

# Supplementary Materials for the Fiscal Period Ended June 30, 2021

August 13, 2021  
Nippon Koei Co., Ltd.

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# Results for FYE June 30, 2021 (IFRS)

Revenue and operating profit posted new record highs although orders declined year on year.

| (Millions of yen)                       | FYE 20/6<br>Results | FYE 21/6<br>Results | YoY Change |        | Initial Plan | vs. Plan |        |
|---|---------------------|---------------------|------------|--------|--------------|----------|--------|
|   |                     |                     | Amount     | %      |              | Amount   | %      |
| Orders                                  | 144,871             | 133,304             | -11,567    | 92.0%  | 104,900      | 28,404   | 127.1% |
| Revenue                                 | 108,441             | 117,859             | 9,418      | 108.7% | 102,600      | 15,259   | 114.9% |
| Gross profit                            | 33,238              | 37,735              | 4,497      | 113.5% | 31,400       | 6,335    | 120.2% |
| Operating profit                        | 5,245               | 7,128               | 1,882      | 135.9% | 3,000        | 4,128    | 237.6% |
| Profit before tax                       | 5,029               | 7,176               | 2,147      | 142.7% | 2,900        | 4,276    | 247.5% |
| Profit attributable to owners of parent | 3,099               | 4,531               | 1,432      | 146.2% | 1,200        | 3,331    | 377.6% |

\* The Company has adopted the International Financial Reporting Standards (IFRS) effective the fiscal year under review. Consolidated financial results of the previous fiscal year are also indicated in accordance with the IFRS. For reference values based on Japanese GAAP, please see page 18.

## Highlights of FYE June 30, 2021

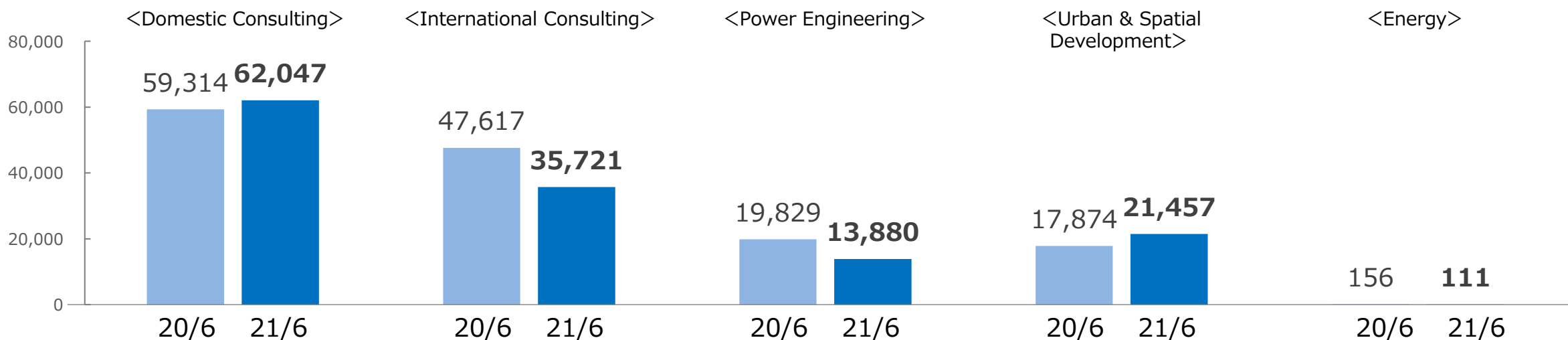
- Orders were affected by a reactionary decrease associated with large-scale orders received in the previous fiscal year in International Consulting and Power Engineering.
- Revenue progressed even amid the COVID-19 pandemic and increased in all segments except for Energy.
- Profitability significantly improved thanks to productivity-improvement measures and cost reductions, and profits increased at every level.

## The effect of COVID-19

- At the beginning of the fiscal year, the impact on sales and profits was expected to be about 40 billion yen less, but it ended up being about 10 billion yen less.
- International Consulting Business was expected to be affected, but travel restrictions were eased during the period and local work progressed.

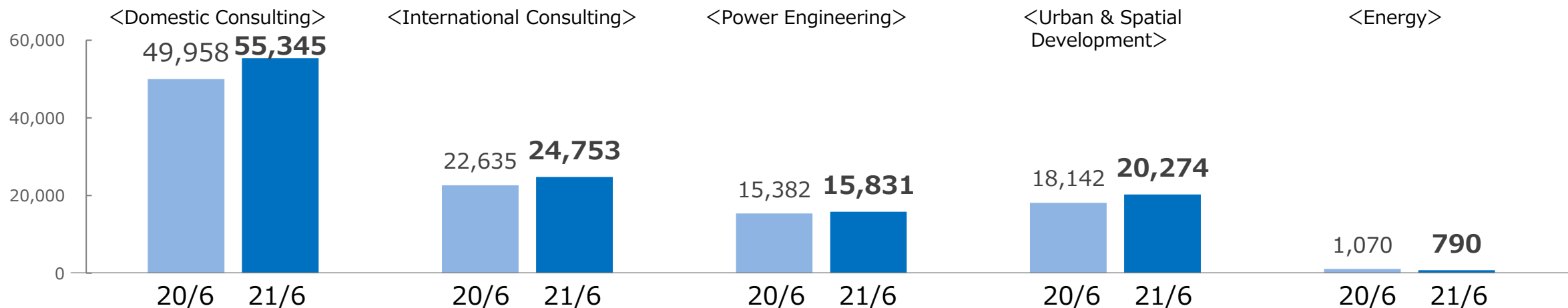
# Results By Business Segments: Orders

| (Millions of yen)           | FYE 2020/6<br>Results | FYE 2021/6<br>Results | YoY Change |        | Initial Plan | vs. Plan |        |
|-----------------------------|-----------------------|-----------------------|------------|--------|--------------|----------|--------|
|                             |                       |                       | Amount     | %      |              | Amount   | %      |
| <b>Orders</b>               | 144,871               | 133,304               | -11,567    | 92.0%  | 104,900      | 28,404   | 127.1% |
| Domestic Consulting         | 59,314                | 62,047                | 2,733      | 104.6% | 49,800       | 12,247   | 124.6% |
| International Consulting    | 47,617                | 35,721                | -11,895    | 75.0%  | 23,900       | 11,821   | 149.5% |
| Power Engineering           | 19,829                | 13,880                | -5,949     | 70.0%  | 13,000       | 880      | 106.8% |
| Urban & Spatial Development | 17,874                | 21,457                | 3,582      | 120.0% | 16,000       | 5,457    | 134.1% |
| Energy                      | 156                   | 111                   | -45        | 71.1%  | 2,200        | -2,088   | 5.1%   |



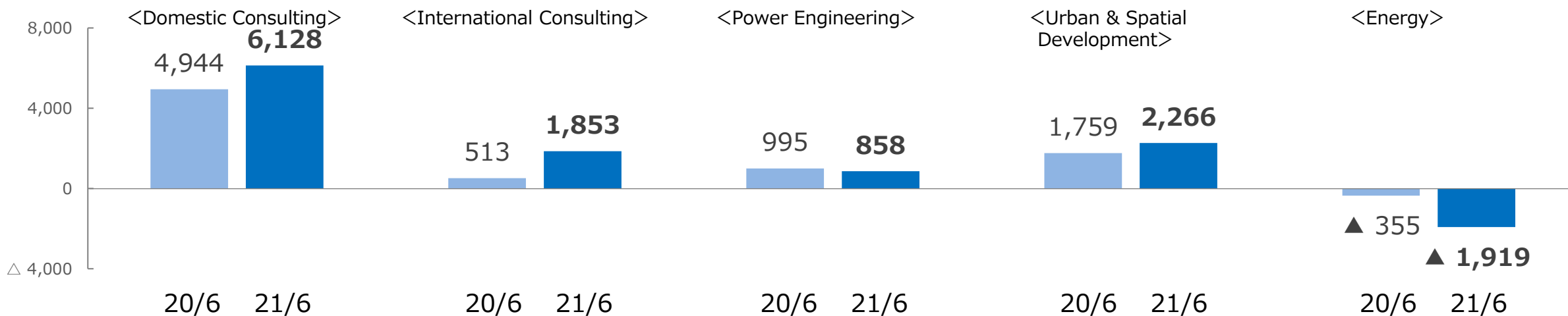
# Results By Business Segments: Revenue

| (Millions of yen)             | FYE 2020/6<br>Results | FYE 2021/6<br>Results | YoY Change |        | Initial Plan | vs. Plan |        |
|-------------------------------|-----------------------|-----------------------|------------|--------|--------------|----------|--------|
|                               |                       |                       | Amount     | %      |              | Amount   | %      |
| <b>Revenue</b>                | 108,441               | 117,859               | 9,418      | 108.7% | 102,600      | 15,259   | 114.9% |
| Domestic Consulting           | 49,958                | 55,345                | 5,386      | 110.8% | 41,700       | 13,645   | 132.7% |
| International Consulting      | 22,635                | 24,753                | 2,117      | 109.4% | 22,100       | 2,653    | 112.0% |
| Power Engineering             | 15,382                | 15,831                | 448        | 102.9% | 18,000       | -2,168   | 88.0%  |
| Urban & Spatial Development   | 18,142                | 20,274                | 2,131      | 111.7% | 18,300       | 1,974    | 110.8% |
| Energy                        | 1,070                 | 790                   | -279       | 73.9%  | 1,100        | -309     | 71.9%  |
| Real Estate Leasing and Other | 1,251                 | 865                   | -386       | 69.1%  | 1,400        | -534     | 61.8%  |



# Results By Business Segments: Operating profit

| (Millions of yen)             | FYE 2020/6<br>Results | FYE 2021/6<br>Results | YoY Change |        | Initial Plan | vs. Plan |        |
|-------------------------------|-----------------------|-----------------------|------------|--------|--------------|----------|--------|
|                               |                       |                       | Amount     | %      |              | Amount   | %      |
| <b>Operating profit</b>       | 5,245                 | 7,128                 | 1,882      | 135.9% | 3,000        | 4,128    | 237.6% |
| Domestic Consulting           | 4,944                 | 6,128                 | 1,183      | 123.9% | 2,100        | 4,028    | 291.8% |
| International Consulting      | 513                   | 1,853                 | 1,340      | 361.1% | 300          | 1,553    | 617.8% |
| Power Engineering             | 995                   | 858                   | -137       | 86.2%  | 1,800        | -941     | 47.7%  |
| Urban & Spatial Development   | 1,759                 | 2,266                 | 507        | 128.8% | 700          | 1,566    | 323.8% |
| Energy                        | -355                  | -1,919                | -1,563     | -      | 300          | -2,219   | -      |
| Real Estate Leasing and Other | -2,611                | -2,058                | 552        | -      | -2,200       | 141      | -      |



# Results by Business Segment

## Domestic Consulting

- Orders, revenue and operating profit all posted new record highs.
- Headcount increase and collaboration with overseas, contributed to higher orders
- Operating profit increased significantly due to enhanced productivity backed by higher sales and increased operating efficiency and improvement in the order environment.

## International Consulting

- Orders showed a reactionary decrease from the previous fiscal year when large-scale orders were received. There were delays in orders due mainly to the impact of COVID-19.
- Revenue increased due to the active effort toward working locally under the COVID-19 pandemic and the favorable domestic operation.
- Operating profit increased significantly, boosted by restraining of travel and other expenses and improving the soundness of the subsidiary.

## Power Engineering

- Orders showed a reactionary decline from the previous fiscal year when large-scale orders were received for power facility construction although orders for dam monitoring and control systems were strong.
- Revenue was comparable to the level of the previous fiscal year due mainly to the extension of construction periods for substation work and substation control manufacturing.
- Operating profit decreased due to a rise in the cost of sales ratio related to hydraulic power generation and the posting of a provision for loss on construction contracts.

# Results by Business Segment

## Urban & Spatial Development

- Higher orders were attributable mainly to orders acquired for public projects and additional orders from Westminster Palace in the 4Q.
- Revenue increased due to the promotion of teleworking at BDP, foreign exchange impacts, and the transfer (approx. ¥2 billion) of the urban development division from Domestic Consulting under the NK organizational reform
- Operating profit increased due to constrained costs at BDP and the transferred portion of NK's urban development division.

\*Actual rate for the FYE June 2021: £1 = ¥144.38 (planned rate for the FYE June 2021: £1 = ¥136.23)

## Energy

- Orders decreased year on year due to the delay in orders for the battery storage-related project scheduled in Europe.
- Revenue decreased from the previous fiscal year when EPC was completed for the battery storage business in the UK.
- Operating profit decreased significantly due to the posting of an impairment loss associated with hydraulic power generation in Indonesia based on IFRS although costs were reduced due to delays in project development.

# FYE June 2022 Forecast

Revenue and operating profit are expected to set new record highs year on year. Segments will be reorganized from five to three segments from FYE June 2022.

| (Millions of yen)                              | FYE 2021/6<br>Results | FYE 2022/6<br>Plan | YoY Change |        |
|--|-----------------------|--------------------|------------|--------|
|  |                       |                    | Amount     | %      |
| <b>Orders</b>                                  | 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% |
| <b>Revenue</b>                                 | 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% |
| <b>Operating profit</b>                        | 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     | -      |
| <b>Profit attributable to owners of parent</b> | 4,531                 | 4,700              | 169        | 103.7% |

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

\*Please see page 17 for the method of segmentation into three segments and page 19 for the reference values for five segments.



Long-term Management Strategy  
NKG Global Strategy 2030 (2021.7~2030.6)  
Medium-term Management Plan  
Building Resilience 2024 (2021.7~2024.6)

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# Long-term Management Strategy: Basic Scheme

## NKG Global Strategy 2030 —Working Together Toward A Future Without Boundaries

|   |  |   |                                       |                   |
|---|--|---|---------------------------------------|-------------------|
| <b>Basic Policy</b>                           | Providing new value and realizing a sustainable society through the exploration of wisdom and the innovation and integration of technology |   |                                       |                   |
| <b>FYE June 2030 Numerical Targets (IFRS)</b> | Revenue<br><b>250 billion yen</b>  | Operating profit<br><b>25 billion yen</b> | Operating profit margin<br><b>10%</b> | ROE<br><b>15%</b> |

### Working together initiative 1 Reorganizing business segments; developing one-stop services

- New development in three business domains
- Realization of one-stop services and agile business management
- Full-scale expansion into business management

### Working together initiative 2 Promoting autonomy and Collaboration

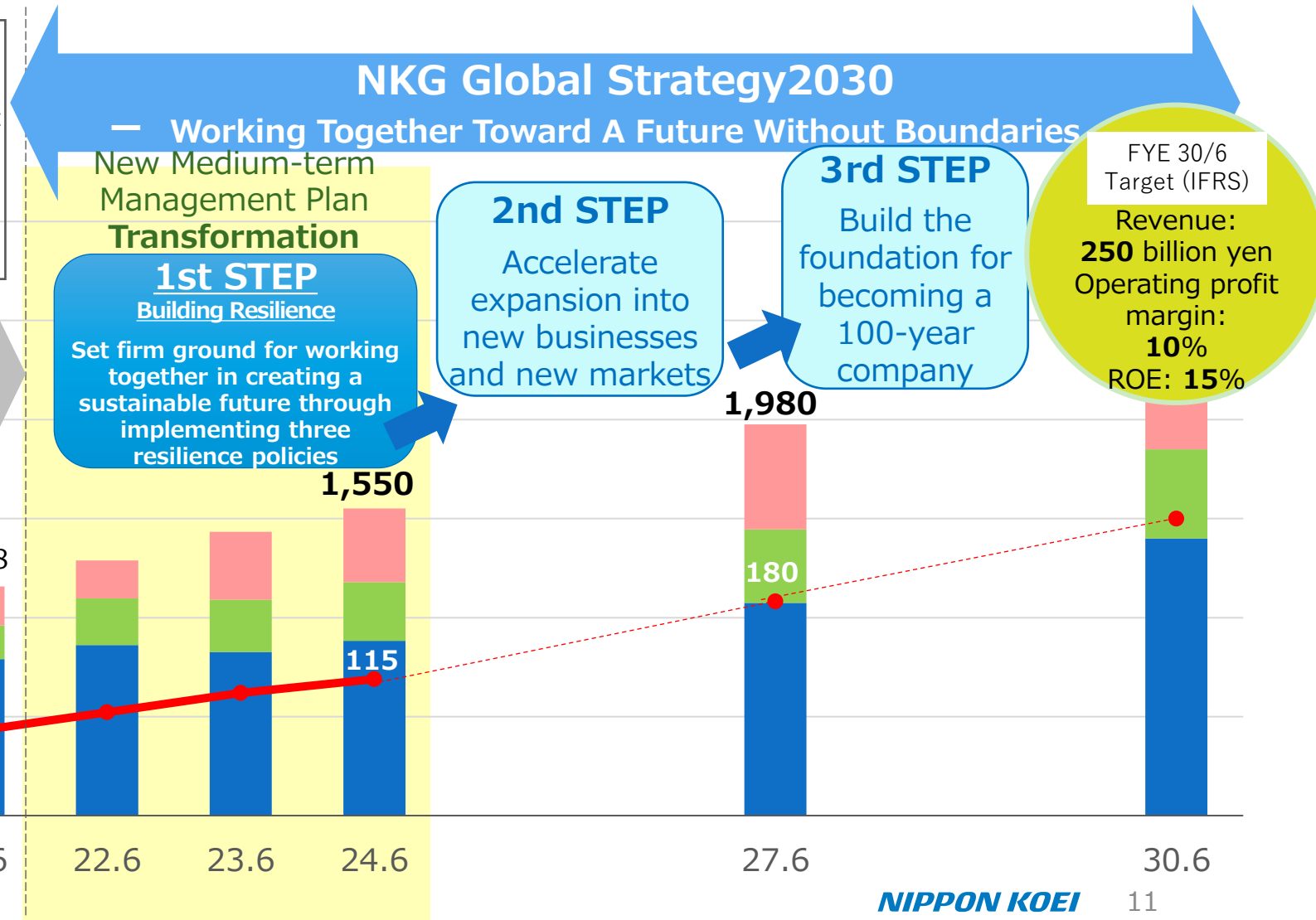
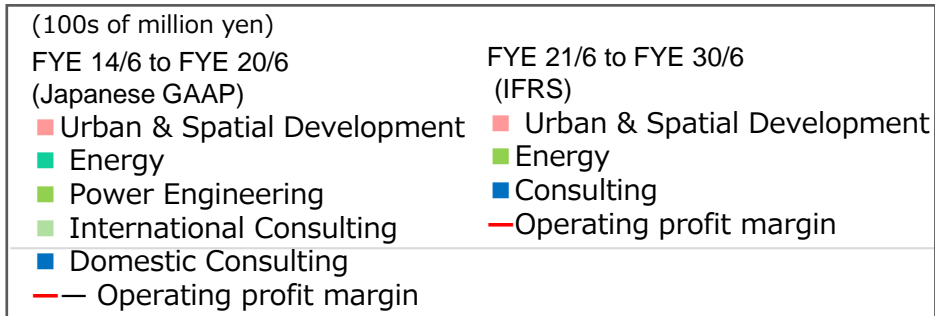
- Autonomy and collaboration; faster decision-making; transitioning to a holding company for coexistence of diversity
- Implementation of matrix management across businesses and regions

### Working together initiative 3 Manifesting the NKG brand and NKG quality

- Developing world-class human resources in conjunction with our technology strategy
- Realizing digital transformation (DX)

# 2030 Vision

By working together with various partners within and out of the Company, we will pursue wisdom and integrate wisdom with technological innovation to provide new values in an aim to become a corporate group that contributes to realizing a society in which people can feel enriched.

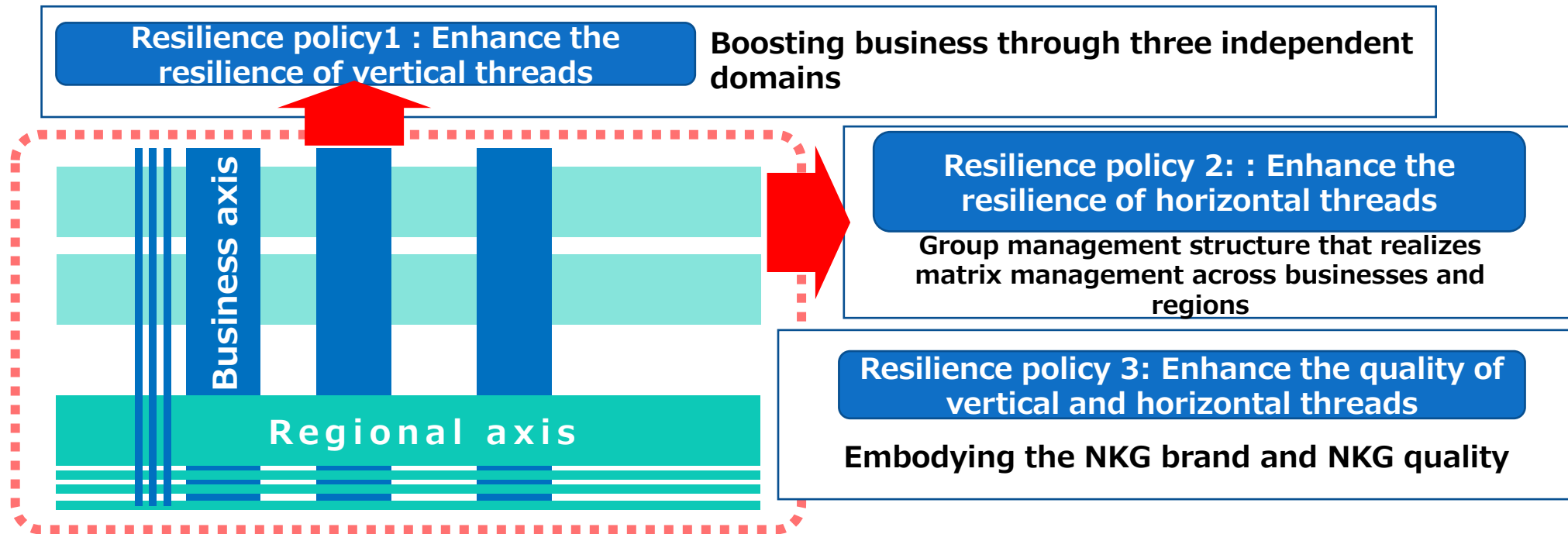


Previous Long-term Management Strategy

Expand existing businesses  
(Consulting, Power Engineering)  
Establish/deploy new businesses  
(Urban & Spatial Development, Energy)

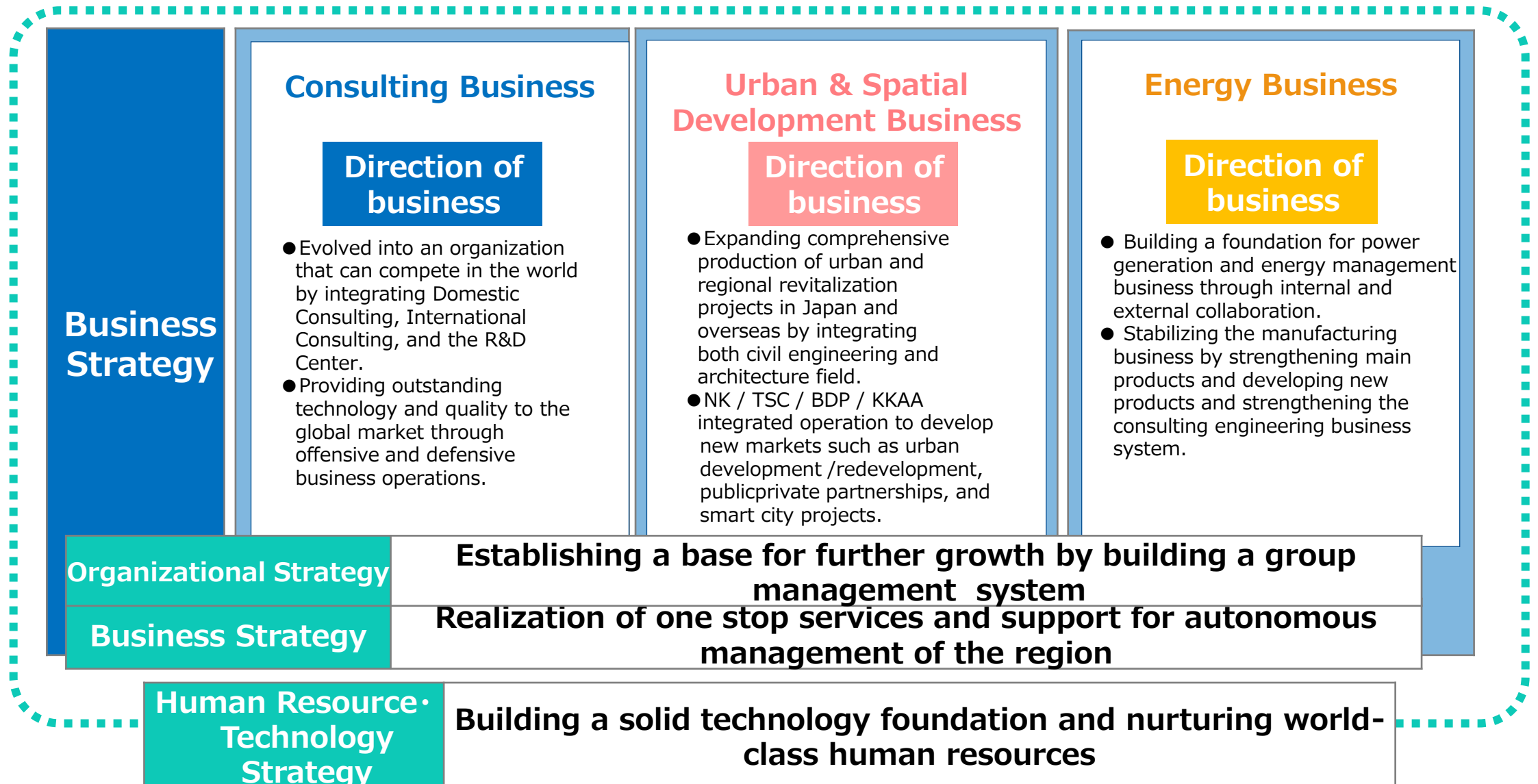
# Points of the Medium-term Management Plan (July 2021 to June 2024)

|                     |  |
|---------------------|--|
| <b>Key Point</b>    | <b>Enhancing resilience of the Nippon Koei Group</b> (Building Resilience 2024)  |
| <b>Basic Policy</b> | Set firm ground for <b>working together in creating a sustainable future</b> through implementing three resilience policies. |



|   |                                   |   |                                      |                  |
|---|-----------------------------------|---|--------------------------------------|------------------|
| <b>FYE June 2024 Numerical Targets (IFRS)</b> | Revenue<br><b>155 billion yen</b> | Operating profit<br><b>11.5 billion yen</b> | Operating profit margin<br><b>7%</b> | ROE<br><b>9%</b> |
|---|-----------------------------------|---|--------------------------------------|------------------|

# Medium-term Management Plan Building Resilience 2024



# Medium-term Management Plan

## Building Resilience 2024 - Numerical Targets (IFRS)

| (Millions of yen)                       | FYE 2021/6<br>Results | FYE 2024/6<br>Plan | Amount | %      |
|---|-----------------------|--------------------|--------|--------|
| Orders                                  | 133,304               | 150,000            | 16,695 | 112.5% |
| Revenue                                 | 117,859               | 155,000            | 37,140 | 131.5% |
| Operating profit                        | 7,128                 | 11,500             | 4,371  | 161.3% |
| Operating profit margin                 | 6.0%                  | 7.4%               | 1.4pt  |        |
| Profit before tax                       | 7,176                 | 11,000             | 3,823  | 153.3% |
| Profit attributable to owners of parent | 4,531                 | 7,100              | 2,569  | 156.7% |
| ROE                                     | 6.7%                  | 9.0%               | 2.3pt  |        |

# Medium-term Management Plan Building Resilience 2024 - Numerical Targets by Segment (IFRS)

|                                      | FYE 2021/6<br>Results | FYE 2024/6<br>Plan | Amount | %      |
|--------------------------------------|-----------------------|--------------------|--------|--------|
| <b>Orders</b>                        | 133,304               | 150,000            | 16,695 | 112.5% |
| Consulting Business                  | 97,769                | 92,000             | -5,769 | 94.1%  |
| Urban & Spatial Development Business | 21,457                | 39,000             | 17,542 | 181.8% |
| Energy Business                      | 13,991                | 19,000             | 5,008  | 135.8% |
| <b>Revenue</b>                       | 117,859               | 155,000            | 37,140 | 131.5% |
| Consulting Business                  | 80,098                | 88,000             | 7,901  | 109.9% |
| Urban & Spatial Development Business | 20,274                | 40,000             | 19,725 | 197.3% |
| Energy Business                      | 16,621                | 26,000             | 9,378  | 156.4% |
| Real Estate Leasing and Other        | 865                   | 1,000              | 134    | 115.6% |
| <b>Operating profit</b>              | 7,128                 | 11,500             | 4,371  | 161.3% |
| Consulting Business                  | 7,981                 | 8,200              | 218    | 102.7% |
| Urban & Spatial Development Business | 2,266                 | 3,200              | 933    | 141.2% |
| Energy Business                      | -1,061                | 3,300              | 4,361  | -      |
| Real Estate Leasing and Other        | -2,058                | -3,200             | -1,141 | -      |

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

# Appendix.

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# Change of Business Segments (From FYE June 2022)

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

## Up to FYE June 2021 (before the revision)

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

## From FYE June 2022 (after the revision)

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

FYE 21/6  
Transfer of NK Urban  
Development Dept.

Transfer to Urban &  
Spatial Development in  
FYE 23/6

# [Reference] Results for FYE June 2021 for Each of the Five Business Segments (Japanese GAAP)

| (Millions of yen)             | FYE 2020/6 Results | FYE 2021/6 Results | YoY Change |        |
|-------------------------------|--------------------|--------------------|------------|--------|
|                               |                    |                    | Amount     | %      |
| <b>Orders</b>                 | 141,632            | 132,177            | -9,455     | 93.3%  |
| Domestic Consulting           | 56,184             | 61,280             | 5,095      | 109.1% |
| International Consulting      | 47,508             | 35,364             | -12,143    | 74.4%  |
| Power Engineering             | 19,829             | 13,878             | -5,950     | 70.0%  |
| Urban & Spatial Development   | 17,874             | 21,457             | 3,582      | 120.0% |
| Energy                        | 156                | 110                | -46        | 70.6%  |
| <b>Net sales</b>              | 112,214            | 117,710            | 5,495      | 104.9% |
| Domestic Consulting           | 51,333             | 54,961             | 3,627      | 107.1% |
| International Consulting      | 24,508             | 24,912             | 403        | 101.6% |
| Power Engineering             | 15,747             | 15,897             | 150        | 101.0% |
| Urban & Spatial Development   | 18,160             | 20,267             | 2,106      | 111.6% |
| Energy                        | 1,187              | 789                | -398       | 66.5%  |
| Real Estate Leasing and Other | 1,276              | 881                | -394       | 69.1%  |
| <b>Operating profit</b>       | 4,590              | 7,715              | 3,125      | 168.1% |
| Domestic Consulting           | 5,227              | 6,946              | 1,718      | 132.9% |
| International Consulting      | 684                | 1,685              | 1,001      | 246.3% |
| Power Engineering             | 1,069              | 904                | -165       | 84.6%  |
| Urban & Spatial Development   | 917                | 997                | 79         | 108.7% |
| Energy                        | -383               | -409               | -26        | -      |
| Real Estate Leasing and Other | -2,924             | -2,407             | 516        | -      |

\*Since the Company adopts the International Financial Reporting Standards (IFRS) effective the end of the fiscal year ended June 30, 2021, these are estimated values calculated under Japanese GAAP 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     | %      |
| <b>Orders</b>                 | 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       | -      |
| <b>Revenue</b>                | 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% |
| <b>Operating profit</b>       | 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.