



# Supplementary Materials on Financial Results for the 2nd Quarter of FYE June 30, 2025

February 14, 2025

Integrated Design & Engineering Holdings Co., Ltd.

Stock code : 9161

# Results for the 2nd Quarter of FYE June 2025



Orders and revenue increased year-on-year. Although operating profit decreased due to non-recurring factors, core operating profit increased.

Consolidated results

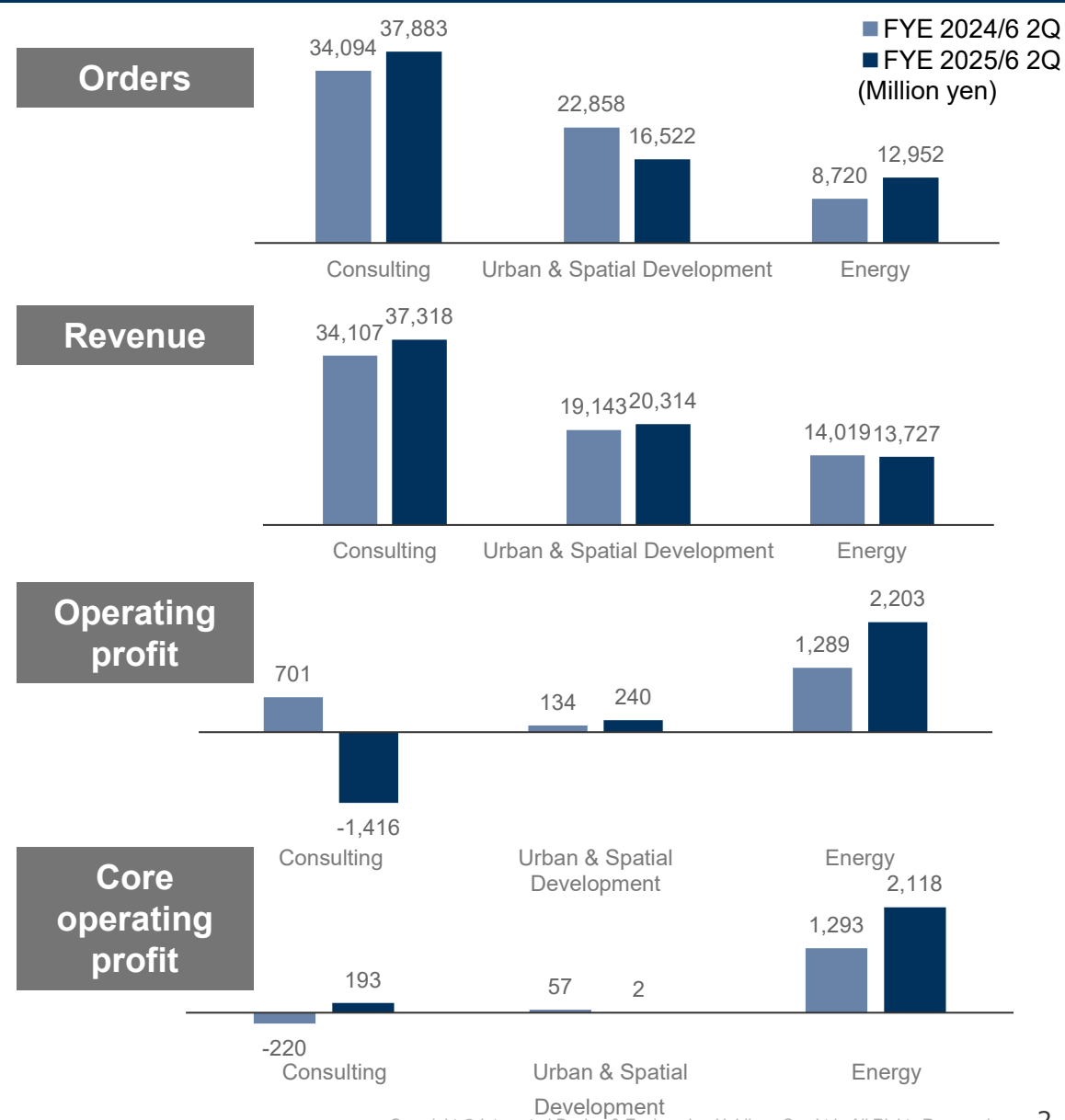
- Orders **increased year-on-year** with the **Consulting Business** and **Energy Business** making a significant contribution.
- Revenue **increased steadily**.
- Core operating profit, which reflects our ability to generate earnings from our core business, **increased significantly** thanks to the increased revenue in the Consulting Business and the strong performance of the European battery storage business in the Energy Business.
- Operating profit decreased due to **a loss on valuation of securities**. Profit before tax **decreased year-on-year, resulting in a loss** due to because of **foreign exchange losses resulting from exchange rate fluctuations**.

(Million yen)	FYE 2024/6 2Q Results	FYE 2025/6 2Q Results	YoY Comparison	
			Amount	%
Orders	65,919	67,674	1,755	102.7%
Revenue	67,835	72,025	4,189	106.2%
Gross profit	19,253	21,633	2,379	112.4%
Operating Profit	2,165	1,063	-1,102	49.1%
Core operating profit*	1,181	2,219	1,038	187.9%
Profit or loss before tax	1,593	-13	-1,607	-
Profit or loss attributable to owners of parent	313	-1,179	-1,492	-

\*Core operating profit is calculated from operating profit (or loss) after IFRS, excluding gains and losses arising from non-recurring factors.

# Results by Business Segment

(Million yen)	FYE 2024/6 2Q Results	FYE 2025/6 2Q Results	YoY Comparison	
			Amount	%
<b>Orders</b>	65,919	67,674	1,755	102.7%
Consulting	34,094	37,883	3,788	111.1%
Urban & Spatial Development	22,858	16,522	-6,335	72.3%
Energy	8,720	12,952	4,231	148.5%
Other	245	316	71	129.0%
<b>Revenue</b>	67,835	72,025	4,189	106.2%
Consulting	34,107	37,318	3,211	109.4%
Urban & Spatial Development	19,143	20,314	1,170	106.1%
Energy	14,019	13,727	-291	97.9%
Other	565	664	98	117.4%
<b>Operating profit</b>	2,165	1,063	-1,102	49.1%
Consulting	701	-1,416	-2,118	-
Urban & Spatial Development	134	240	106	179.2%
Energy	1,289	2,203	914	170.9%
Other	40	36	-4	89.4%
<b>Core operating profit</b>	1,181	2,219	1,038	187.9%
Consulting	-220	193	413	-
Urban & Spatial Development	57	2	-55	3.5%
Energy	1,293	2,118	825	163.9%
Other	50	-94	-145	-



\*Core operating profit is calculated from operating profit (or loss) after IFRS, excluding gains and losses arising from non-recurring factors.

## Consulting Business

- Orders : Following the 1Q, orders increased year-on-year due to the significant contribution of domestic defense-related works and those related to recovery and reconstruction in the Noto Peninsula.
- Revenue : Revenue increased thanks to steady progress in ongoing projects from NK domestic and strong performance from overseas group companies, particularly in India.
- Operating profit : Core operating profit increased due to strong performance in NK domestic and effective management of the overseas operating rate. As an extraordinary factor, we posted a loss on valuation of securities of approx. 1.6 billion yen.

## Urban & Spatial Development Business

- Orders : Orders decreased year-on-year due to the absence of large-scale projects that the BDP Group received in the same period of the previous fiscal year.
- Revenue : Revenue increased owing to steady progress in ongoing projects engaged by NKUrban and BDP Group.
- Operating profit : Operating profit decreased due to an increase in general and administrative expenses associated with strengthening the organization of NKUrban and the BDP Group.

※ Actual exchange rate in 2Q FYE 2025/6: 1 £ = 194.38 Yen (Actual exchange rate in December 2024: 1 £ = 183.25 Yen; planned exchange rate for FYE June 2025: 1 £ = 185.42 yen)

## Energy Business

- Orders : Orders increased significantly year-on-year, particularly due to a substantial order for a microgrid-related project and a rise in orders related to systems and hydroelectric power generation.
- Revenue : Revenue decreased due to the reaction from the peak period for EPC projects in the same period of the previous fiscal year, despite the steady progress of projects in the manufacture section.
- Operating profit : Operating profit saw a significant increase thanks to strong sales in the manufacture section and contribution from the European battery storage business (in Belgium).

# FYE June 2025 Forecast

**Aiming for record-high orders received, revenue, and core operating profit, while planning to make upfront investment in digital transformation and human resources.**

(Million yen)	FYE 2024/6 Results	FYE 2025/6 Plan	YoY Comparison	
			Amount	%
<b>Orders</b>	161,357	168,000	6,642	104.1%
Consulting	86,568	94,000	7,431	108.6%
Urban & Spatial Development	49,874	47,000	-2,874	94.2%
Energy	24,446	27,000	2,553	110.4%
<b>Revenue</b>	158,983	165,000	6,016	103.8%
Consulting	85,488	90,000	4,511	105.3%
Urban & Spatial Development	44,460	47,000	2,539	105.7%
Energy	27,925	27,000	-925	96.7%
Other	1,109	1,000	-109	90.1%
<b>Operating profit</b>	14,124	12,200	-1,924	86.4%
Consulting	10,647	8,100	-2,547	76.1%
Urban & Spatial Development	1,968	3,000	1,031	152.4%
Energy	2,470	2,400	-70	97.2%
Other	-961	-1,300	-338	-
<b>Profit attributable to owners of parent</b>	9,677	7,300	-2,377	75.4%
<b>ROE</b>	11.3%	8.0%	-3.3pt	-

## Comparison of core operating profit

Below is a comparison on a core operating profit basis to show the earnings trend of our core business. (No special factors are incorporated in the FYE 2025/6 Plan.)

**Core operating profit for FYE 2025/6 is planned to achieve a year-on-year increase.**

▼ Analysis of change in core operating profit for FYE June 2024 results and FYE June 2025 plan

(Million yen)	FYE 2024/6 Results	FYE 2025/6 Plan	YoY Comparison
<b>Core operating profit</b>	12,031	12,200	168
Consulting Business	7,814	8,100	285
Urban & Spatial Development Business	2,341	3,000	658
Energy Business	2,897	2,400	-497
Other	-1,022	-1,300	-277

## Design Work for Bridges Related to Disaster Recovery Construction in the Noto Peninsula Region

**Client** Suzu City, Ishikawa Prefecture

- Overview**
- While the Noto Peninsula Earthquake did not result in any bridge collapses, it did cause significant deformations in both the superstructure and substructure and in the bearing components of bridges. Severe damage was also observed.
  - NK made assessment of the damages and restoration designs for the nine bridges under Suzu City management.
  - This was the first project we received from Suzu City. Suzu City requested NK to respond to the disaster following the recommendation from the Ishikawa Prefecture Civil Engineering Consultants Association, as our company has experience in disaster recovery in the prefecture and after the Great East Japan Earthquake.



Munesue Bridge damaged by the September downpours

## Developing MobaDAS: A Support System for Creating Seaweed Beds

**Overview**

- Seaweed beds, where seaweed and algae grow in clusters, are increasingly recognized as blue carbon ecosystems that absorb carbon dioxide (CO2). However, there is still a lack of information regarding the environmental factors determining their distribution and growth.
- NK has developed a system called MobaDAS that visualizes seaweed beds' current and future potential based on environmental data. MobaDAS combines various technologies related to the aquatic environment, including existing scientific knowledge, analysis of satellite images with diverse wavelengths and attributes, and predictions of underwater conditions using hydrological and water quality models. This integration allows for a comprehensive assessment of the suitability of each location for seaweed cultivation.
- This system is designed to determine water areas suitable for seaweed beds and to provide a central platform for accessing real-time information on seaweed beds. Target users are companies and organizations involved in creating and maintaining seaweed beds. The service is set to launch in 2026, following a demonstration experiment and additional testing.



MobaDAS interface

## Participation in the Palau International Airport Terminal Operation

### Operating company

Palau International Airport Corporation (PIAC)

### Overview

- The terminal building at Palau International Airport was constructed in 2003 with an ODA Grant from the Japanese Government.
- To attract more tourists, renovation and expansion work was carried out on various facilities, including the airport terminal. NK served as the project management consultant from 2019 until the completion of the work in 2022.
- By taking a capital stake in the corporation, NK will leverage the engineering expertise it has gained from airport projects worldwide. NK will propose more efficient repair and facility improvement plans to enhance airport operation.



Palau International Airport

## Vietnam's First Subway: Ho Chi Minh City Metro Line 1

### Client

Management Authority for Urban Railways (MAUR)

### Overview

- Ho Chi Minh City Metro Line 1 has been under construction with Japanese ODA loans. The line is Vietnam's first urban railway to have an underground section.
- As the lead company, NK has been providing consulting services for the entire project since 2008. Our services encompass civil engineering, architecture, electrical systems, track, signaling, communications, and rolling stocks. We have been involved in basic design, detailed design (for one station), tender assistance, construction supervision, and pre-opening training.
- NK will continue to provide operational advisory services to the Ho Chi Minh City Urban Railway Line 1 Operating Company (HURC1) for the next five years following the line's opening.



A train on Line 1 in operation

# Project Highlights (Urban & Spatial Development Business)

## Medical Facility: Louisa Martindale Building

### Overview

- The Louisa Martindale Building, located within the Royal Sussex County Hospital in the UK, is a state-of-the-art medical facility with multiple wards and rooms across 13 floors. This facility opened as the first phase of a 14-year hospital renovation project.
- The new building will enhance the capacity to offer cancer treatment, acute care, and emergency services, with an expected annual patient volume exceeding 100,000.
- BDP, a firm with extensive expertise in designing medical wards, was responsible for the design of this project, which won first place in the AJ Architecture Awards 2024. The renovation project will proceed to ensure that a wide range of medical services continues to be available.



Louisa Martindale Building

## Survey and Design Work for the Denso Ikeda Plant Site Utilization Project

### Client

ES-CON JAPAN Ltd.

### Overview

- The Denso Ikeda Plant site is a 9.9-hectare former factory location established in Kariya City, Aichi Prefecture, in 1965. It produced radiators and other heat exchangers for 53 years until it was closed in 2018.
- Although the site is conveniently located near a main road, there are few large-scale commercial facilities in the surrounding area, presenting a significant opportunity to attract customers. ES-CON JAPAN, which acquired the land, plans to develop the area into a neighborhood featuring a commercial complex that residents will love.
- NKUrban will conduct topographic surveys, geological investigations, development design, and manage various permit application procedures essential for private development projects. It will support the smooth and efficient advancement of projects from the initial development stages to the final phase of civil engineering work orders.



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## Energy Management Business in Europe

### Client

In-house investment projects

### Overview

- In Belgium, the use of renewable energy sources is increasing alongside the decommissioning of nuclear and thermal power plants. A major challenge now is stabilizing the power grid. The market environment remains strong, and Ruien Energy Storage, operated by the Group, showed improved performance YoY.
- The Tollgate Battery Energy Storage Facility, managed by the Group in the UK, saw an increase in revenue primarily due to the launch of Quick Reserve. This market offers balancing services for battery energy storage facilities that need to respond quickly. Reduced solar power generation during winter also contributed to the increased revenue.
- We are working on new projects in Belgium and plan to obtain grid connection rights and construction permits.



Ruien Energy Storage

## Entry into the Grid Storage Battery Business in Nakatsugawa City, Gifu Prefecture

### Overview

- In recent years, with the expansion of renewable energy, the importance of grid storage batteries as a means of adjusting the balance between power supply and demand has increased.
- NKES aims to enhance the stabilization of the power grid by managing the charging and discharging of electricity at the Nakatsugawa Power Storage. This will be achieved through transactions in three electricity markets: the wholesale electricity market, the supply and demand adjustment market, and the capacity market.
- NKES will promote this project by leveraging its expertise in storage battery business development, EPC, and aggregation, which NKES have cultivated in Europe, as well as its knowledge of energy management systems that optimally control storage batteries.
- Nakatsugawa Power Storage LLC, a joint venture with HAZAMA ANDO CORPORATION, will begin construction of grid storage batteries with an output of 20 MW and a capacity of 80 MWh in March 2025, and to begin operation in 2028.



Perspective view of Nakatsugawa Power Storage



## **Inquiries on IR-related matters**

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