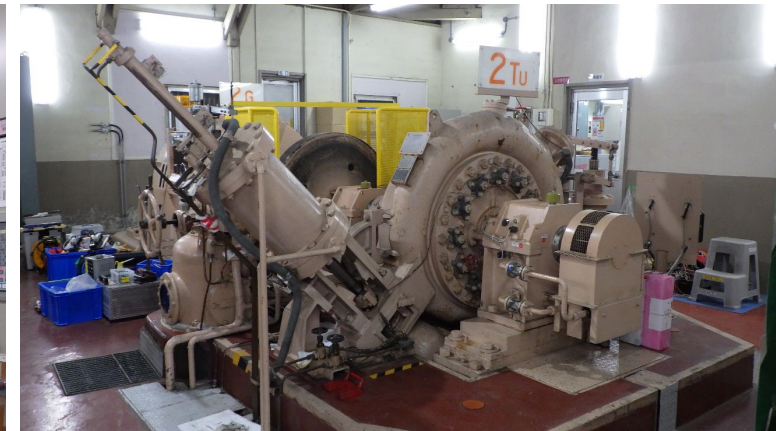
Nakamura Power Plant: Delivered water turbine power generator control equipment 1 and 2

Client Kansai Electric Power Otsu Hydropower Center

- Overview**
- Renewed the existing water turbine power generator control equipment at Nakamura Hydropower Plant as there were concerns it might experience an accident or damage due to aging after having been in use for 42 years
 - Equipment delivered (renewed equipment) consisted of two power generator control boards, two power generator protection power distribution boards, two GOV/AVR auxiliary boards and two SSGs. Revamped actuators.
 - Delivered to the site in November 2021 and completed the work in mid-February 2022



The power generator control equipment delivered



Appearance of the water turbine power generator

Project Highlights (Energy Business)

Extension of Converter No. 6 at the Shinkeiyo Substation

Client TEPCO Power Grid

- Overview
- Managed the execution of power, civil engineering, and auxiliary works in order to install Converter No. 6 at the Shinkeiyo Substation
 - Work period: From April 2022 to May 2023



Appendix.

Change of Business Segments

In order to further promote collaboration, we will change from the previous five business segments to three.

Up to FYE June 2021 (before the revision)

Segment	Major group companies
Domestic Consulting	Tamano Consultants Co., Ltd. Nippon Civic Consulting Engineers Co., Ltd. El Koei Co., Ltd.
International Consulting	Koei Research & Consulting Inc. Nippon Koei Latin America-Caribbean Co., Ltd. NIPPON KOEI LAC, INC. NIPPON KOEI INDIA PVT. LTD. NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD. PHILKOEI INTERNATIONAL, INC. PT. INDOKOEI INTERNATIONAL MYANMAR KOEI INTERNATIONAL LTD.
Urban & Spatial Development <small>FYE 21/6 Transfer of NK Urban Development Dept.</small>	BDP HOLDINGS LIMITED BUILDING DESIGN PARTNERSHIP LIMITED QUADRANGLE ARCHITECTS LIMITED Kisho Kurokawa Architect & Associates
Power Engineering	Koei System Inc.
Energy	KOEI Energy Co., Ltd. NIPPON KOEI ENERGY EUROPE B.V. PT. CIKAENGAN TIRTA ENERGI IRONMONT HYDRO PTE. LTD

From FYE June 2022 (after the revision)

Segment	Major group companies
Consulting	Tamano Consultants Co., Ltd. Nippon Civic Consulting Engineers Co., Ltd. EL Koei Co., Ltd. Koei Research & Consulting Inc. Nippon Koei Latin America-Caribbean Co., Ltd. NIPPON KOEI LAC, INC. NIPPON KOEI INDIA PVT. LTD. NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD. PHILKOEI INTERNATIONAL, INC. PT. INDOKOEI INTERNATIONAL MYANMAR KOEI INTERNATIONAL LTD. PT. CIKAENGAN TIRTA ENERGI
Urban & Spatial Development	BDP HOLDINGS LIMITED BUILDING DESIGN PARTNERSHIP LIMITED QUADRANGLE ARCHITECTS LIMITED Kisho Kurokawa Architect & Associates
Energy	Koei System Inc. KOEI Energy Co., Ltd. NIPPON KOEI ENERGY EUROPE B.V. IRONMONT HYDRO PTE. LTD

Transfer to Urban & Spatial Development in FYE 23/6

[Reference] FYE June 30, 2022 3Q Results for Each of the Five Business Segments

(Millions of yen)	FYE21/6 3Q Results	FYE22/6 3Q Results	YoY Change	
			Amount	%
Orders	82,648	80,215	-2,433	97.1%
Domestic Consulting	39,354	41,136	1,782	104.5%
International Consulting	20,264	17,273	-2,991	85.2%
Power Engineering	11,625	8,667	-2,958	74.6%
Urban & Spatial Development	11,272	12,986	1,713	115.2%
Energy	65	84	19	129.3%
Revenue	86,537	95,682	9,145	110.6%
Domestic Consulting	41,793	41,941	148	100.4%
International Consulting	17,107	22,365	5,258	130.7%
Power Engineering	11,695	13,127	1,432	112.2%
Urban & Spatial Development	14,723	16,905	2,181	114.8%
Energy	551	778	227	141.2%
Other	666	563	-103	84.5%
Operating profit	6,839	9,509	2,670	139.0%
Domestic Consulting	5,736	5,136	-599	89.5%
International Consulting	-300	2,681	2,982	-
Power Engineering	925	1,839	913	198.7%
Urban & Spatial Development	1,580	1,616	36	102.3%
Energy	-130	-208	-78	-
Other	-971	-1,555	-584	-

* Since the business segments are reorganized into three segments from FYE June 2022, these are estimated values calculated for the conventional five business segments for reference.

[Reference] FYE June 30, 2022 3Q Results for Each of the Five Business Segments (revised on May 13)

(Millions of yen)	FYE 2021/6 Results	Period-start forecast for FYE June 30, 2022	FYE June 30, 2022 forecast revised this time	Amount of change compared with period-start plan	Percentage change compared with period-start plan	YoY change amount	YoY change %
Orders	133,304	130,000	130,000	0	100.0%	-3,304	97.5%
Domestic Consulting	62,047	62,000	62,000	0	100.0%	-47	99.9%
International Consulting	35,721	33,000	33,000	0	100.0%	-2,721	92.4%
Power Engineering	13,880	15,000	15,000	0	100.0%	1,119	108.1%
Urban & Spatial Development	21,457	20,000	20,000	0	100.0%	-1,457	93.2%
Energy	111	0	0	0	-	-111	0.0%
Revenue	117,859	131,000	131,000	0	100.0%	13,140	111.1%
Domestic Consulting	55,345	58,000	59,000	1,000	101.7%	3,654	106.6%
International Consulting	24,753	31,000	31,000	0	100.0%	6,246	125.2%
Power Engineering	15,831	19,000	18,000	-1,000	94.7%	2,168	113.7%
Urban & Spatial Development	20,274	21,000	21,000	0	100.0%	725	103.6%
Energy	790	1,000	1,000	0	100.0%	209	126.5%
Real Estate Leasing and Other	865	1,000	1,000	0	100.0%	134	115.6%
Operating profit	7,128	7,700	9,000	1,300	116.9%	1,871	126.3%
Domestic Consulting	6,128	5,700	6,000	300	105.3%	-128	97.9%
International Consulting	1,853	2,000	3,300	1,300	165.0%	1,446	178.0%
Power Engineering	858	1,900	1,400	-500	73.7%	541	163.2%
Urban & Spatial Development	2,266	1,500	2,000	500	133.3%	-266	88.2%
Energy	-1,919	-200	-100	100	-	1,819	-
Real Estate Leasing and Other	-2,058	-3,200	-3,600	-400	-	-1,541	-
Profit attributable to owners of parent	4,531	4,700	6,600	1,900	140.4%	2,068	145.6%

* Since the business segments are reorganized into three segments from FYE June 2022, these are estimated values calculated for the conventional five business segments for reference.