


INFRONEER Holdings  
FY2024 3<sup>rd</sup> Quarter Financial Presentation  
[Presentation Materials]



February 12, 2025

# Summary of Financial Results: Revision of Full-Year FY Forecast


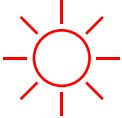

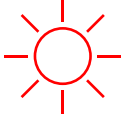

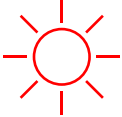

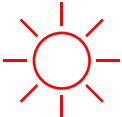


- Business profit was revised to 47.9 billion yen in the full-year forecast due to the postponement of the sale of the Ozu Biomass Project.\*  
 Resulted in -11 billion yen compared to the amount estimated at the beginning of FY,  
 Resulted in -4 billion yen compared to the previous year (FY23)
- Net income was revised to 330 billion yen in the full-year forecast, up 40 billion yen from the previous year (FY23).  
 Resulted in -5 billion yen compared to the beginning of FY.
- Dividend per share is expected to be 60 yen (interim 30 yen + year-end 30 yen) as planned
- Outlook for wind power market (Onshore wind power is viewed positively.)

	FY23 Full-Year Results	FY24 Full-Year Latest Forecast	FY24 Full-Year Revised
<b>Net sales</b>	793 billion yen	840 billion yen	843billion yen
<b>Business profit</b>	52 billion yen	59 billion yen	48billion yen
<b>Net Income</b>	33billion yen	38 billion yen	33billion yen
<b>Dividend Amount</b>	60 yen	60 yen	60 yen

\*Please refer to page 5 for details.

# Management Environment Recognition

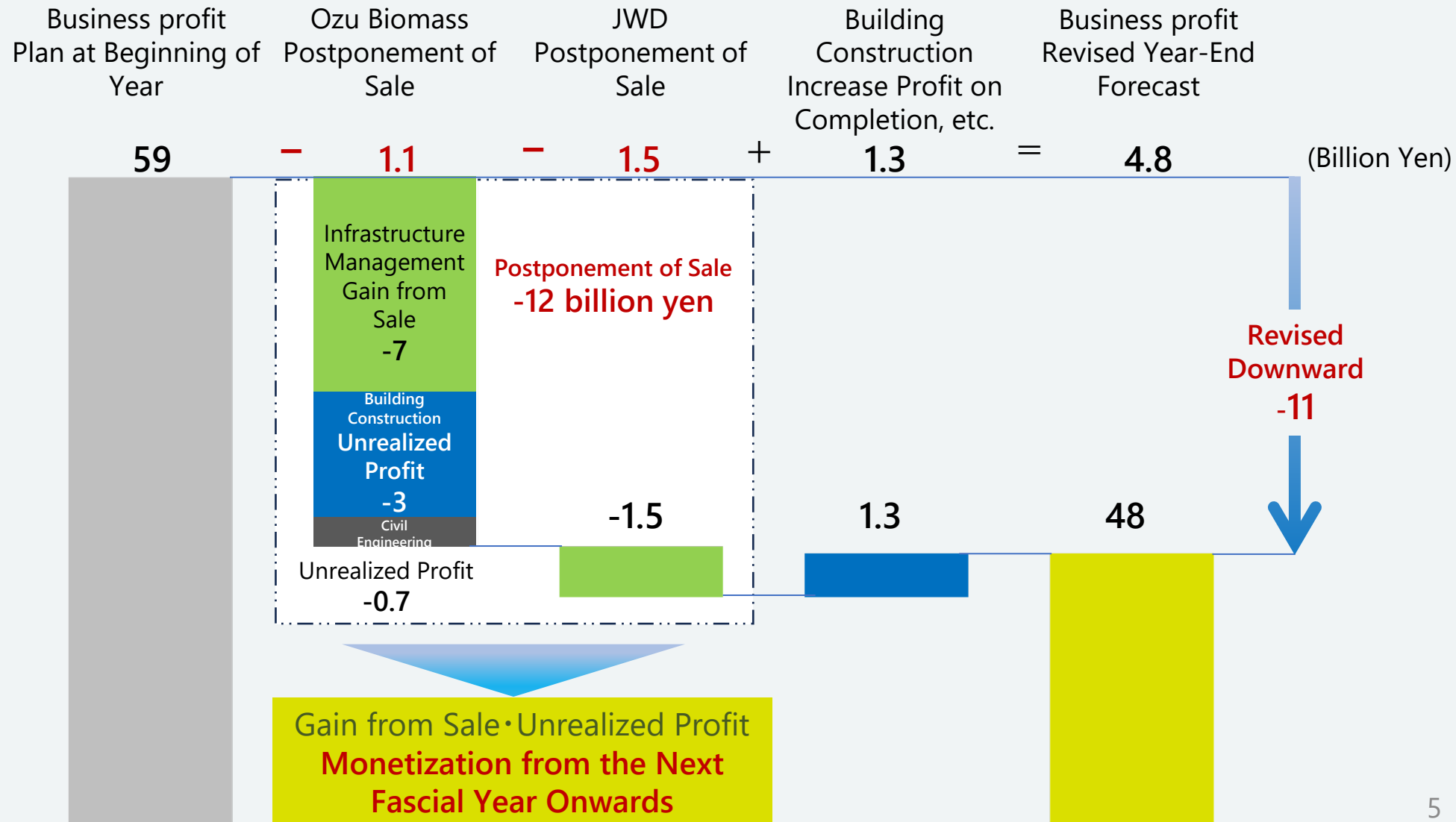
Our understanding and responses to the market environment, order environment, and material

Segments	Market condition	Our Condition	Market Perception and Our Initiatives
<b>Building Construction</b>			<p><b>Market condition :</b> The level of investment in construction is rising. It is significantly affected by rising building costs due to inflation. Looking at the floor areas of the buildings under construction, it has remained largely unchanged.</p> <p><b>Our Condition :</b> Although labor shortage among electrical equipment works companies is significantly seen, biddings for further projects have been continued strategically with partner companies considering the outlooks of the circumstances. Regarding orders, their targets are generally achieved in accordance with plan. Also, in terms of orders and profit margin, there is a high possibility of achieving their targets.</p>
<b>Civil Engineering</b>			<p><b>Market condition :</b> The government bodies are driving demand for investment. The scale of private investment is also on the rise. Contract amounts are favorable. The cost for civil works is rising gradually.</p> <p><b>Our Condition :</b> Investment in public works, including the resilience projects by the Cabinet's Office's remains vigorous. Private capital investment in renewable energy, carbon neutral, back-end businesses, and others also remains solid. Improvement of system for orders and construction works is focused. Achievement of the full year FY is expected.</p>
<b>Infrastructure Management</b>			<p><b>Market condition :</b> Demand for green power in renewable energy sector is increasing, and enhancement of environmental values is expected in the future. In PPP (Public-Private Partnerships) public notices for the PPP projects in the fields such as arena and water PPP are expected to be announced in the full-scale.</p> <p><b>Our Condition :</b> Steady progress has been gained based on the proposals from upstream organizations as well as strategic collaborations with partners. It is aimed at realizing securement of stable revenue.</p>
<b>Road Civil Engineering</b>			<p><b>Market condition :</b> The construction cost for road have remained unchanged since FY 2010. Shipment of asphalt mixtures has been declining.</p> <p><b>Our Condition :</b> Improvement of profit margin is expected due to profit margin of orders received as well as fair pricing.</p>
<b>Machinery</b>			<p><b>Market condition :</b> Public investment has remained firm. It shows signs of recovery.</p> <p><b>Our Condition :</b> Although costs have risen sharply, gross profit is expected to recover due to appropriate price pass-on measures.</p>

Company	Segments	Financial Highlights		
<b>INFRONEER Holdings</b>		<ul style="list-style-type: none"> <li>Results at FY24 3Q showed that <b>net sales increased, while profits decreased YoY</b>. Looking at the full-year FY business profit, it is expected to decrease by 11 billion yen, resulting that it will be 48 billion yen (due to the impact of unrealized profit).</li> <li>On the other hand, although net income is expected to decrease by 5.4 billion yen compared to the amount at the latest forecast due to improved valuation gains on investment assets, it is expected to <b>increase by 400 million yen, resulting that it will be 33 billion yen YoY</b>.</li> </ul>		
		<b>Maeda Corp</b>	<b>Building Construction</b>	<ul style="list-style-type: none"> <li>The FY24 3Q <b>showed net sales as well as profits to a larger extent increased YoY</b>.</li> <li>For the full-year individual, profits are expected to be <b>a record high (gross profit: 32.2 billion yen, and operating profit: 12.6 billion yen)</b></li> <li>For the HD consolidated it is expected to be 29.7 billion yen due to the postponement of the sale of Ozu Biomass (consolidated adjustment: -3.1 billion yen)</li> </ul>
		<b>Maeda Corp</b>	<b>Civil Engineering</b>	<ul style="list-style-type: none"> <li>Results at FY 24 3Q showed that net sales as well as profits decreased YoY.</li> <li>For the full-year individual, <b>net sales as well as profits are expected to achieve as planned</b>.</li> <li>For the HD consolidated, it is expected to be 27.3 billion yen as in the case of building construction (consolidated adjustment: -700 million yen)</li> </ul>
<b>Japan Wind Development</b>	<b>Infrastructure Management</b>	<ul style="list-style-type: none"> <li>Three arena concession projects were acquired in the first half of FY, two comprehensive private contracting projects were acquired in the 3Q, and one PFI project was also acquired. In the next FY, biddings for some Water PPP Projects are planned. Moreover, development of renewable energy projects including storage battery projects is also focused.</li> <li>The consolidated full-year forecast for operating profit was revised to be -500 million yen due to the postponement of sales from the Ozu Biomass Project to the next fiscal year and beyond.</li> </ul>		
<b>MAEDA ROAD</b>		<b>Road Civil Engineering</b>	<ul style="list-style-type: none"> <li>Results at FY 24 3Q showed <b>net sales as well as profits increased YoY</b>.</li> <li>For the full-year FY, <b>net sales as well as profits in both the construction and manufacturing segments are expected to be the highest</b> since the HD system was established.</li> </ul>	
<b>MAEDA SEISAKUSHO</b>	<b>Machinery</b>	<ul style="list-style-type: none"> <li>Results at FY 24 3Q showed <b>net sales as well as profits increased YoY</b>.</li> <li>For the full-year FY, net sales as well as profits are expected to <b>achieve</b> as planned.</li> </ul>		
<b>Others</b>		<ul style="list-style-type: none"> <li>Results at FY 24 3Q showed <b>net sales as well as profits increased YoY</b>.</li> <li>For the full-year FY, net sales as well as profits are expected to <b>achieve</b> as planned.</li> </ul>		

# FY24 Full-Year Factors Affecting Business Profit Fluctuations

- Business Profit in FY24 Full-Year has been revised downward by **11 billion yen** to **48 billion yen** due to factors such as the sales of Ozu Biomass project, etc.
- The gains** from the sales and unrealized profits due to the postponement of the sale of Ozu Biomass and JWD projects **will be realized from the next fiscal year onwards**.

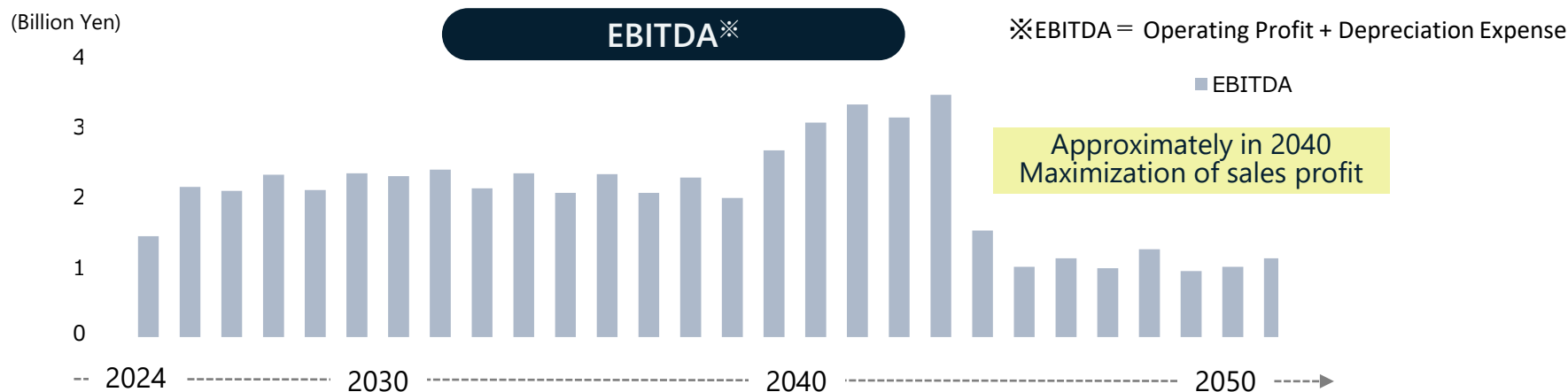


# Reason for Postponement of the Sale of Ozu Biomass

- Recently, in Japan, the market condition has deteriorated due to fires at biomass power plants and the impact of rising prices.
- Ozu Biomass has implemented risk hedging against fires and rising prices; therefore, the sale has been postponed for aiming to maximize the value from its sale.

## The potential of Ozu Biomass

<b>Room for growth</b>	<ul style="list-style-type: none"> <li>• Increasing environmental value (Target in 2040 : 40~50% of renewable※) ※Source : 7<sup>th</sup> Basic Energy Plan (Draft)</li> <li>• Increased power demand due to the new establishment and expansion of semiconductor factories, etc.</li> </ul>
<b>Favorable conditions</b>	<ul style="list-style-type: none"> <li>• Measures against price fluctuations : 88% of overseas fuel is secured by exchange rate contracts. (1USD = 102.32Yen) Long-term material procurement contracts have been concluded.</li> <li>• Measures against fires : Monitoring fuel temperature to prevent spontaneous combustion (24-hour surveillance).</li> <li>• The acquisition unit price for FIT: 24 yen/kWh (for a period of 20 years from the commencement of operations).</li> </ul>
<b>Sales profit of electricity (Projection)</b>	<ul style="list-style-type: none"> <li>• Average operating profit of approximately 800 million yen / year (FIT period : 20 years)</li> </ul>



# FY24 Gross Profit 3Q Results and Full Year Forecast

**Maeda Corp.**  
[Non-Consolidated]

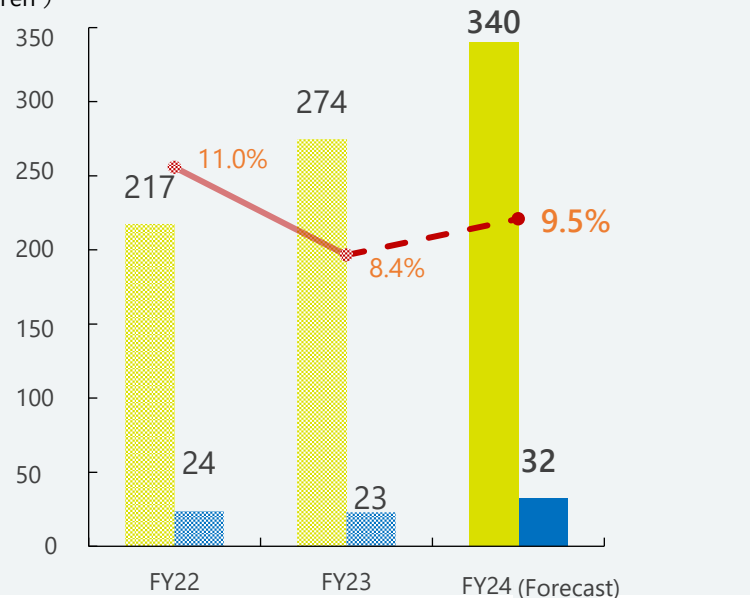
**Building construction segment's full-year profit reaches record high, while civil engineering segment remains steady**

- Building construction segment's gross profit increased significantly year-on-year in 3Q results and are expected to **reach a record high for the full year**.
- Civil engineering segment's gross profit maintained a high level in 3Q results, and **are expected to achieve plan for the full year**.

		FY24 3Q Results (YoY)	FY24 Full year (YoY)
Gross profit	Building Construction ※1	21 billion yen (+8 billion yen)	<b>Record High</b> 32 billion yen (+0.9 billion yen)
	Civil Engineering	20 billion yen (△16 billion yen)	28 billion yen (△14 billion yen)
Operating profit※2		14 billion yen (△10 billion yen)	25 billion yen (△6.7 billion yen)

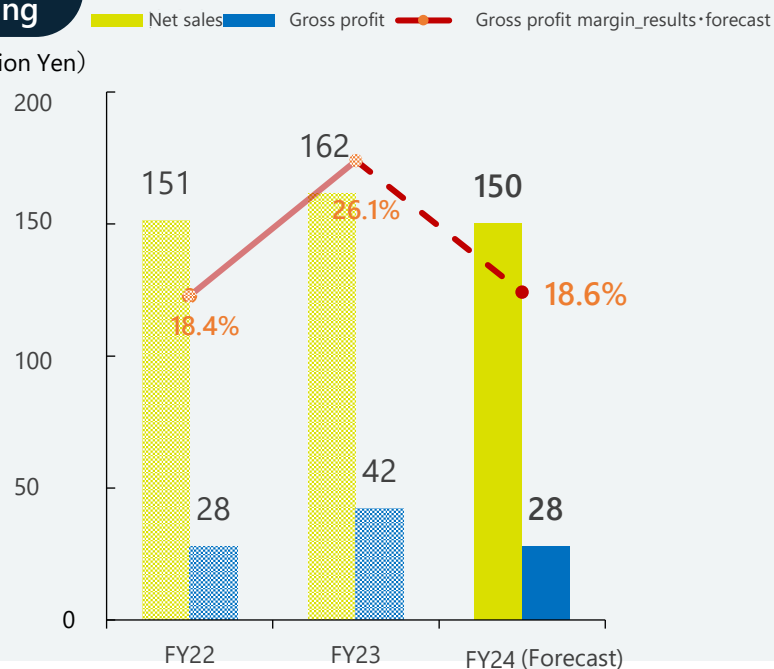
## Building Construction

(Billion Yen)



## Civil Engineering

(Billion Yen)



※1 : Including real estate ※2 : Including infrastructure management segment

# FY24 Gross profit 3Q results and full-year forecast

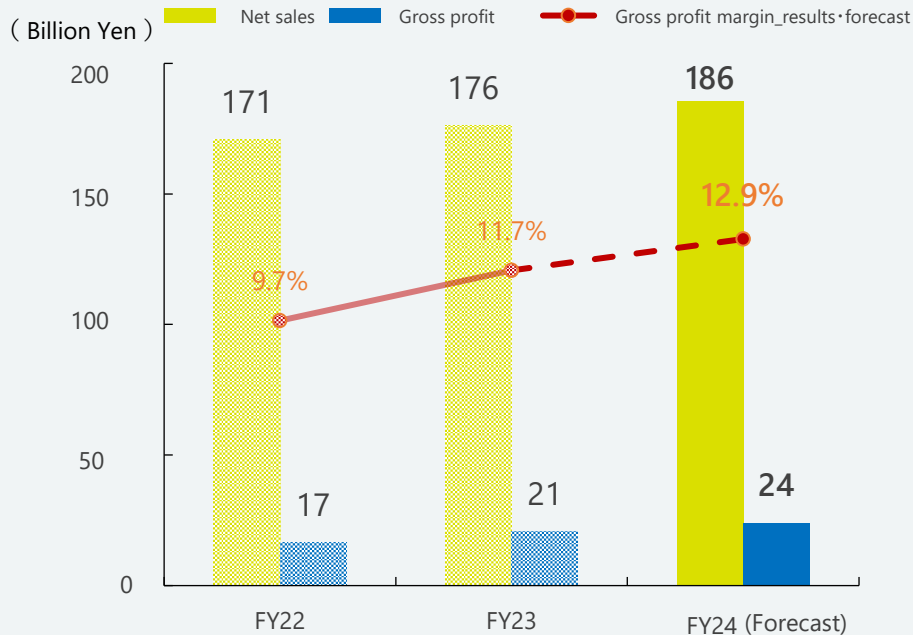
**MAEDA ROAD**  
[Consolidated]

## Road civil engineering segment remains strong

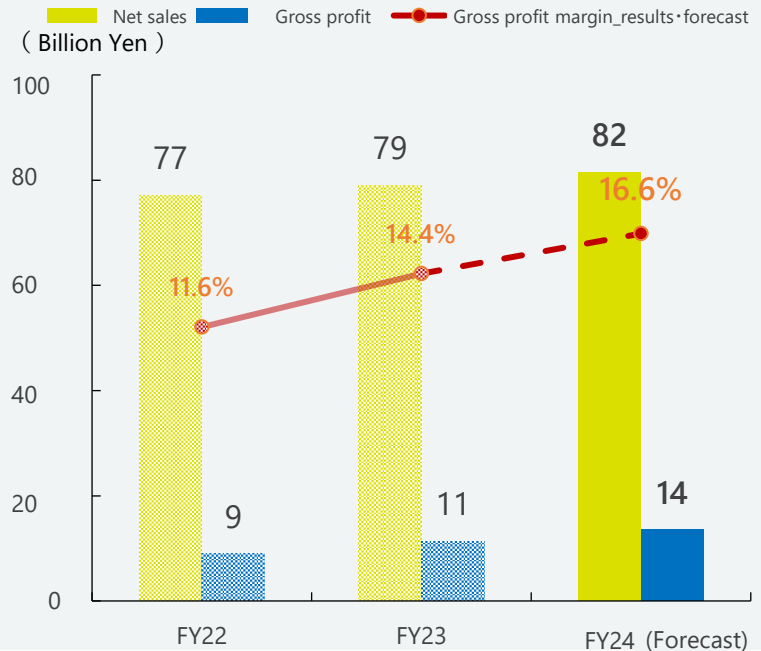
- Gross profit is expected to **reach record highs** for both the 3Q and full year since transitioning to HD structure.
- Sales and gross profits have grown steadily** over the past three years in both construction and manufacturing business

		FY24 3Q Results (YoY)	FY24 Full year (YoY)
Gross profit	Construction business	18 billion yen (+2.8billion yen)	24billion yen (+3.4billion yen)
	Manufacturing business	9.6 billion yen (+0.9billion yen)	13.5 billion yen (+2.1 billion yen)
Operating profit		14.9 billion yen (+1.9billion yen)	19.7 billion yen (+3.5 billion yen)

### Construction business



### Manufacturing business

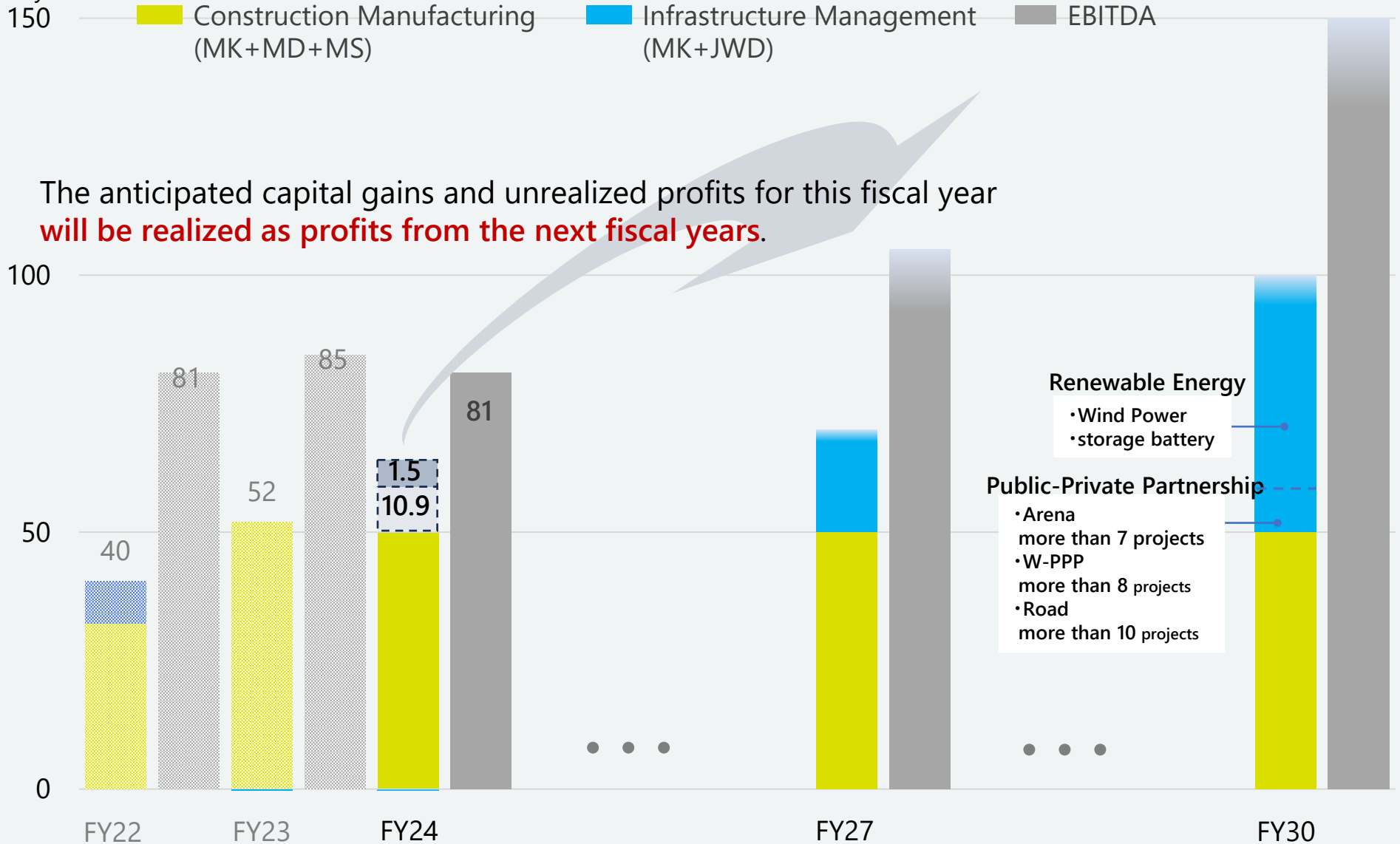




# Business Profit : Forecast trend image « FY25 ~ FY30 »

- The contracting and manufacturing business **is performing steadily.**
- The infrastructure operation business, **centered around arenas, water projects, roads, and renewable energy (wind power and storage batteries),** is set for rapid growth towards FY30.

(billion yen)



# Appendix

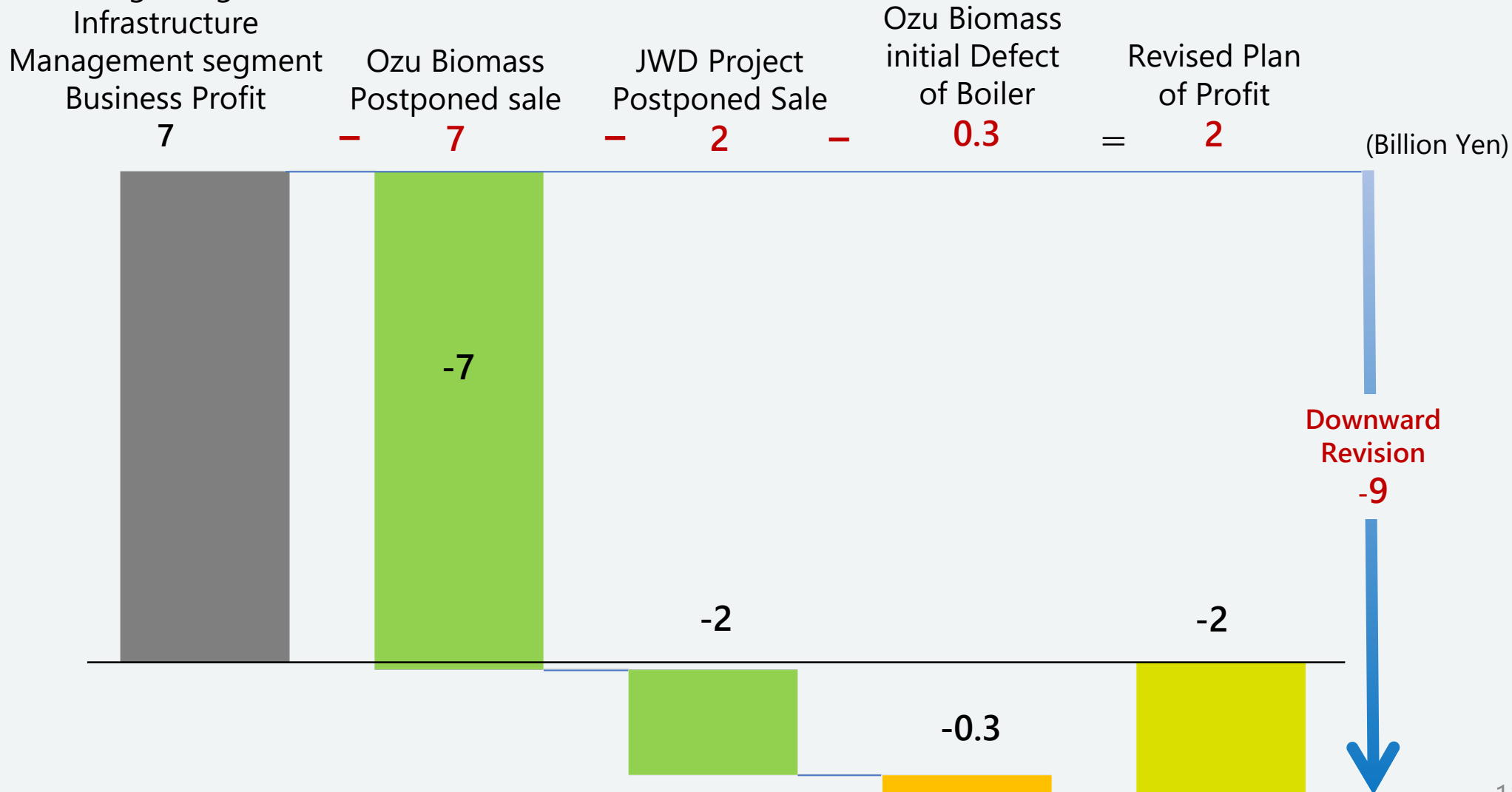
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# FY24 full-year Infrastructure Operation Segment : Factors Affecting the Business Profit

INFRONEER Holdings Inc.

- FY24 full-year : The business profit of the Infrastructure Operation Segment has been revised **downward by 8.9 billion yen to a negative 1.9 billion yen.**
- Out of 8.9 billion yen, **8.6 billion yen is expected to turn into profit in the next fiscal years.**

Plan at beginning of Year

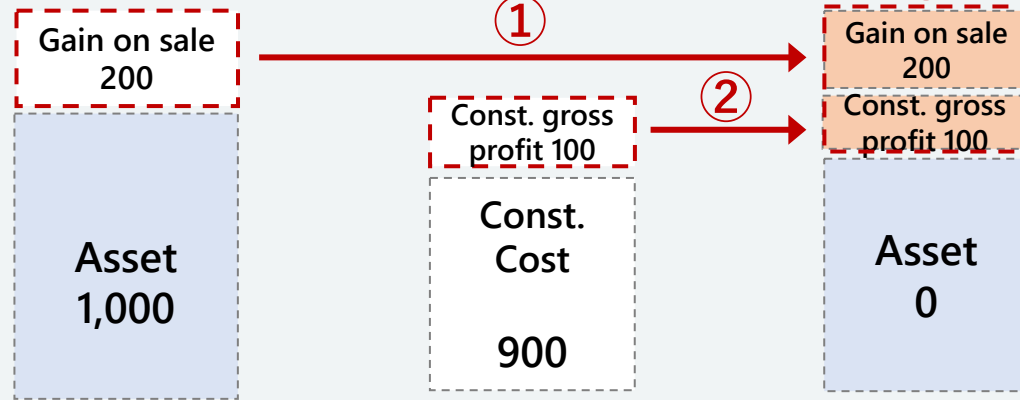


# The mechanism of the impact of project sales on consolidated performance (Construction gross profit in relation to intercompany transactions, etc.)

## In case of sale

Profit realization by sale(Non-consolidated)

Sale of power plant



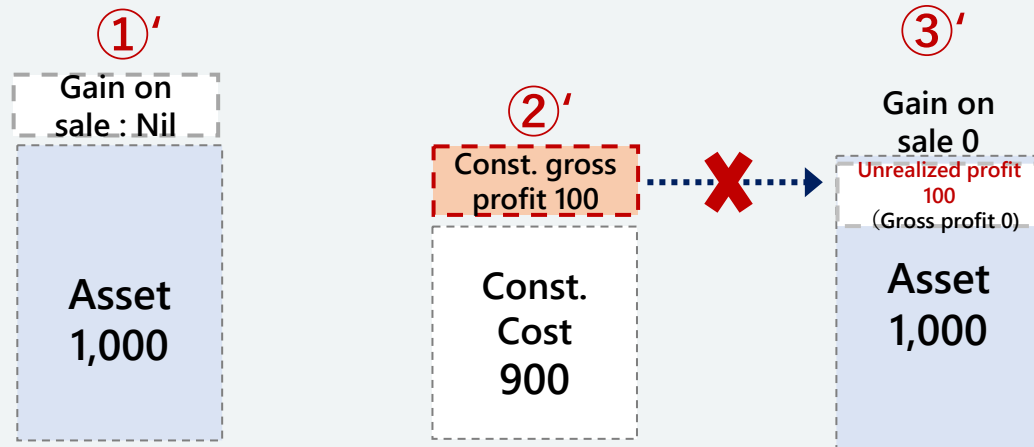
Infrastructure Management segment

Building Construction Civil Engineering segment

INFRONEER HD

- ① Infrastructure operation sale profit will be recorded in the consolidated PL statement of the holding company (HD).
- ② Construction gross profit is recorded in the standalone financials of the building/civil segment.
- ③ The total(①+②) is recorded in the consolidated financials of the holding company (HD).

## In case of sale postponement



Infrastructure Management segment

Building Construction Civil Engineering segment

INFRONEER HD

- ①' Sale of the project : Nil
- ②' Building and civil engineering gross profit is not consolidated (but recorded as individual gross profit)
- ③' Not recorded in the consolidated PL of the holding company (HD). → recorded as unrealized profit in assets.

### 【 Disclaimer 】

- This financial presentation document is originally in Japanese and has been translated in English. Any texts, figures and descriptions etc. in Japanese document is the original and the English document is for reference purposes only. In case of any conflict or inconsistency between these two documents, the Japanese documents shall prevail.
- The figures in this document are based on financial results as of February 12, 2025, and rounded to the nearest billion or million yen.
- While every attempt has been made to ensure the accuracy of the information, the forecasts contained in this document are based on judgments made with information available as of November 12, 2024, and are subject to risks and uncertainties that may cause actual results to vary.

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Challenge the status quo

 **INFRAFRONTIER Holdings Inc.**