

Supplementary Materials for the Summary of Financial Reports 2Q, FYE June 30, 2022

February 10, 2022
Nippon Koei Co., Ltd.

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2Q Results for FYE June 30, 2022

Sales increased in all the segments. Returned to the black at each stage. Posted the first ever profit in the first six months of the fiscal year.

(Millions of yen)	FYE21/6 2Q Results	FYE22/6 2Q Results	YoY Change	
			Amount	%
Orders	52,033	50,278	-1,754	96.6%
Revenue	47,140	52,981	5,841	112.4%
Gross profit	13,435	14,915	1,480	111.0%
Operating profit	-1,730	1,268	2,998	-
Profit before tax	-2,005	1,517	3,523	-
Profit attributable to owners of parent	-2,055	615	2,671	-

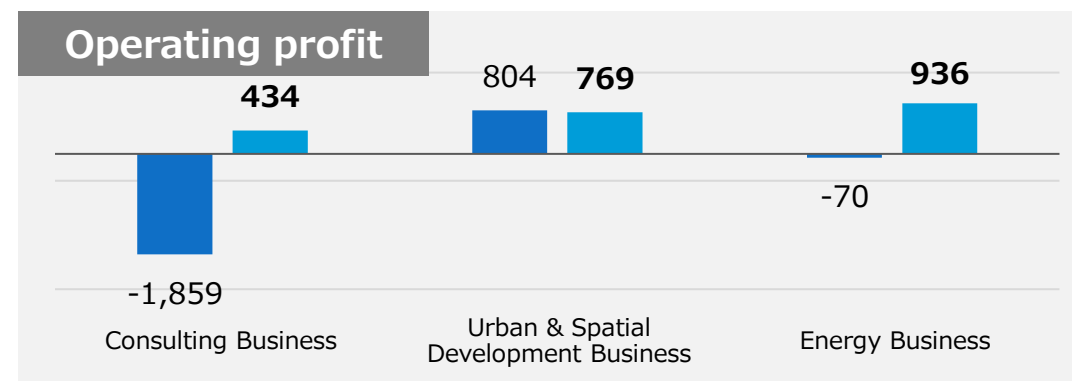
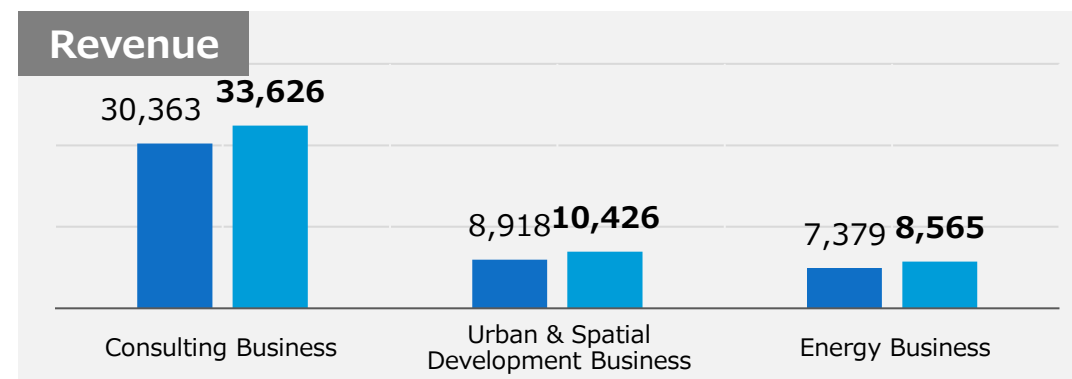
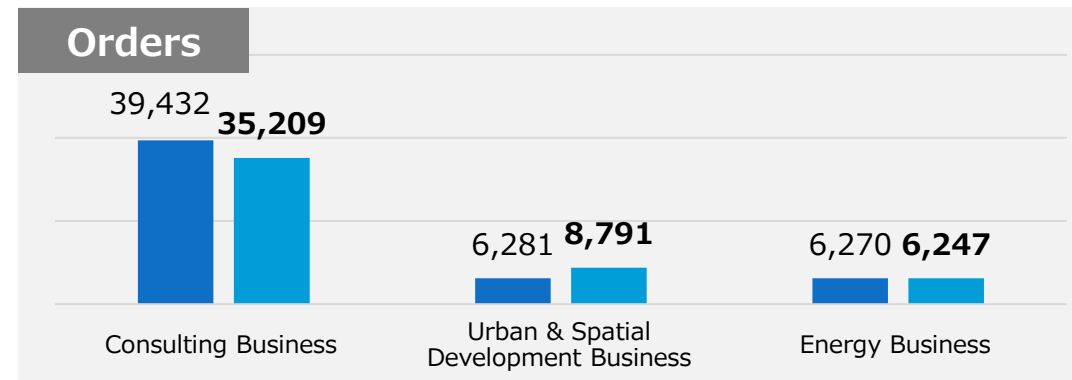
* The Group has applied International Financial Reporting Standards (IFRS) from the year-end of the fiscal year ended June 30, 2021. The figures for the previous consolidated first quarter are also disclosed based on IFRS.

- Received orders decreased year-on-year because there was a project that was recorded in an improper period in the Overseas Division of the consulting business. However, orders were strong in the Urban & Spatial Development Business.
- Revenue increased in all the three segments (Consulting, Urban & Spatial Development, and Energy) and progressed steadily.
- Operating profit returned to the black as the deficit peculiar to the first half of the year was eliminated by improving the operating rate in the Overseas Division of the Consulting Business and eliminating the temporary loss in the Energy Business.

Results by Business Segment

(Millions of yen)	FYE21/6 2Q Results	FYE22/6 2Q Results	YoY Change	
			Amount	%
Orders	52,033	50,278	-1,754	96.6%
Consulting Business	39,432	35,209	-4,223	89.3%
Urban & Spatial Development Business	6,281	8,791	2,509	139.9%
Energy Business	6,270	6,247	-22	99.6%
Other	48	29	-19	60.8%
Revenue	47,140	52,981	5,841	112.4%
Consulting Business	30,363	33,626	3,263	110.7%
Urban & Spatial Development Business	8,918	10,426	1,507	116.9%
Energy Business	7,379	8,565	1,185	116.1%
Other	477	363	-114	76.0%
Operating profit	-1,730	1,268	2,998	-
Consulting Business	-1,859	434	2,294	-
Urban & Spatial Development Business	804	769	-35	95.6%
Energy Business	-70	936	1,007	-
Other	-605	-872	-267	-

■ FYE21/6,2Q ■ FYE22/6,2Q (Millions of yen)



Overview by Segment

Consulting Business

- Orders: Although received orders remained at the same high level as the previous period in Japan, the total received orders fell year-on-year because the order received for a yen loan project was recorded in an improper period among others overseas.
- Revenue: Increased because projects for received orders progressed steadily both in Japan and overseas and because of the progress in large-scale projects of overseas subsidiaries.
- Operating profit: Profit increased and the Company returned to the black due to the increase in overseas sales and operating rates although profit fell due to the increase in outsourcing and labor costs due to the increase in number of projects in Japan.

Urban & Spatial Development Business

- Orders: Increased year on year because BDP in the United Kingdom received orders from the private sector and orders received by Quadrangle in Canada were strong.
- Revenue: Increased due to the good progress in and operating rate of the project whose order was received in the previous period by BDP in the UK as well as the effects of exchange rates.
- Operating profit: Decreased due to the transfer of some segments of a project in Japan, and the reactionary increase in general and administrative expenses from the drop due to the influence of COVID-19 at BDP.

* The actual exchange rate in 2Q of FYE June 30, 2022: £ 1=152.76 yen (the assumed exchange rate for FYE June 30 2022: £ 1= 151.65 yen)

Energy Business

- Orders: Remained at the same level as the same period of the previous year when there were multiple large orders as orders were received for large-scale hydroelectric power generation and storage battery installation projects in the private sector.
- Revenue: Revenue increased because the TEPCO dam standardization project and the large-scale hydroelectric power generation project, etc. in the Manufacturing Division progressed systematically and the local operating rate of overseas projects was improved, among others.
- Operating profit: Returned to profit by reducing costs by improving the efficiency in system manufacturing and eliminating the temporary provision for loss on construction contracts in the same period of the previous year.

FYE June 2022 Forecast

No changes have been made to the forecast for the entire FYE June 2021 period. Revenue and operating profit are expected to set new record highs year on year.

(Millions of yen)	FYE 2021/6 Results	FYE 2022/6 Plan	YoY Change	
			Amount	%
Orders	133,304	130,000	-3,304	97.5%
Consulting Business	97,769	95,000	-2,769	97.2%
Urban & Spatial Development Business	21,457	20,000	-1,457	93.2%
Energy Business	13,991	15,000	1,008	107.2%
Revenue	117,859	131,000	13,140	111.1%
Consulting Business	80,098	89,000	8,901	111.1%
Urban & Spatial Development Business	20,274	21,000	725	103.6%
Energy Business	16,621	20,000	3,378	120.3%
Real Estate Leasing and Other	865	1,000	134	115.6%
Operating profit	7,128	7,700	571	108.0%
Consulting Business	7,981	7,700	-281	96.5%
Urban & Spatial Development Business	2,266	1,500	-766	66.2%
Energy Business	-1,061	1,700	2,761	-
Real Estate Leasing and Other	-2,058	-3,200	-1,141	-
Profit attributable to owners of parent	4,531	4,700	169	103.7%

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

* Please see page 7 for the method of segmentation into three segments and page 9 for the reference values for five segments.

Appendix.

Change of Business Segments (From FYE June 2022)

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 2Q Results for Each of the Five Business Segments (IFRS)

(Millions of yen)	FYE21/6 2Q Results	FYE22/6 2Q Results	YoY Change	
			Amount	%
Orders	52,033	50,278	-1,754	96.6%
Domestic Consulting	27,205	26,344	-860	96.8%
International Consulting	12,226	8,864	-3,362	72.5%
Power Engineering	6,225	6,182	-43	99.3%
Urban & Spatial Development	6,281	8,791	2,509	139.9%
Energy	44	65	21	147.7%
Revenue	47,140	52,981	5,841	112.4%
Domestic Consulting	20,585	20,427	-157	99.2%
International Consulting	10,251	13,639	3,387	133.0%
Power Engineering	7,137	8,187	1,049	114.7%
Urban & Spatial Development	8,919	10,444	1,525	117.1%
Energy	371	514	142	138.4%
Other	-126	-232	-106	-
Operating profit	-1,730	1,268	2,998	-
Domestic Consulting	-382	-777	-394	-
International Consulting	-1,478	1,212	2,690	-
Power Engineering	109	943	834	864.0%
Urban & Spatial Development	804	769	-35	95.6%
Energy	-188	-15	172	-
Other	-595	-863	-268	-

* 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 Forecast for Each of the Five Business Segments (IFRS)

(Millions of yen)	FYE 2021/6 Results	FYE 2022/6 Plan	YoY Change	
			Amount	%
Orders	133,304	130,000	-3,304	97.5%
Domestic Consulting	62,047	62,000	-47	99.9%
International Consulting	35,721	33,000	-2,721	92.4%
Power Engineering	13,880	15,000	1,119	108.1%
Urban & Spatial Development	21,457	20,000	-1,457	93.2%
Energy	111	0	-111	-
Revenue	117,859	131,000	13,140	111.1%
Domestic Consulting	55,345	58,000	2,654	104.8%
International Consulting	24,753	31,000	6,246	125.2%
Power Engineering	15,831	19,000	3,168	120.0%
Urban & Spatial Development	20,274	21,000	725	103.6%
Energy	790	1,000	209	126.5%
Real Estate Leasing and Other	865	1,000	134	115.6%
Operating profit	7,128	7,700	571	108.0%
Domestic Consulting	6,128	5,700	-428	93.0%
International Consulting	1,853	2,000	146	107.9%
Power Engineering	858	1,900	1,041	221.4%
Urban & Spatial Development	2,266	1,500	-766	66.2%
Energy	-1,919	-200	1,719	-
Real Estate Leasing and Other	-2,058	-3,200	-1,141	-

* 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.