

Translation

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Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February, 14, 2023

Company name: INFRONEER Holdings Inc.
 Stock exchange listing: Tokyo
 Stock code: 5076 URL <https://www.infroneer.com>
 Representative: Representative Executive Officer and President Kazunari Kibe
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 Scheduled date to file Quarterly Securities Report: February 14, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2022	495,831	2.8	24,855	41.6	25,935	44.2	23,475	119.3
Nine months ended December 31, 2021	482,288	–	17,557	–	17,980	–	10,703	–

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥17,934 million [–%]

Nine months ended December 31, 2021: ¥1,089 million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	89.92		–	
Nine months ended December 31, 2021	37.59		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	918,398	354,799	37.6
As of March 31, 2022	926,432	355,865	37.4

(Reference) Equity: As of December 31, 2022: ¥345,478 million

As of March 31, 2022: ¥346,911 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Fiscal year ended March 31, 2022	–	0.00	–	40.00	40.00
Fiscal year ending March 31, 2023	–	0.00	–		
Fiscal year ending March 31, 2023 (Forecast)				40.00	40.00

(Note) Revision to the forecast of dividends announced most recently: No

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	705,000	3.2	35,000	(6.6)	36,800	(3.3)	31,500	18.0	121.50

(Note) Revision to the forecast of consolidated financial results announced most recently: No

* Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: No

3) Changes in accounting estimates: No

4) Restatement of prior period financial statements: No

(Note) Please refer to “(Changes to accounting policies)” of “2. (3) Notes to Quarterly Consolidated Financial Statements” on page 10 for details.

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	274,845,024 shares	As of March 31, 2022	291,070,502 shares
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2) Number of treasury shares at the end of the period

As of December 31, 2022	18,393,136 shares	As of March 31, 2022	26,694,723 shares
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3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	261,077,548 shares	Nine months ended December 31, 2021	284,753,178 shares
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(Notes) 1. The Company’s shares held by the Stock Benefit Trust Disposition-type Employee Stock Ownership Plan Trust are included in the number of treasury shares at the end of the period (3,420,700 shares at the end of the nine months ended December 31, 2022, and 4,221,300 shares at the end of the fiscal year ended March 31, 2022). The Company’s shares held by the Stock Benefit Trust Disposition-type Employee Stock Ownership Plan Trust are included in the number of treasury shares deducted in the calculation of the average number of shares during the period (3,833,250 shares at the end of the nine months ended December 31, 2022, and 324,715 shares at the end of the fiscal year ended March 31, 2022).

2. The Company’s shares held by Board Benefit Trust (BBT) are included in the number of treasury shares at the end of the period (377,500 shares at the end of the nine months ended December 31, 2022, and 657,500 shares at the end of the fiscal year ended March 31, 2022). The Company’s shares held by Board Benefit Trust (BBT) are included in the number of treasury shares deducted in the calculation of the average number of shares during the period (517,500 shares at the end of the nine months ended December 31, 2022, and 657,500 shares at the end of the fiscal year ended March 31, 2022).

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit corporations.

* Explanation of the proper use of performance forecast and other notes

- The above forecasts are based on assumptions in light of information available as of the date of announcement of this material and factors of uncertainty that may possibly impact the future results of operation. These statements do not indicate that the Company pledges to realize these forecasts. Actual results may differ significantly from those presented herein as a result of numerous factors.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the nine months ended December 31, 2022, the Japanese economy generally and moderately recovered in corporate earnings, employment, and personal consumption, as normalization of economic and social activities progressed under coexistence with the novel coronavirus infection (COVID-19), despite persisting concerns about rising prices due to a steep rise in oil prices and the rapid depreciation of the yen putting downward pressure on the Japanese economy in the context of the prolonged situation in Ukraine and the continued monetary tightening across the globe, among other situations.

In the construction industry, public investment and housing construction remained firm, and capital investment picked up on the back of improved corporate earnings and other factors.

Under these circumstances, with the objective of the entire group achieving sustained growth under the Company, the Company will strive to be a “company trusted by all stakeholders” by determining to aim for the mid- to long-term state of being an “integrated infrastructure service company” with one-stop style management from upstream to downstream of infrastructure operations, establishing a “highly profitable and stable revenue base” without being influenced by external factors, operating expeditiously and appropriately, such as by building an effective governance structure and promoting digital transformation, and strengthening the ability to deal with social changes.

For the nine months ended December 31, 2022, net sales increased by ¥13.5 billion (2.8%) year on year to ¥495.8 billion. Operating profit increased by ¥7.2 billion (41.6%) year on year to ¥24.8 billion, ordinary profit increased by ¥7.9 billion (44.2%) year on year to ¥25.9 billion, and profit attributable to owners of parent increased by ¥12.7 billion (119.3%) year on year to ¥23.4 billion.

Performance results by business segment are as follows.

[Building Construction]

In the building construction business, net sales decreased by ¥11.0 billion (7.3%) year on year to ¥141.4 billion and segment profit decreased by ¥0.5 billion (22.2%) year on year to ¥2.0 billion.

[Civil Engineering]

In the civil engineering business, net sales increased by ¥9.5 billion (9.6%) year on year to ¥108.7 billion and segment profit increased by ¥3.8 billion (44.0%) year on year to ¥12.7 billion.

[Road Civil Engineering]

In the road civil engineering business, net sales increased by ¥7.4 billion (4.4%) year on year to ¥174.6 billion and segment profit decreased by ¥0.3 billion (32.1%) year on year to ¥0.8 billion.

[Machinery]

In the machinery business, net sales increased by ¥0.1 billion (0.6%) year on year to ¥25.0 billion and segment profit decreased by ¥0.4 billion (41.7%) year on year to ¥0.6 billion.

[Infrastructure Management]

In the infrastructure management business, net sales increased by ¥6.8 billion (57.8%) year on year to ¥18.7 billion and segment profit increased by ¥5.7 billion (335.6%) year on year to ¥7.4 billion.

[Others]

In the others business segment, net sales increased by ¥0.6 billion (2.6%) year on year to ¥27.1 billion and segment profit decreased by ¥0.4 billion (37.0%) year on year to ¥0.7 billion.

(2) Explanation of Financial Position

Total assets as of December 31, 2022 were ¥918.3 billion, down ¥8.0 billion (0.9%) compared to the end of the previous fiscal year, mainly due to a decrease in notes receivable and accounts receivable from completed construction contracts. Liabilities stood at ¥563.5 billion, a decrease of ¥6.9 billion (1.2%) compared to the end of the previous fiscal year, mainly due to a decrease in short-term borrowings. Net assets amounted to ¥354.7 billion, down ¥1.0 billion (0.3%) compared to the end of the previous fiscal year. As a result of the above, equity, which is net assets minus non-controlling interests, amounted to ¥345.4 billion, and the equity ratio increased from 37.4% at the end of the previous fiscal year to 37.6%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

There is no change from the financial results forecast announced at the time of the financial results announcement on November 11, 2022.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	78,035	94,822
Notes receivable, accounts receivable from completed construction contracts and other	310,801	267,420
Securities	30	30
Real estate for sale	1,987	1,894
Merchandise and finished goods	1,573	2,657
Costs on construction contracts in progress	13,698	30,226
Raw materials and supplies	3,444	3,695
Other	43,149	52,538
Allowance for doubtful accounts	(117)	(156)
Total current assets	452,602	453,129
Non-current assets		
Property, plant and equipment	163,578	158,627
Intangible assets		
Right to operate public facilities	109,721	106,352
Assets related to replacement investment to operate public facilities	24,122	27,724
Goodwill	19,891	14,842
Other	14,988	13,606
Total intangible assets	168,724	162,526
Investments and other assets		
Investment securities	120,123	107,084
Deferred tax assets	840	874
Retirement benefit asset	14,907	16,235
Other	5,994	20,271
Allowance for doubtful accounts	(402)	(375)
Total investments and other assets	141,464	144,089
Total non-current assets	473,767	465,243
Deferred assets	62	26
Total assets	926,432	918,398

(Millions of yen)

As of March 31, 2022

As of December 31, 2022

Liabilities	As of March 31, 2022	As of December 31, 2022
Current liabilities		
Electronically recorded obligations - operating	6,933	24,719
Account payable for works in progress and other	110,997	95,402
Short-term borrowings	84,492	65,182
Current portion of non-recourse loans	1,194	1,116
Current portion of bonds payable	–	10,000
Income taxes payable	10,896	3,138
Advances received on construction contracts in progress	34,862	37,171
Provision for loss on construction contracts	836	371
Other provisions	10,132	4,341
Liabilities related to right to operate public facilities	4,555	4,631
Liabilities related to replacement investment to operate public facilities	1,016	506
Other	33,319	40,407
Total current liabilities	299,236	286,990
Non-current liabilities		
Bonds payable	45,000	48,000
Long-term borrowings	52,851	59,662
Non-recourse loans	9,947	4,222
Deferred tax liabilities	14,305	12,316
Retirement benefit liability	16,767	17,047
Other provisions	–	112
Liabilities related to right to operate public facilities	103,843	101,914
Liabilities related to replacement investment to operate public facilities	24,588	29,193
Other	4,025	4,139
Total non-current liabilities	271,330	276,609
Total liabilities	570,566	563,599
Net assets		
Shareholders' equity		
Share capital	20,000	20,000
Capital surplus	134,117	106,378
Retained earnings	198,273	221,733
Treasury shares	(24,342)	(15,259)
Total shareholders' equity	328,048	332,852
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,275	12,200
Deferred gains or losses on hedges	3	(384)
Foreign currency translation adjustment	(95)	(178)
Remeasurements of defined benefit plans	680	989
Total accumulated other comprehensive income	18,863	12,626
Non-controlling interests	8,953	9,321
Total net assets	355,865	354,799
Total liabilities and net assets	926,432	918,398

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly consolidated statement of income

Nine months ended December 31

	(Millions of yen)	
	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales		
Net sales of completed construction contracts	274,153	273,812
Sales in other businesses	208,134	222,019
Total net sales	482,288	495,831
Cost of sales		
Cost of sales of completed construction contracts	241,524	237,887
Cost of sales in other businesses	182,406	191,337
Total cost of sales	423,930	429,225
Gross profit		
Gross profit on completed construction contracts	32,628	35,924
Gross profit - other business	25,728	30,681
Total gross profit	58,357	66,606
Selling, general and administrative expenses	40,800	41,751
Operating profit	17,557	24,855
Non-operating income		
Interest income	174	184
Dividend income	2,049	2,063
Share of profit of entities accounted for using equity method	311	450
Other	482	855
Total non-operating income	3,017	3,554
Non-operating expenses		
Interest expenses	1,889	1,681
Other	705	792
Total non-operating expenses	2,594	2,474
Ordinary profit	17,980	25,935
Extraordinary income		
Gain on sale of non-current assets	126	184
Gain on sale of investment securities	3,321	8,099
Other	319	182
Total extraordinary income	3,767	8,466
Extraordinary losses		
Loss on retirement of non-current assets	287	195
Loss on valuation of investment securities	0	258
Impairment losses	15	383
Other	120	98
Total extraordinary losses	423	936
Profit before income taxes	21,324	33,465
Income taxes - current	5,294	8,647
Income taxes - deferred	2,665	696
Total income taxes	7,959	9,344
Profit	13,364	24,120
Profit attributable to non-controlling interests	2,661	645
Profit attributable to owners of parent	10,703	23,475

Quarterly consolidated statement of comprehensive income
 Nine months ended December 31

	(Millions of yen)	
	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	13,364	24,120
Other comprehensive income		
Valuation difference on available-for-sale securities	(12,019)	(6,064)
Deferred gains or losses on hedges	29	(366)
Foreign currency translation adjustment	(31)	(73)
Remeasurements of defined benefit plans, net of tax	(289)	291
Share of other comprehensive income of entities accounted for using equity method	35	25
Total other comprehensive income	(12,275)	(6,186)
Comprehensive income	1,089	17,934
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,829	17,237
Comprehensive income attributable to non-controlling interests	(739)	696

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the case of significant changes in amount of shareholders' equity)

Not applicable.

(Changes in scope of consolidation and application of equity method)

Significant changes in scope of consolidation

From the first quarter of the current fiscal year, the newly established MAEDA AMERICA Inc. and INFRONEER Digital Solutions Inc., as well as Mio Tsukushi Industrial Water Concession Co., the importance of which increased, were included in the scope of consolidation.

In the first quarter of the current fiscal year, Aoisangyo CO., Ltd, which was a consolidated subsidiary, was excluded from the scope of consolidation because it was dissolved in an absorption-type merger with a consolidated subsidiary Aonokensetsu CO., Ltd

In addition, in the first quarter of the current fiscal year, consolidated subsidiary Anonymous Association Happo Wind Development, was excluded from the scope of consolidation due to the sale of the equity interest in the anonymous association it held.

In the third quarter of the current fiscal year, Keihinrecyclecenter CO.,Ltd, which was a consolidated subsidiary, was excluded from the scope of consolidation because it was dissolved in an absorption-type merger with a consolidated subsidiary Maeda Road Construction Co., Ltd.

In addition, in the third quarter of the current fiscal year, the newly established JAPAN BIO FUEL Co.,Ltd. was included in the scope of consolidation.

(Changes to accounting policies)

Application of Guidance on Accounting Standard for Fair Value Measurement, etc.

The "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter the "Fair Value Measurement Guidance") has been applied from April 1, 2022, and the new accounting policies prescribed by the Fair Value Measurement Guidance will be prospectively applied in accordance with the transitional treatment prescribed in Paragraph 27-2 of the Fair Value Measurement Guidance. The application of the Fair Value Measurement Guidance has no effect on the quarterly consolidated financial statements.

(Additional information)

Transactions to offer the Company's shares to employees, etc. through trust

(1) Stock Benefit Trust Disposition-type Employee Stock Ownership Plan

The Company conducts transactions to offer the Company's shares to the employee stock ownership plan through trust, with the aim of enhancing employees' benefits and providing incentives for the Company and Group employees to increase corporate value.

1. Descriptions of transactions

In March 2022, the Company introduced a "Stock Benefit Trust Disposition-type Employee Stock Ownership Plan" (hereinafter the "ESOP").

To initiate the ESOP, the Company concluded the "Stock Benefit Trust (Disposition-type ESOP) Agreement" (hereinafter the trust established pursuant to the agreement shall be referred to as the "ESOP Trust"), whereby the Company is to act as the administrator and the role of trustee is assigned to Mizuho Trust & Banking Co., Ltd. (hereinafter the "Trustee"). In addition, an agreement was concluded under which the Trustee is to re-entrust shares of the Company and other assets of the ESOP Trust to an account with ancillary trustee, Custody Bank of Japan, Ltd. (hereinafter the "Trust Account E"). The Trust Account E acquires shares of the Company that the Maeda Corporation Employee Stock Holding Partnership, the Maeda Road Employee Stock Holding Partnership, and the Maeda Seisakusho Employee Stock Holding Partnership (hereinafter collectively the "Stock Holding Partnership"), is expected to obtain over five years after the trust was set up, and periodically sells its holdings to the Stock Holding Partnership. If, by the time of the ESOP Trust's termination, gains equivalent to capital gains on sales of shares are accumulated within the ESOP Trust through sales of Company's shares by the Trust Account E to the Stock Holding Partnership, then those gains will be distributed as residual assets to Stock Holding Partnership enrollees that meet the requirements for eligible beneficiaries. Furthermore, to guarantee funds borrowed by the Trustee that enable the Trust Account E to acquire the Company's shares, the Company

is to repay any such remaining borrowings pursuant to a guarantee agreement, in the event there are any remaining borrowings equivalent to losses on sales of shares due to a downturn in the price of Company's shares up until termination of the ESOP Trust.

2. Company's shares remaining in trust

The Company's shares remaining in trust were recorded as treasury shares in the net assets section at the book value in trust (excluding the amount as ancillary expenses). At the end of the previous fiscal year, the book value and number of shares of the relevant treasury shares were ¥4,501 million and 4,221 thousand shares, respectively. As of December 31, 2022, the book value and number of shares of the relevant treasury shares were ¥3,513 million and 3,420 thousand shares, respectively.

3. Book value of borrowings recorded using the gross method

Borrowings at the end of the previous fiscal year amounted to ¥4,545 million and as of December 31, 2022 amounted to ¥3,886 million.

(2) Board Benefit Trust (BBT)

The Company's consolidated subsidiary Maeda Corporation introduced a performance-based stock compensation plan called "Board Benefit Trust" for directors (excluding outside directors) and executive officers (hereinafter collectively the "Directors") of Maeda Corporation. On September 1, 2022, in place of the former performance-based stock compensation plan for Directors, the Company introduced a new performance-based stock compensation plan called "Board Benefit Trust" (hereinafter "BBT") for directors (excluding outside directors) and executive officers of the Company (hereinafter, directors and executive officers of the Company are collectively referred to as the "Eligible Directors"), in order to clarify a linkage among the Eligible Directors' rewards, the Company's financial results, and the value of stock, and to enhance their motivation to contribute to the improvement of mid- to long-term business performance and the increase in corporate value by making them share not only the benefits of higher share prices, but also the risks of lower share prices with shareholders.

Following the introduction of the new plan, the operating entity of the BBT was changed from Maeda Corporation to the Company, with the trust assets transferred to the Company.

1. Descriptions of transactions

The BBT is a performance-based stock compensation plan under which the Company's shares are acquired through a trust (hereinafter the trust that is established based on the BBT is referred to as the "Trust"), using money contributed by the Company as the source of funds, and the Eligible Directors are provided with the Company's shares and an amount of money equivalent to the market value of the Company's shares (hereinafter the "Company's Shares, etc.") through the Trust in accordance with the Regulations on Stock Benefits for Officers stipulated by the Company. The Eligible Directors shall receive the Company's Shares, etc. at a certain time after the end of each period of the Company's Medium Term Business Plan (an initial applicable period and each three consecutive fiscal years following the initial applicable period), in principle.

2. The Company's shares remaining in trust

The Company's shares remaining in trust are recorded as treasury shares in the consolidated balance sheet at the book value in trust (excluding the amount as ancillary expenses). At the end of the previous fiscal year, the book value and number of shares of the relevant treasury shares were ¥549 million and 657 thousand shares, respectively. As of December 31, 2022, the book value and number of shares of the relevant treasury shares were ¥303 million and 377 thousand shares, respectively.

(Segment information)

I For the nine months ended December 31, 2021 (April 1, 2021 to December 31, 2021)

Information on sales, profit or loss by reportable segment and decomposition of income

(Millions of yen)

	Reportable Segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Building Construction	Civil Engineering	Road Civil Engineering	Machinery	Infrastruc- ture Manage- ment	Total				
Net sales										
Goods transferred at a point in time	5,388	1,779	129,719	16,976	11,815	165,679	18,805	184,484	—	184,484
Goods transferred over time	145,921	97,466	37,361	3,871	—	284,622	7,664	292,286	—	292,286
Income from contracts with customers	151,310	99,246	167,080	20,848	11,815	450,302	26,469	476,771	—	476,771
Other income	1,281	—	123	4,058	52	5,516	—	5,516	—	5,516
Net sales to outside customers	152,592	99,246	167,204	24,907	11,867	455,819	26,469	482,288	—	482,288
Inter-segment net sales or transfers	1,231	822	1,895	1,045	—	4,995	11,035	16,030	(16,030)	—
Total	153,824	100,068	169,100	25,953	11,867	460,814	37,504	498,319	(16,030)	482,288
Segment profit	2,684	8,859	1,210	1,171	1,713	15,638	1,193	16,832	725	17,557

(Notes) 1. "Others" is the segment which is not included in reportable segments, namely businesses operated by some subsidiaries

2. Adjustment of segment profit includes inter-segment transactions of ¥725 million.

3. Adjustments are made to reconcile segment profit to operating profit reported on the quarterly consolidated statement of income.

II For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

Information on sales, profit or loss by reportable segment and decomposition of income

(Millions of yen)

	Reportable Segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Building Construction	Civil Engineering	Road Civil Engineering	Machinery	Infrastruc- ture Manage- ment	Total				
Net sales										
Goods transferred at a point in time	5,282	715	136,562	21,252	11,787	175,599	19,027	194,627	—	194,627
Goods transferred over time	134,791	108,031	37,950	242	—	281,015	8,133	289,149	—	289,149
Income from contracts with customers	140,073	108,746	174,512	21,495	11,787	456,615	27,161	483,777	—	483,777
Other income	1,420	—	130	3,558	6,945	12,054	—	12,054	—	12,054
Net sales to outside customers	141,494	108,746	174,643	25,053	18,732	468,670	27,161	495,831	—	495,831
Inter-segment net sales or transfers	1,697	29	3,645	1,448	—	6,821	8,883	15,704	(15,704)	—
Total	143,191	108,776	178,288	26,502	18,732	475,491	36,045	511,536	(15,704)	495,831
Segment profit	2,088	12,759	821	682	7,462	23,814	752	24,566	288	24,855

(Notes) 1. "Others" is the segment which is not included in reportable segments, namely businesses operated by some subsidiaries

2. Adjustment of segment profit includes inter-segment transactions of ¥288 million.

3. Adjustments are made to reconcile segment profit to operating profit reported on the quarterly consolidated statement of income.

(Significant subsequent event)

Not applicable.

3. Supplementary Information

(1) (Building Construction Segment) Classified by Public and Private: Orders Received, Net Sales and Backlog

1. Orders Received (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	65,751	36.3%	26,276	19.0%	(39,474)	(60.0)%
Private Works	115,312	63.6%	111,724	80.6%	(3,588)	(3.1)%
Overseas	133	0.1%	587	0.4%	454	340.6%
Total	181,197	100.0%	138,588	100.0%	(42,608)	(23.5)%

2. Net Sales (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	26,538	17.3%	22,295	15.6%	(4,243)	(16.0)%
Private Works	127,274	82.7%	120,182	84.0%	(7,092)	(5.6)%
Overseas	10	0.0%	621	0.4%	611	—%
Total	153,824	100.0%	143,098	100.0%	(10,725)	(7.0)%

3. Backlog (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	83,251	22.0%	83,222	21.3%	(28)	(0.0)%
Private Works	295,549	78.0%	306,839	78.6%	11,289	3.8%
Overseas	134	0.0%	325	0.1%	191	142.7%
Total	378,935	100.0%	390,388	100.0%	11,453	3.0%

(Note) Net sales are before adjustment and include inter-segment transactions.

(2) (Civil Engineering Segment) Classified by Public and Private: Orders Received, Net Sales and Backlog

1. Orders Received (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	23,471	31.2%	37,633	59.7%	14,161	60.3%
Private Works	50,252	66.9%	25,418	40.3%	(24,834)	(49.4)%
Overseas	1,397	1.9%	21	0.0%	(1,376)	(98.5)%
Total	75,122	100.0%	63,072	100.0%	(12,049)	(16.0)%

2. Net Sales (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	56,469	56.4%	58,879	54.5%	2,410	4.3%
Private Works	42,138	42.1%	49,213	45.5%	7,074	16.8%
Overseas	1,461	1.5%	12	0.0%	(1,448)	(99.1)%
Total	100,068	100.0%	108,105	100.0%	8,036	8.0%

3. Backlog (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Public Works	126,893	45.4%	124,408	44.7%	(2,485)	(2.0)%
Private Works	152,115	54.4%	153,470	55.1%	1,354	0.9%
Overseas	603	0.2%	568	0.2%	(34)	(5.7)%
Total	279,612	100.0%	278,447	100.0%	(1,165)	(0.4)%

(Note) Net sales are before adjustment and include inter-segment transactions.

(3) (Road Civil Engineering Segment) Classified by Type: Orders Received, Net Sales and Backlog

1. Orders Received (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Pavement Construction	99,353	57.0%	106,287	57.5%	6,933	7.0%
Civil Engineering Works	21,710	12.5%	22,479	12.2%	769	3.5%
Manufacturing/Sales	52,877	30.3%	55,655	30.1%	2,777	5.3%
Other	419	0.2%	441	0.2%	21	5.2%
Total	174,361	100.0%	184,863	100.0%	10,501	6.0%

2. Net Sales (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Pavement Construction	94,783	56.1%	99,603	55.9%	4,820	5.1%
Civil Engineering Works	21,019	12.4%	22,588	12.7%	1,569	7.5%
Manufacturing/Sales	52,877	31.3%	55,655	31.2%	2,777	5.3%
Other	419	0.2%	441	0.2%	21	5.2%
Total	169,100	100.0%	178,288	100.0%	9,188	5.4%

3. Backlog (Millions of yen)

	Nine months ended December 31, 2021		Nine months ended December 31, 2022		YoY change	
	Amount	%	Amount	%	Amount	%
Pavement Construction	51,249	79.6%	52,838	80.5%	1,589	3.1%
Civil Engineering Works	13,141	20.4%	12,791	19.5%	(349)	(2.7)%
Manufacturing/Sales	—	—	—	—	—	—
Other	—	—	—	—	—	—
Total	64,390	100.0%	65,630	100.0%	1,239	1.9%

(Note) Net sales are before adjustment and include inter-segment transactions.

(4) Summary of Forecast of Consolidated Financial Results

(Millions of yen)

	Nine months ended December 31, 2022			Fiscal year ending March 31, 2023		
	Results for the previous period	Results for the current period	YoY change	Full-year forecast	YoY change	Progress
Net sales	482,288	495,831	13,543	705,000	22,087	70.3%
Building Construction	152,592	141,494	(11,098)	228,400	12,297	62.0%
Civil Engineering	99,246	108,746	9,500	147,000	4,360	74.0%
Road Civil Engineering	167,204	174,643	7,438	236,000	3,232	74.0%
Machinery	24,907	25,053	146	35,500	177	70.6%
Infrastructure Management	11,867	18,732	6,864	21,500	2,826	87.1%
Other	26,469	27,161	692	36,600	(807)	74.2%
Gross profit	58,357	66,606	8,248	92,100	489	72.3%
	12.1%	13.4%	1.3%	13.1%	(0.4)%	
Building Construction	14,313	12,991	(1,321)	24,000	596	54.1%
	9.4%	9.2%	(0.2)%	10.5%	(0.3)%	
Civil Engineering	16,814	21,136	4,321	25,400	(636)	83.2%
	16.9%	19.4%	2.5%	17.3%	(1.0)%	
Road Civil Engineering	15,662	15,461	(200)	21,000	(1,462)	73.6%
	9.4%	8.9%	(0.5)%	8.9%	(0.8)%	
Machinery	5,315	5,358	42	7,500	132	71.5%
	21.3%	21.4%	0.0%	21.1%	0.3%	
Infrastructure Management	2,967	9,060	6,093	10,000	2,416	90.6%
	25.0%	48.4%	23.4%	46.5%	5.9%	
Other	3,283	2,596	(686)	4,200	(556)	61.8%
	12.4%	9.6%	(2.8)%	11.5%	(1.2)%	
Selling, general and administrative expenses	40,800	41,751	951	57,100	2,979	73.1%
Operating profit	17,557	24,855	7,297	35,000	(2,489)	71.0%
Ordinary profit	17,980	25,935	7,955	36,800	(1,236)	70.5%
Profit attributable to owners of parent	10,703	23,475	12,771	31,500	4,810	74.5%

(Note) Percentages in the lower row of gross profit indicate profit margin.

(Reference) Maeda Corporation: Supplementary Information

1) Summary of non-consolidated financial results forecast

(Millions of yen)

	Nine months ended December 31, 2022			Fiscal year ending March 31, 2023		
	Results for the previous period	Results for the current period	YoY change	Full-year forecast		Progress
					YoY change	
Net sales	254,814	258,189	3,374	383,900	18,127	67.3%
Construction Total	251,588	249,783	(1,805)	374,800	16,477	66.6%
Building Construction	152,542	141,678	(10,864)	228,300	11,457	62.1%
Civil Engineering	99,046	108,105	9,059	146,500	5,019	73.8%
Infrastructure Management	796	6,985	6,188	7,400	2,819	94.4%
Real Estate	2,429	1,420	(1,008)	1,700	(1,168)	83.6%
Gross profit	32,402	40,550	8,147	56,300	2,163	72.0%
	12.7%	15.7%	3.0%	14.7%	(0.1)%	
Construction Total	30,247	32,876	2,628	48,100	88	68.4%
	12.0%	13.2%	1.1%	12.8%	(0.6)%	
Building Construction	13,992	12,366	(1,626)	23,200	537	53.3%
	9.2%	8.7%	(0.4)%	10.2%	(0.3)%	
Civil Engineering	16,254	20,509	4,254	24,900	(449)	82.4%
	16.4%	19.0%	2.6%	17.0%	(0.9)%	
Infrastructure Management	791	6,979	6,187	7,400	2,863	94.3%
	99.3%	99.9%	0.6%	100.0%	1.0%	
Real Estate	1,363	694	(668)	800	(789)	86.8%
	56.1%	48.9%	(7.2)%	47.1%	(8.3)%	
Selling, general and administrative expenses	20,749	21,153	403	28,500	1,683	74.2%
Operating profit	11,652	19,396	7,743	27,800	479	69.8%
Ordinary profit	19,341	21,722	2,381	30,200	(4,994)	71.9%
Profit	14,713	21,961	7,247	28,700	187	76.5%

(Note) The percentages in the lower row of Gross profit indicate the profit margin.

2) Non-consolidated forecast of orders received for the construction business

(Millions of yen)

	Fiscal year ending March 31, 2023		Nine months ended December 31, 2022	
	Full-year forecast	YoY change	Results for the current period	Progress
Building Construction	260,000	(0.1)%	137,199	52.8%
Civil Engineering	160,000	(0.2)%	63,072	39.4%
Total	420,000	(0.1)%	200,272	47.7%