

# **Q2 FY2025 (63<sup>rd</sup> Term) Financial Results**

**Tokyo Stock Exchange / Code number : 9621**

**CTI Engineering Co., Ltd.**

12 August 2025



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- **Q2 FY2025 (63<sup>rd</sup> Term) Financial Results**
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## Q2 FY2025(63<sup>rd</sup> Term)

- **Orders received** are strong, increased by 11.7% YoY
- **Sales** remained steady, equivalent to the same period of last year
- **Operating income** decreased by 12% YoY, but remained in line as planned

Affected by increased SG&A expenses on a consolidated basis and deteriorated cost of sales in some operations

- **Net Income Attributable to Owners of the Parent** decreased by 23% YoY due to the impact of extraordinary losses\*

\*Losses due to employee dormitory being declared dormant assets, waiver of claims against a subsidiary, etc.

## Full-year forecast

- **Sales and profits** are expected to increase as planned

In domestic business, we will progress steadily with maintaining profitability with strong orders.

In overseas business, we will focus on increasing of orders received ,executing them and Reducing **SG&A expenses**

- **Net Income Attributable to Owners of the Parent** revised downward due to the impact of extraordinary losses

## Shareholder returns

- **Maintained at 75 yen, dividend payout ratio 33.1%**

## Orders Received

**JPY 60,917** million

62<sup>nd</sup>(FY2024) JPY 54,545 million  
%YoY +11.7%

## Sales

**JPY 50,794** million

62<sup>nd</sup>(FY2024) JPY 50,746 million  
%YoY +0.1%

## Operating Income

**JPY 5,976** million

62<sup>nd</sup>(FY2024) JPY 6,789 million  
%YoY -12.0%

## Net Income Attributable to Owners of the Parent

**JPY 3,779** million

62<sup>nd</sup>(FY2024) JPY 4,883 million  
%YoY -22.6 %

### Orders Received

Orders Received in both domestic and overseas business are strong. Orders received from local governments and Nippon Expressway Company have contributed to the domestic business and large-scale orders received in Asia have played a significant role in overseas business.

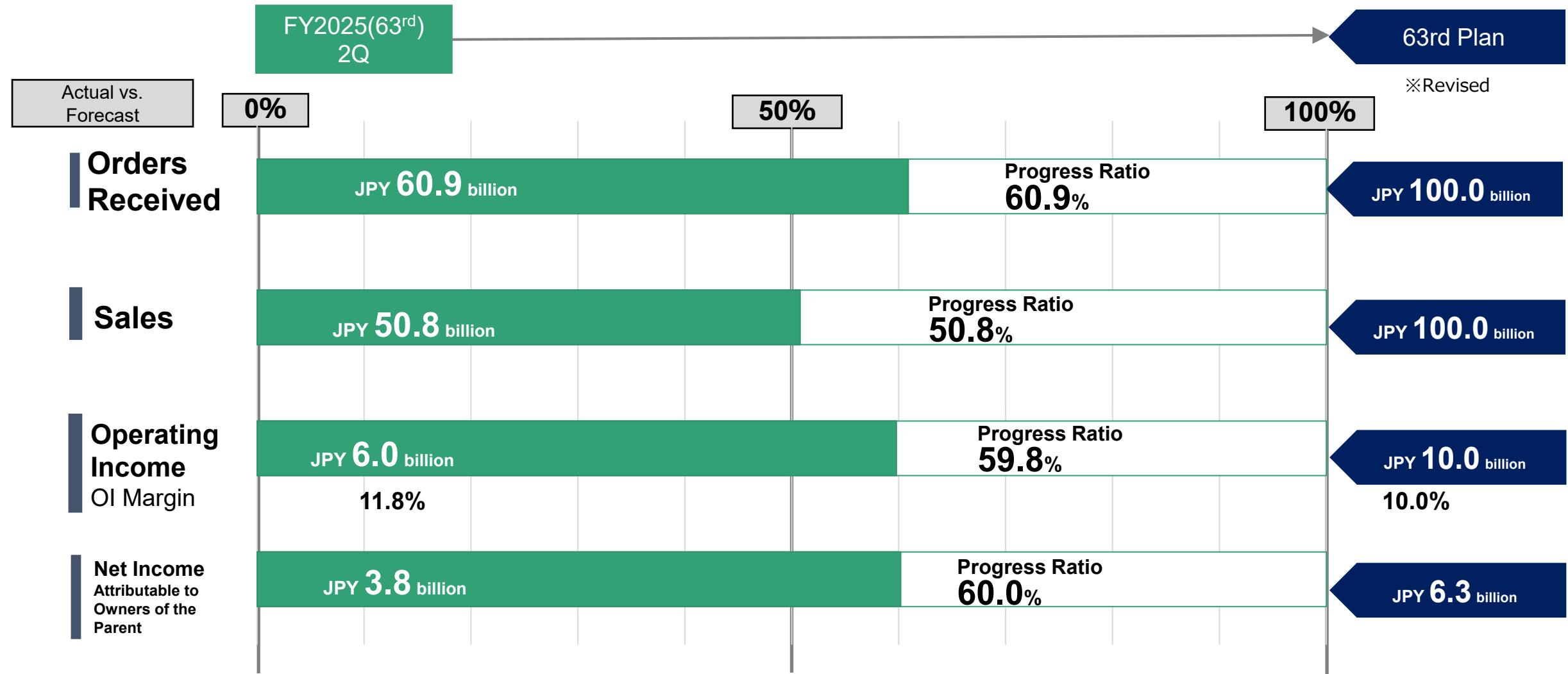
### Sales

Maintaining the same level as the previous year's steady performance

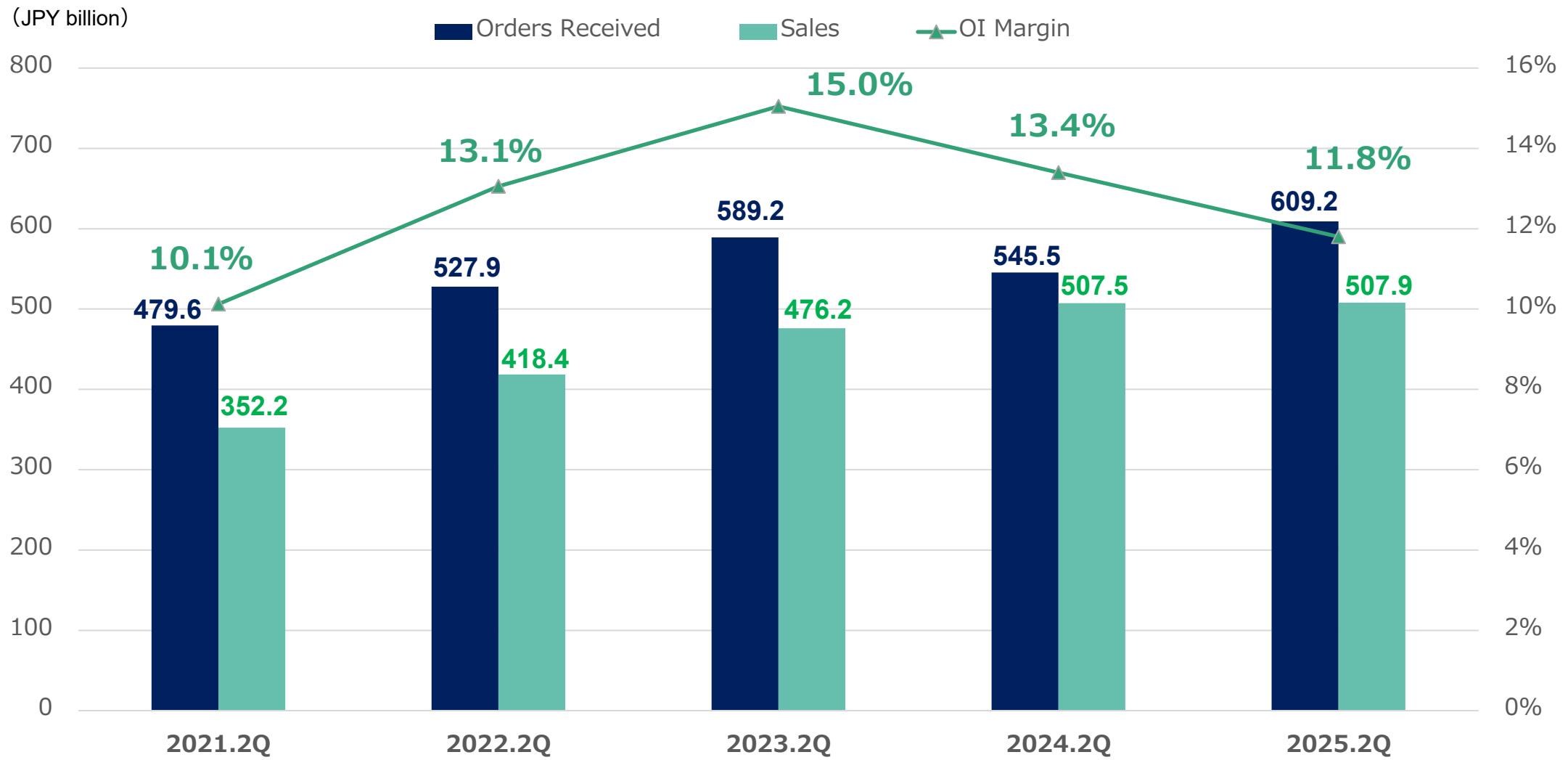
### Operating Income

Affected by increase in SG&A expenses on a consolidated basis and deterioration in cost of sales ratio in some projects

Orders Received are strong, and Sales are progressing on track against the FY2025(63<sup>rd</sup> Term) plan  
Operating Income is progressing in line with the FY2025(63<sup>rd</sup> Term) plan



Orders Received are on track. Sales are steady as the previous year's results. OI Margin is lower than the same period of last year due to increase in SG&A expenses but exceeded planned rate of 10%.



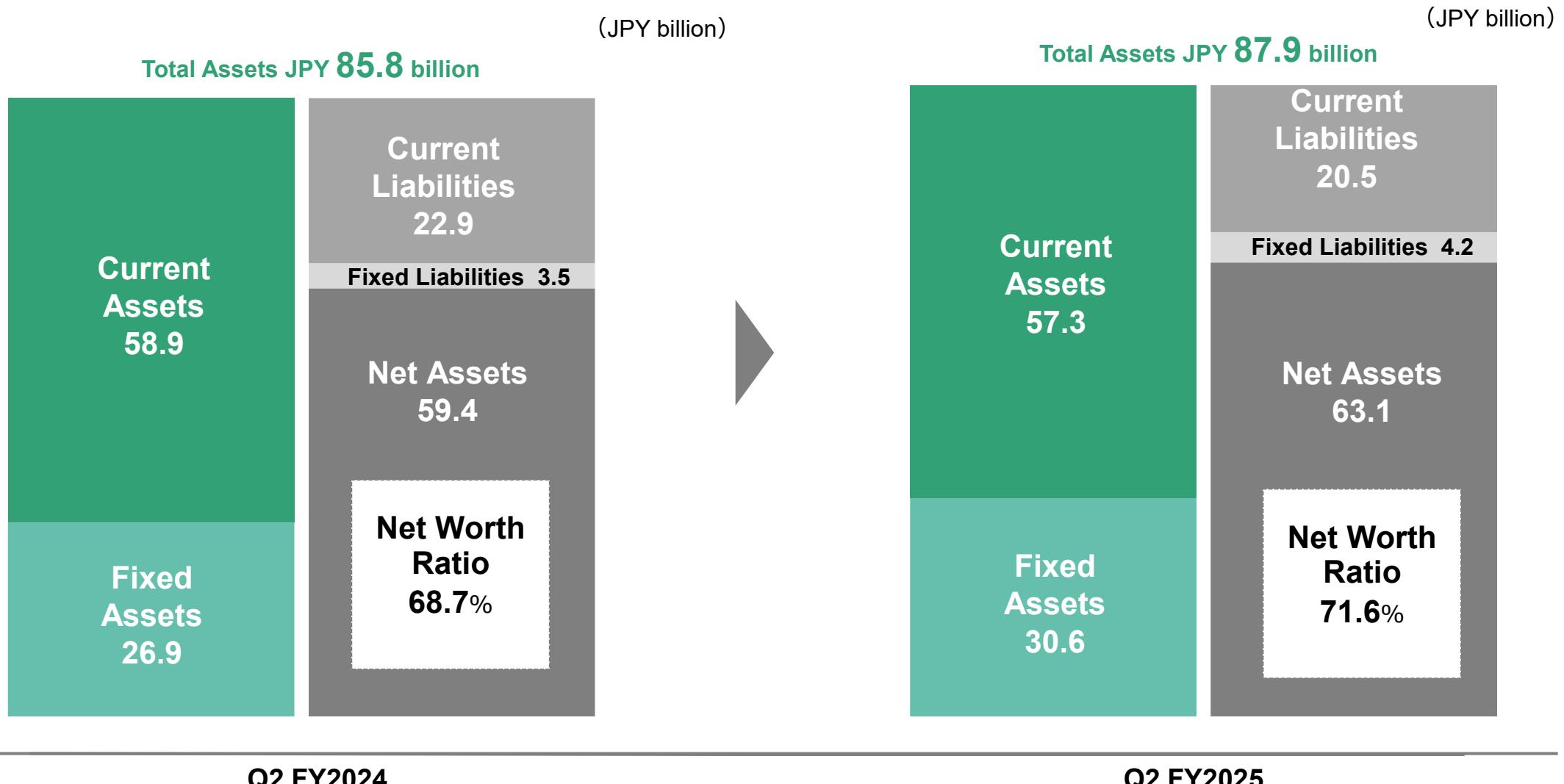
# Q2 FY2025 (63<sup>rd</sup> Term) - Profit and Loss Statement (Consolidated)

Net profit has been revised downward from the original plan due to the impact of extraordinary losses. (JPY million)

Item	Q2 FY2024 (62 <sup>nd</sup> Term)	Q2 FY2025 (63 <sup>rd</sup> Term)		FY2025 (63 <sup>rd</sup> Term) (Revised Plan)	Achievement vs. Plan(%)	
		Change(¥) (YoY)	Change(%) (YoY)			
Orders Received	54,545	<b>60,917</b>	+6,372	+11.7%	100,000	60.9%
Sales	50,746	<b>50,794</b>	+47	+0.1%	100,000	50.8%
Operating Income	6,789	<b>5,976</b>	-812	-12.0%	10,000	59.8%
OI Margin	13.4%	<b>11.8%</b>	-	-1.6pt	10.0%	-
Ordinary Profit	6,853	<b>6,034</b>	-818	-11.9%	10,000	60.3%
Net Income Attributable to Owners of the Parent	4,883	<b>3,779</b>	-1,103	-22.6%	6,300	60.0%

# Q2 FY2025 (63rd Term)- Balance Sheet (Consolidated)

- Assets increased 2.0 billion yen due to an increase in accounts receivable(1.6 billion yen), etc.
- Liabilities decreased 1.7 billion yen due to a decrease in short-term borrowings (-1.2 billion yen), etc.
- Net Worth Ratio 71.6% (+2.9pt)



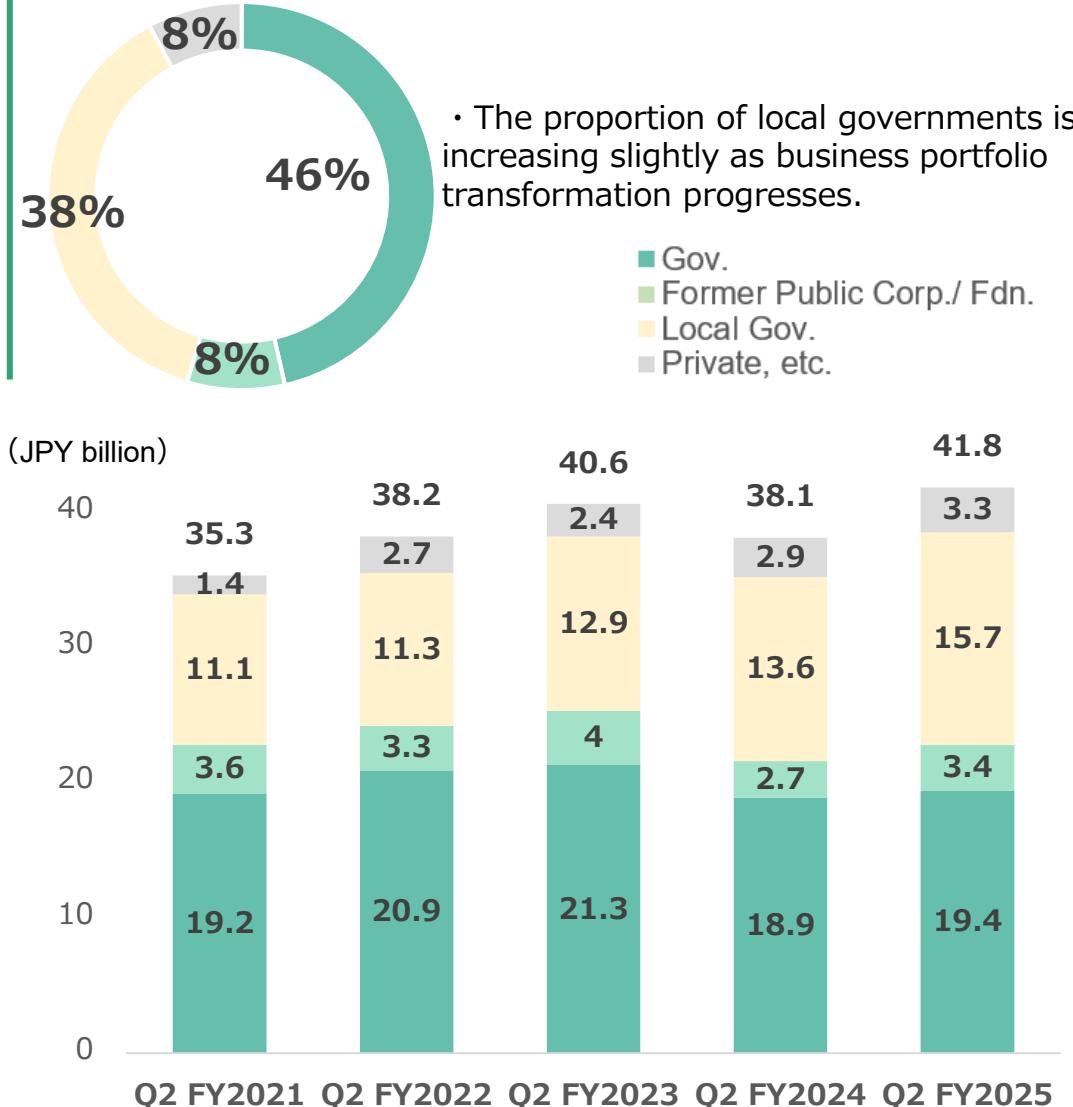
## Orders Received exceeded the strong results of the same period of last year, and Operating Income remained in line as planned

- Orders Received have progressed strongly due to the efforts to transform our Business Portfolio
- Sales are in line with the full-year plan, equivalent of the same level of last year
- Operating Income has declined YoY due to a higher cost of sales ratio of some projects and increased SG&A expenses but remains as planned.

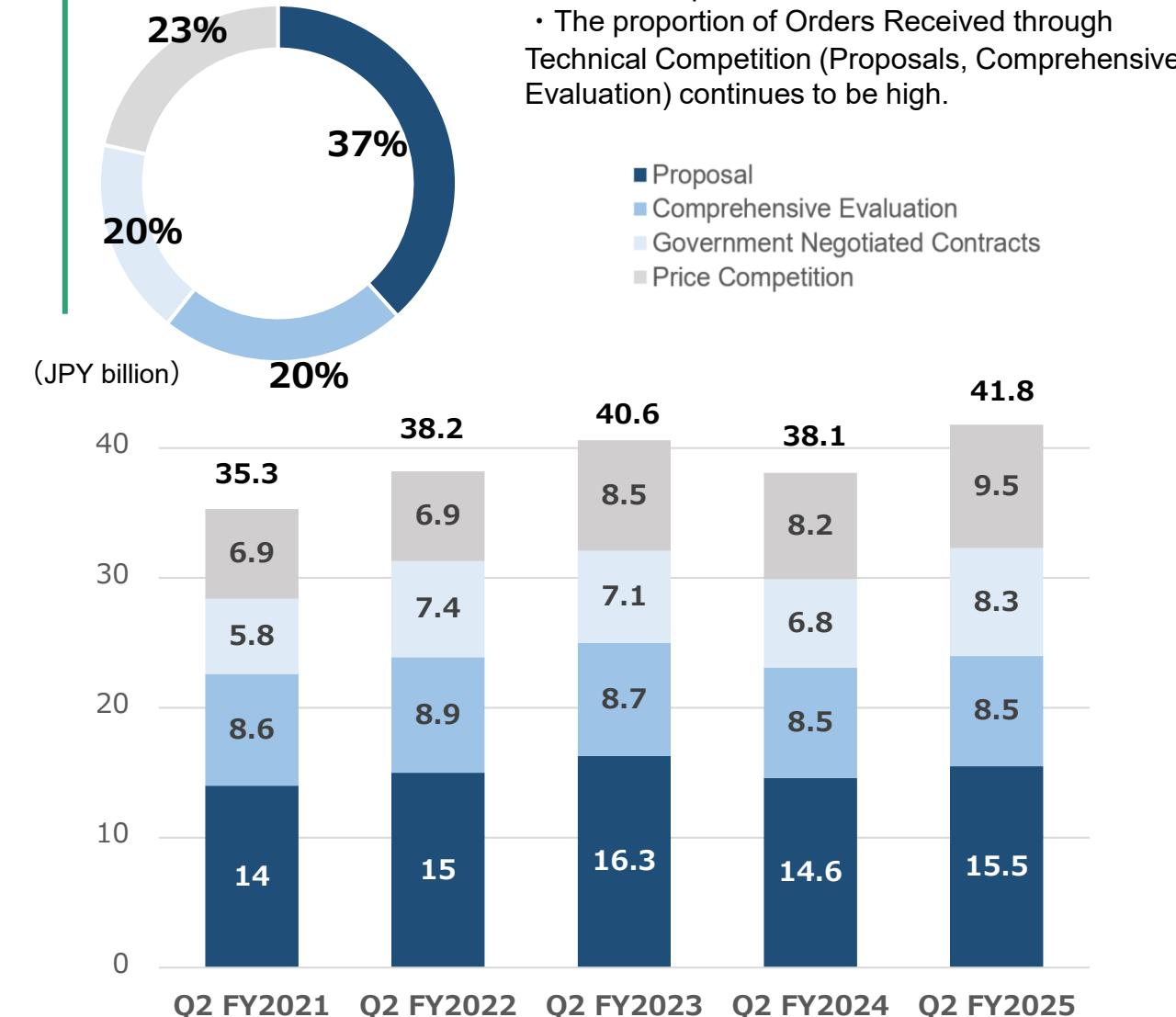
(JPY million)

	Q2 FY2025 (63 <sup>rd</sup> Term)		FY2025 (63 <sup>rd</sup> Term)		FY2025 (63 <sup>rd</sup> Term) (FY Plan)	Achievement vs. Plan (%)
			Change(¥) (YoY)	Change(%) (YoY)		
Orders Received	38,123	41,825	+3,701	+9.7%	67,000	62.4%
Sales	35,493	35,826	+333	+0.9%	69,000	51.9%
Operating Income	6,494	5,937	-557	-8.6%	9,300	63.8%
OI Margin	18.3%	16.6%	-	-1.7pt	13.5%	-

## Orders Received Amount by Client Type

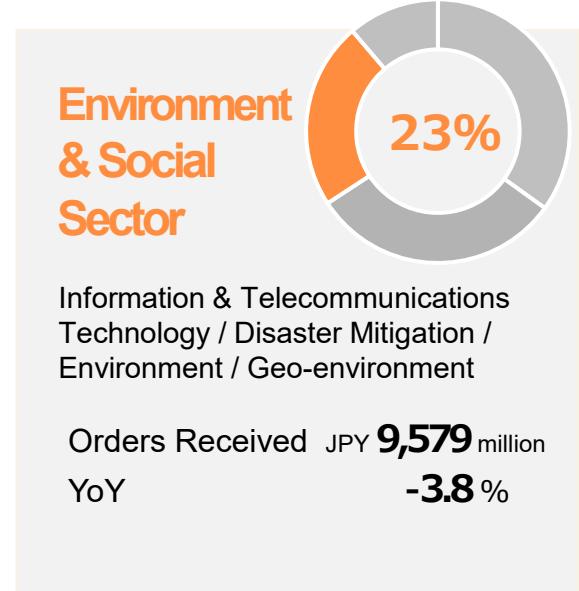
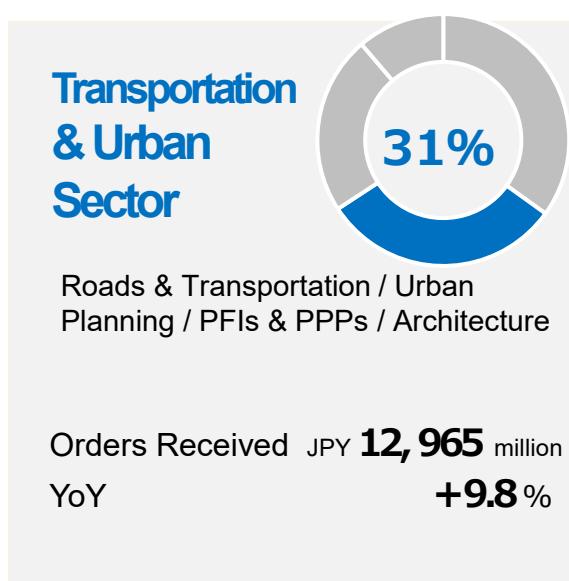
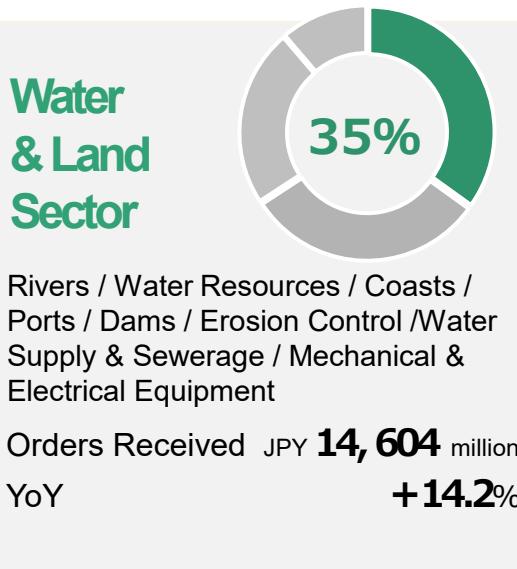
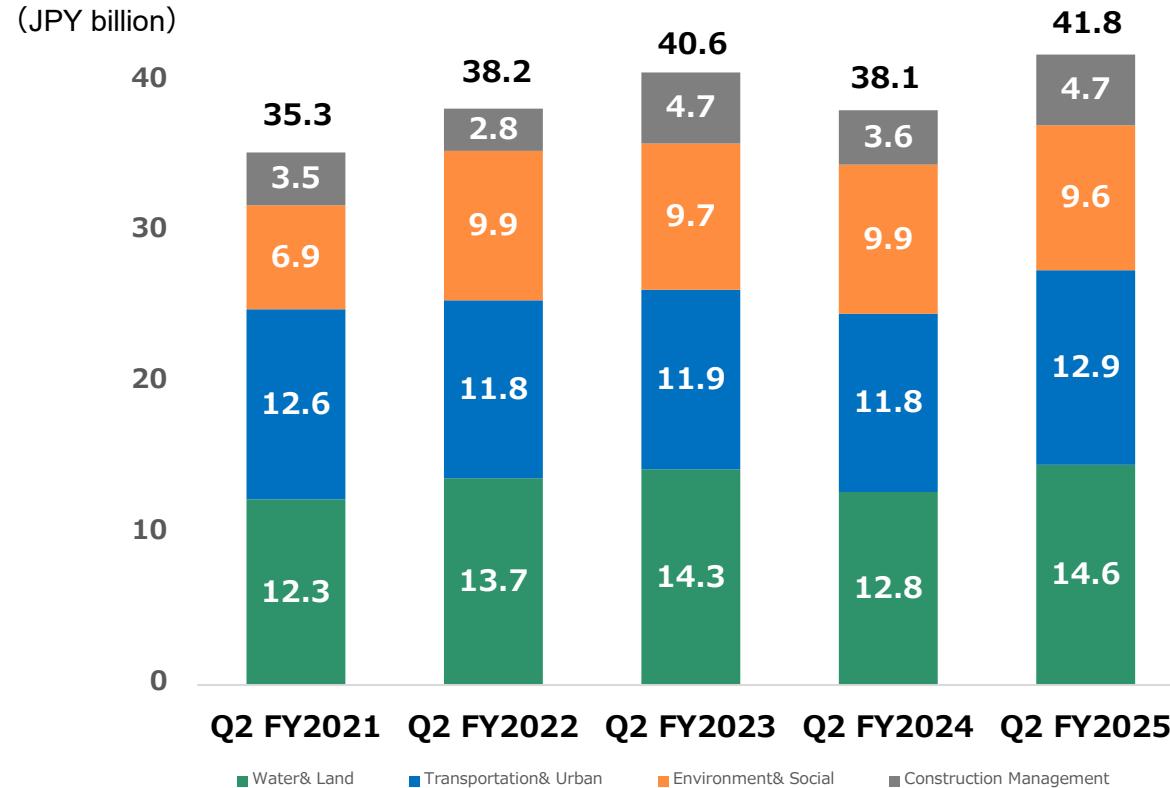


## Orders Received Amount by Contract Method



## Orders Received Amount by Sector

- Strong Orders for water supply and sewerage in the Water & Land Sector (150% compared to YoY)
- The Construction Management Sector has many multi-year projects, and Orders are increasing this fiscal year.



## Orders Received increased significantly YoY, while Sales remained nearly flat compared to the same period of last year

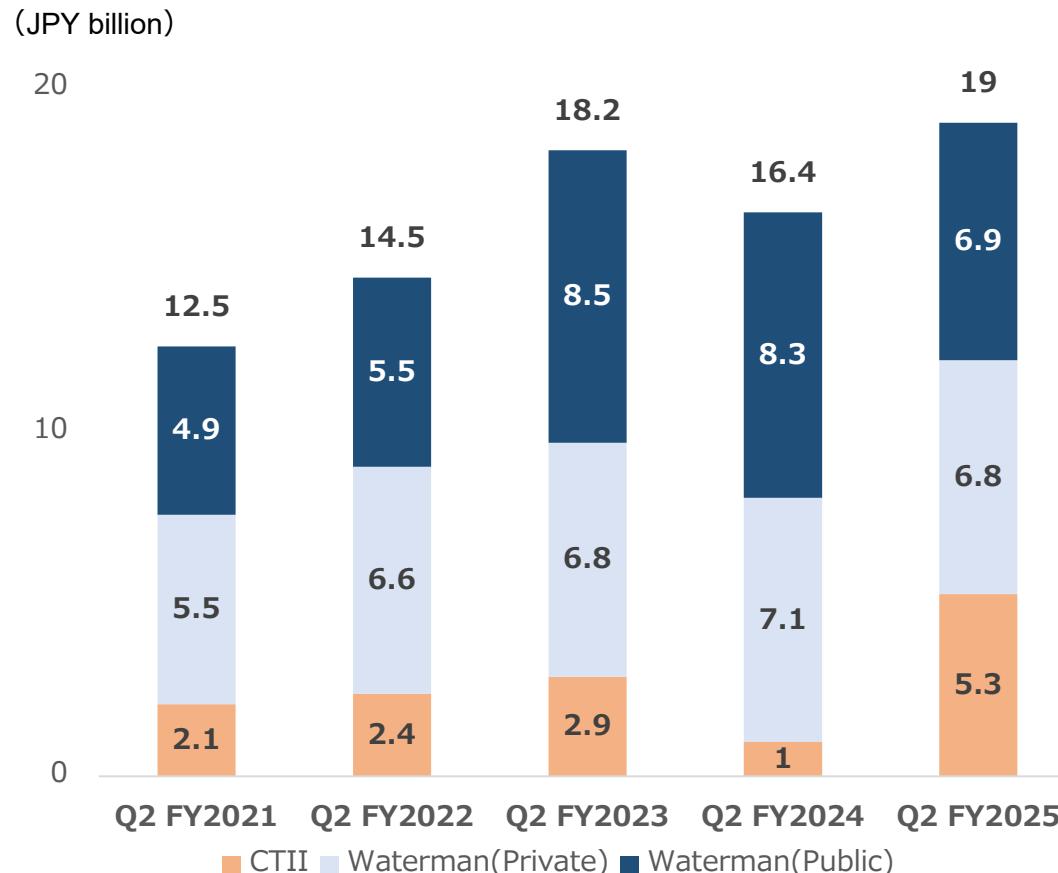
- Orders Received are on track due to large-scale Orders Received by CTI Engineering International (CTII)
- Operating Income was affected by a worsening business progress ratio (cost of sale ratio) due to contract delays at CTII and an increase in national insurance employer contributions and persistently high personnel costs at Waterman Group Plc. (JPY million)

	2Q FY2024 (62 <sup>nd</sup> Term)	 2Q FY2025 (63 <sup>rd</sup> Term)	2Q FY2025 (63 <sup>rd</sup> Term)		2Q FY2025 (63 <sup>rd</sup> Term) (FY Plan)	Achievement vs. Plan (%)
			Change(¥) (YoY)	Change(%) (YoY)		
Orders Received	16,421	<b>19,092</b>	+2,671	+16.3%	33,000	57.9%
Sales	15,253	<b>14,967</b>	-285	-1.9%	31,000	48.3%
Operating Income before goodwill amortization	465	<b>209</b>	-255	-54.9%	-	-
OI Margin before goodwill amortization	3.0%	<b>1.4%</b>	-	-1.6pt	-	-
Operating Income	296	<b>41</b>	-255	-86.0%	700	5.9%
OI Margin	1.9%	<b>0.3%</b>	-	-1.6pt	2.3%	-

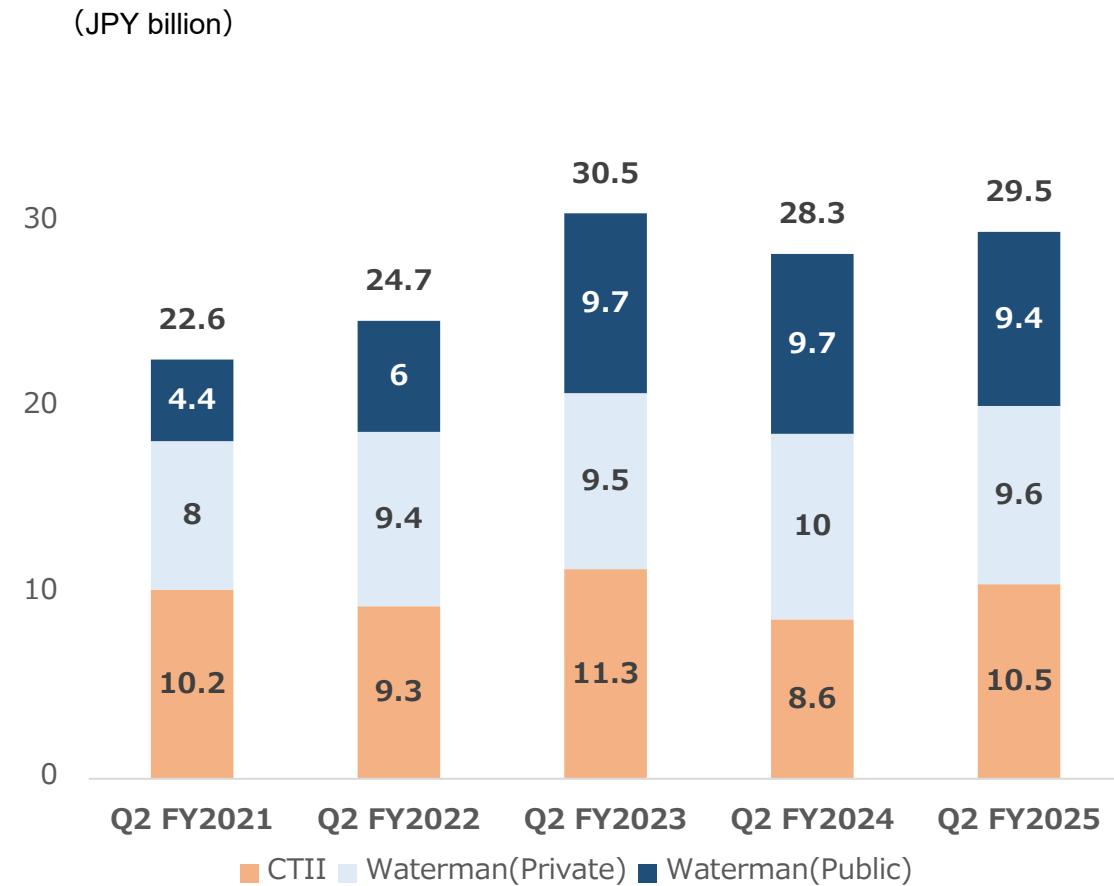
※Orders Received amount includes amount changes from currency fluctuations associated with the end-of -FY order backlog at our overseas subsidiaries.

- Orders Received at Waterman declined compared to YoY due to the economic downturn in the UK and Australia, as well as the impact of the change of government in the UK.
- Orders Received at CTII increased significantly due to the signing of a large-scale project in the Philippines, which had been delayed for long time.

## Orders Received Amount



## Trend in Order Received Backlog



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**On both Consolidated and Non-Consolidated basis, Orders Received, Sales, and Operating Income are in line with the full-year plans, while full-year forecast for Net Income has been revised downward**

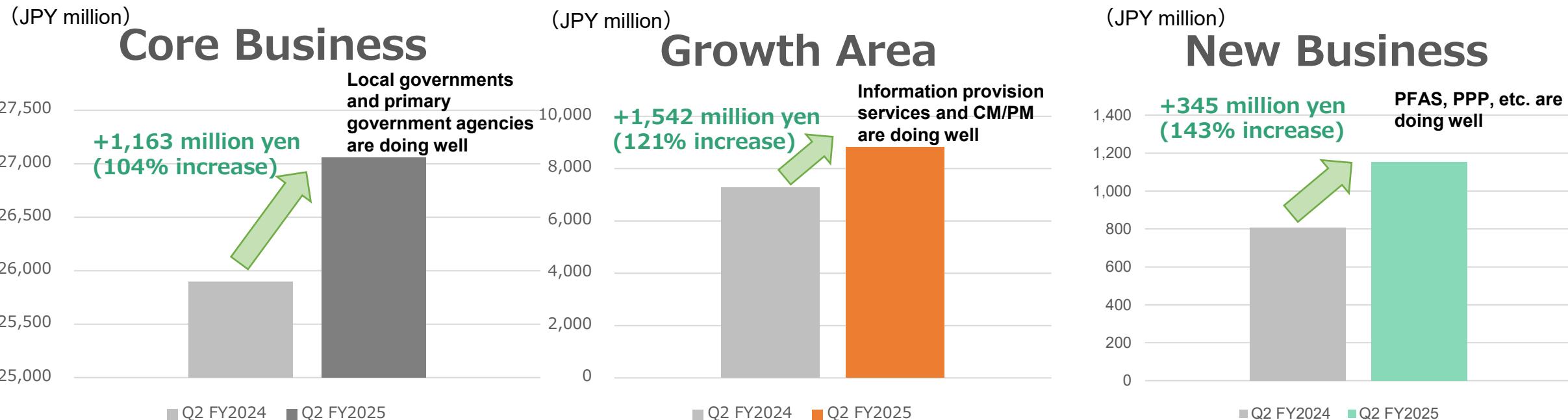
- Orders received are strong, increased by 11.7% YoY
- Carryover order backlog at the end of Q2 increased by 8% YoY
- Cost of sales ratio and Operating Income are expected to remain in line with full-year plans

		FY2025 (63 <sup>rd</sup> Term)			FY2024 (62 <sup>nd</sup> Term)	
		Previous forecast (A)	Revised forecast (B)	Change (B - A)	Change(%)	Results (For Reference)
Consolidated	Orders Received	100,000	<b>100,000</b>			
	Sales	100,000	<b>100,000</b>	-	-	97,678
	Operating Income	10,000	<b>10,000</b>	-	-	9,396
	OI Margin	10.0%	<b>10.00%</b>	-	-	9.60%
	Ordinary Profit	10,000	<b>10,000</b>	-	-	
	Net Income Attributable to Owners of the Parent	6,900	<b>6,300</b>	-600	-6.6%	6,746
	Net Income per share	JPY248.55	<b>JPY226.77</b>	JPY-21.78		243.10円
	Dividends (Dividend payout ratio)	※JPY75 (30.2%)	<b>※JPY75 (33.1%)</b>	Dividend payout ratio + 2.9pt		※75円(30.9%)
Non- Consolidated	Orders Received	58,000	<b>58,000</b>	-	-	
	Sales	60,000	<b>60,000</b>	-	-	59,405
	Operating Income	8,700	<b>8,700</b>	-	-	8,499
	OI Margin	14.50%	<b>14.50%</b>	-	-	14.30%
	Ordinary Profit	9,000	<b>9,000</b>			
	Net Income	6,600	<b>6,000</b>	-600	-9.1%	6,532

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## Progress of Business Portfolio Transformation



## Transfer of shares of agricultural subsidiary

As part of our new business initiatives, we had been engaged in the agricultural business. However, to optimise our business portfolio, we decided to sell this business to Nakata Farm Co., Ltd., a company with expertise and the capability of good ties to local community.

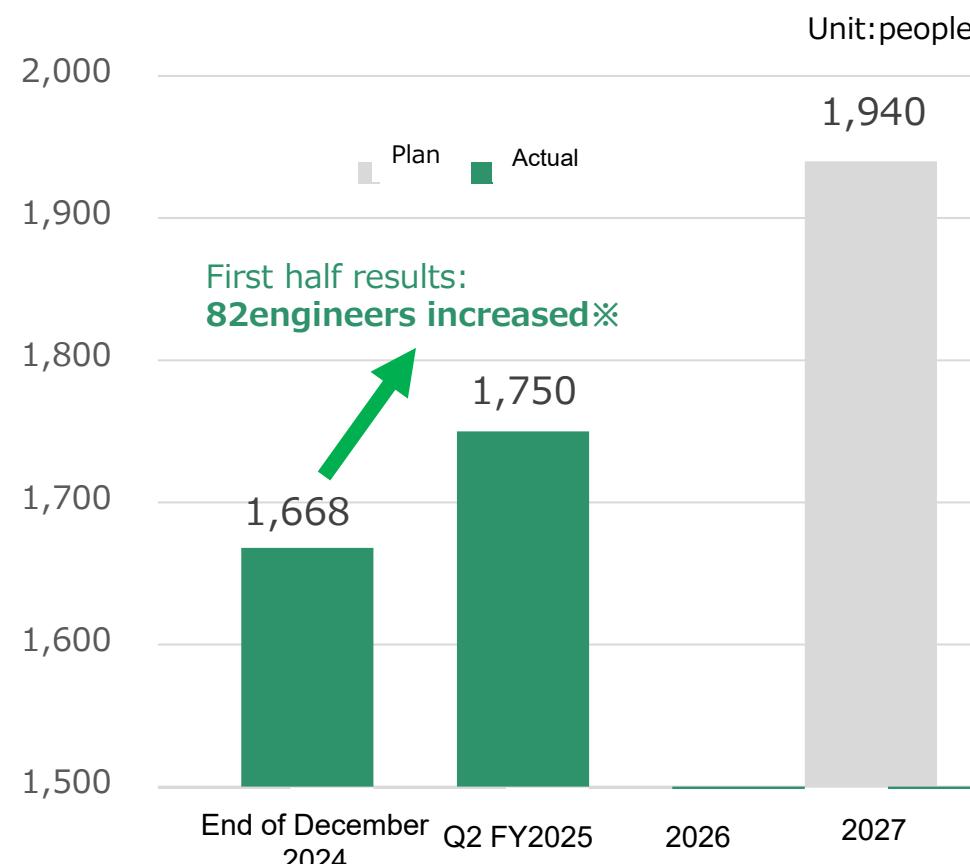
All shares of CTI Frontier Co., Ltd. were transferred on 1 July 2025.



## Strengthening Investment in Human Capital

## Number of engineers

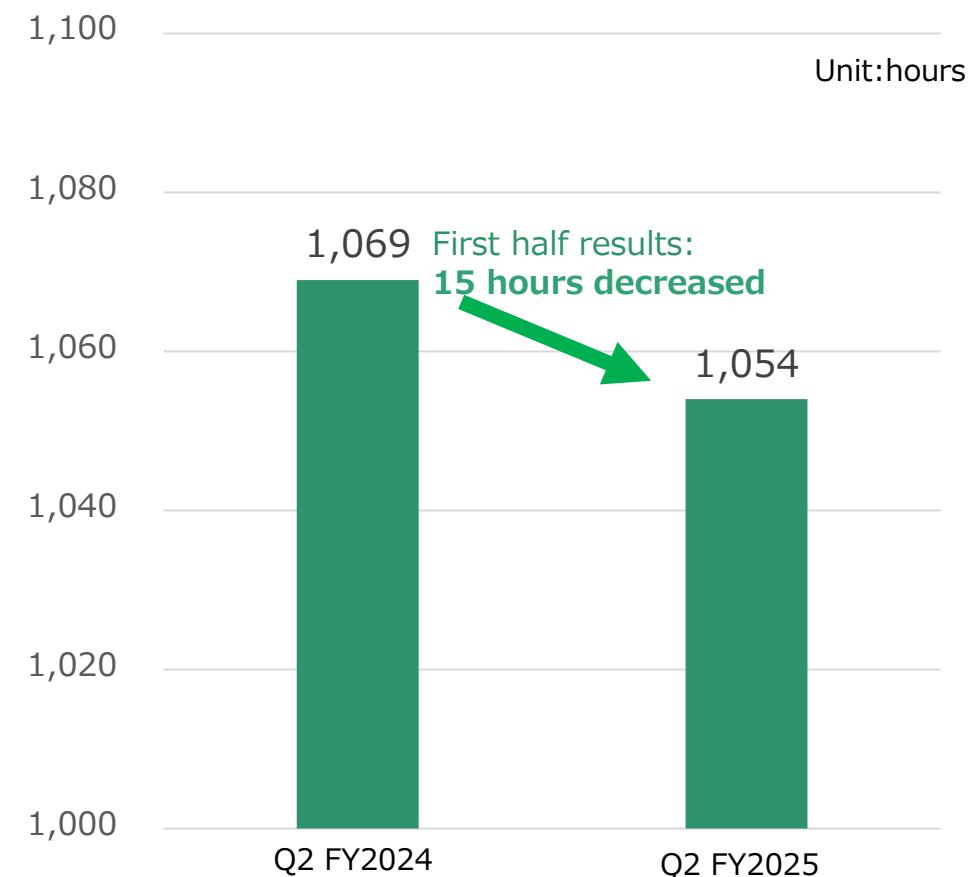
On Track



## DX/Production System Reform

## Working hours

On Track



## Domestic Business

- Strive to ensure quality and carry out work keeping profitability
- Increase Orders Received in accordance with Business Portfolio Transformation policies based on the Mid-Term Management Plan

## Overseas Business

- CTII aims to increase Orders Received and improve profitability by utilising local subsidiaries
- In addition to increasing Orders Received, Waterman aims to improve profitability by negotiation with clients to transfer increased national insurance employer contributions and high personnel costs, and by streamlining consulting engineer business in the UK

## Human Capital and DX/Production System Reform

- Secure and utilise human resources by various recruitment methods and the implementation of systems that support various working styles
- Promote the use of DX, including automatic error detection systems
- Promote the use of generative AI, and improve the efficiency of administrative work by utilizing RPA and BI.

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Ever since founded in 1945, CTI Engineering has focused on great importance to people and technology. We are "Japan's first consulting engineer company " developed with high technological capabilities.

## Business Philosophy

**We strive to create a safe, comfortable and enriching society using world-class technology and expertise.**

## Code of Corporate Conduct

**1. Sustainability**  
Contribute to the creation of a sustainable society

**2. People First**  
Promote corporate activities with a culture of putting people first

**3. Social Commitment**  
Commit to solving social issues

**4. Trust**  
Build relationships of trust with our stakeholders

**5. Integrity and Fairness**  
Act with integrity, fairness, and responsibility

**6. Risk Management**  
Ensure risk management at the highest standards

Company Name	CTI Engineering Co.,Ltd.
Creation	August 1945 (Foundation)
Establishment	April 1963
Head Office	3-21-1 Nihombashi Hamacho, Chuo-ku, Tokyo
Capital stock	3.025 billion yen
Accounting period	December 31
Net Sales	97.678 billion yen (FY 2024)
Number of employees	Consolidated: 3,966 / Non-consolidated: 2,151 (FY 2024)
Number of subsidiaries	36 companies
Listing market	Tokyo Stock Exchange Prime Market
Total number of issued shares	28,318,172 shares

Infrastructure developments are carried out mainly by three parties: (1) national and local governments, (2) construction consultants, and (3) construction companies.

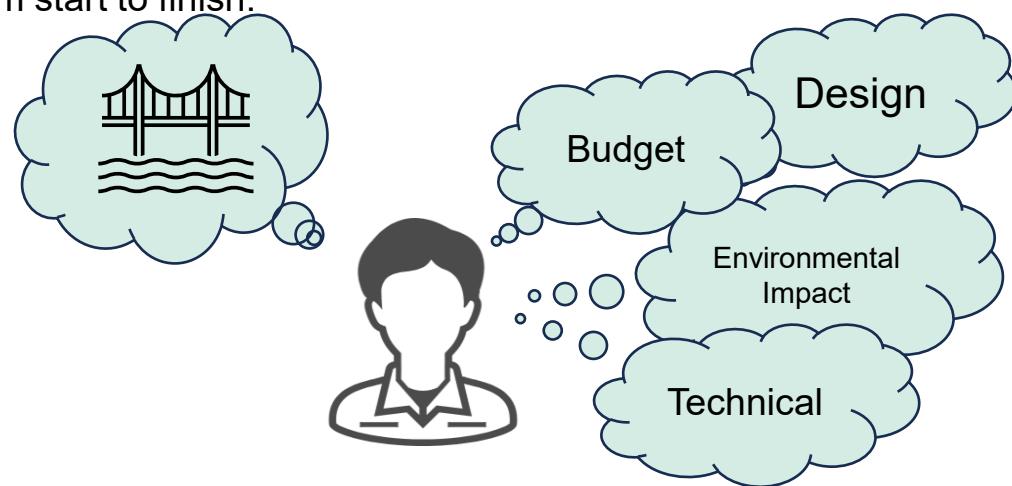
For "national and local governments" that decide projects and make plans,

We "Civil Engineering Consultants" provide specific surveys, plans, designs, etc. as a partner.

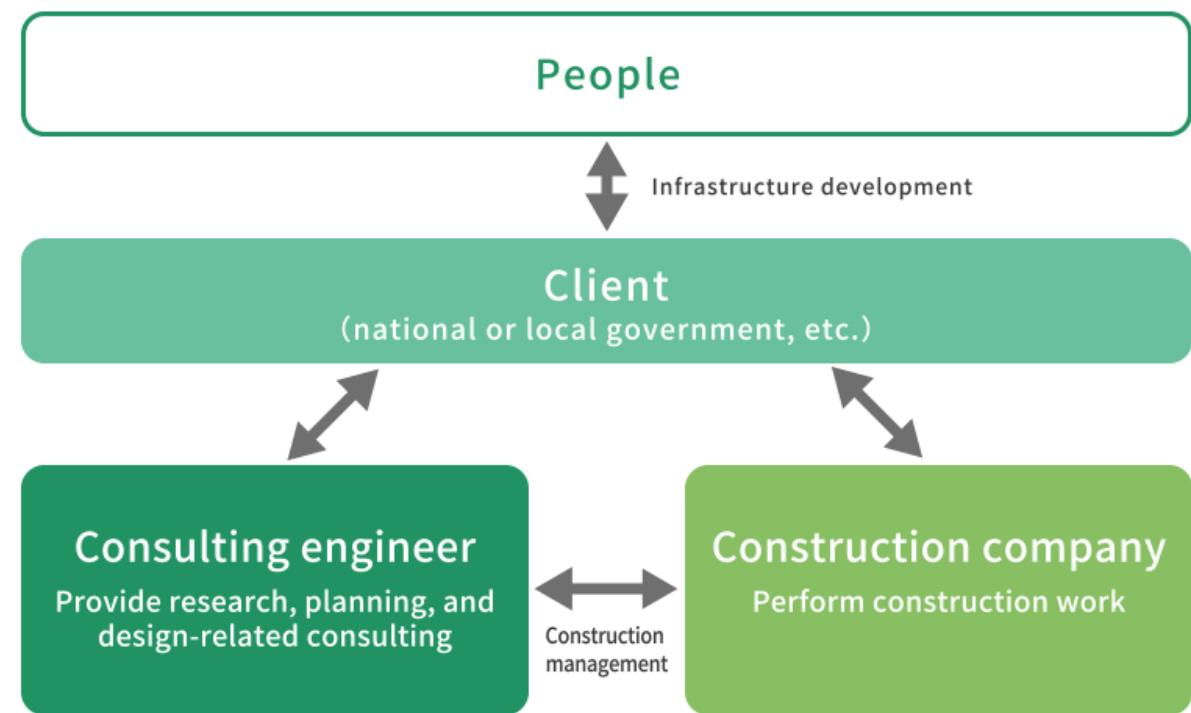
## Specialists about Infrastructure

For example, let us imagine, "We'll Build a bridge", we should consider about the type of bridge, the design, its length and width, budget, the geology, environment on the other side of the river, the response to a disaster, and the any other aspect about bridge.

Civil Engineering Consultants are a vital part of social infrastructure development. We coordinate the entire infrastructure development project from start to finish.



## Carried out by three parties

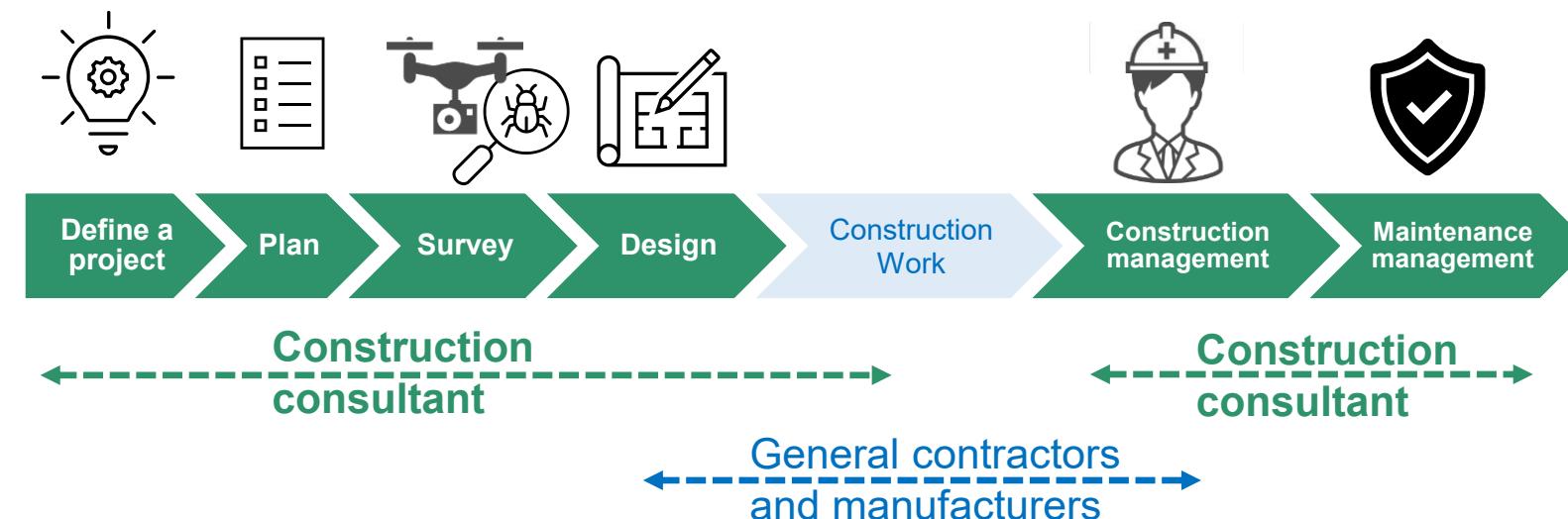


The role of civil engineering consultants is to provide consulting on specific surveys, plans, designs, etc. to national and local governments, which make decisions on projects and make plans.

We undertake almost all the work flow, but in accordance with the "principle of separation of design and construction," the construction company is responsible for the construction part.

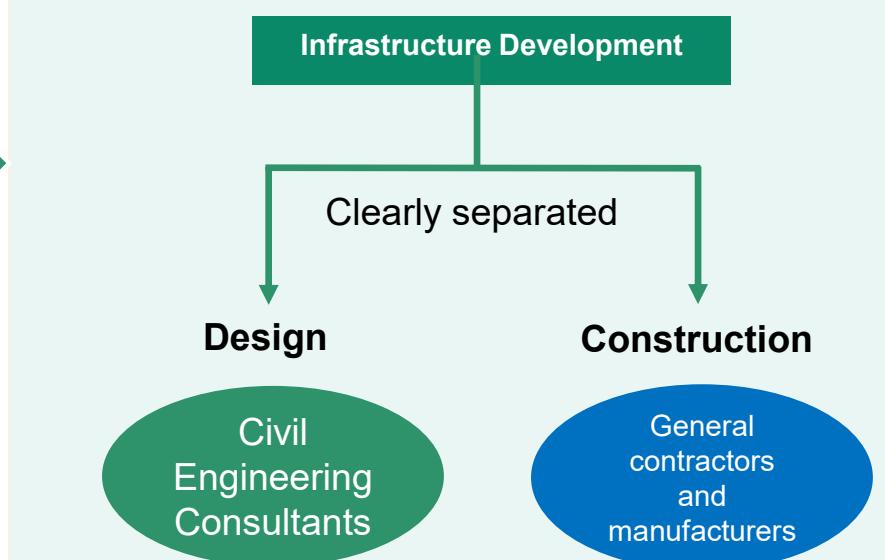
## Flow of infrastructure development

Construction consultants are involved in all stages of a project, from the initial planning by the national and local governments to planning, design, construction management, and maintenance and management after completion.

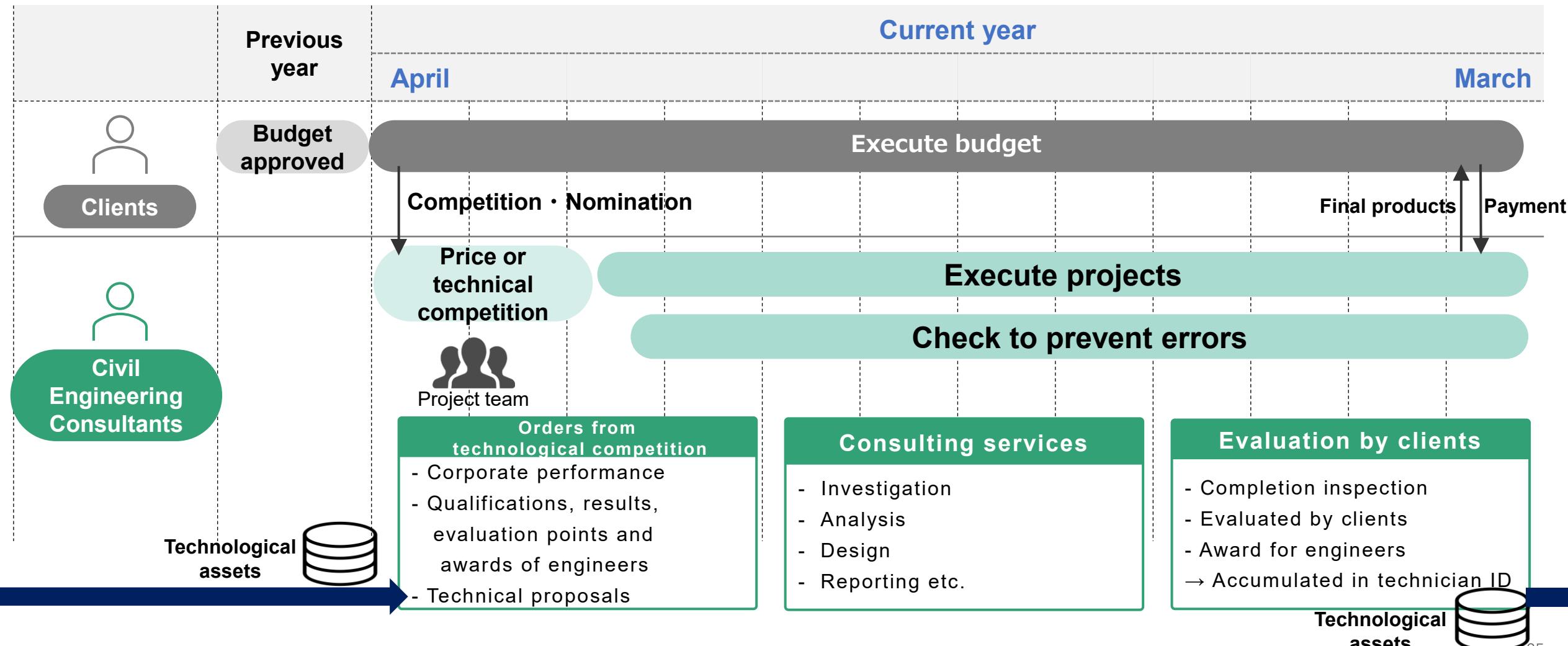


## Principle of separation of design and construction

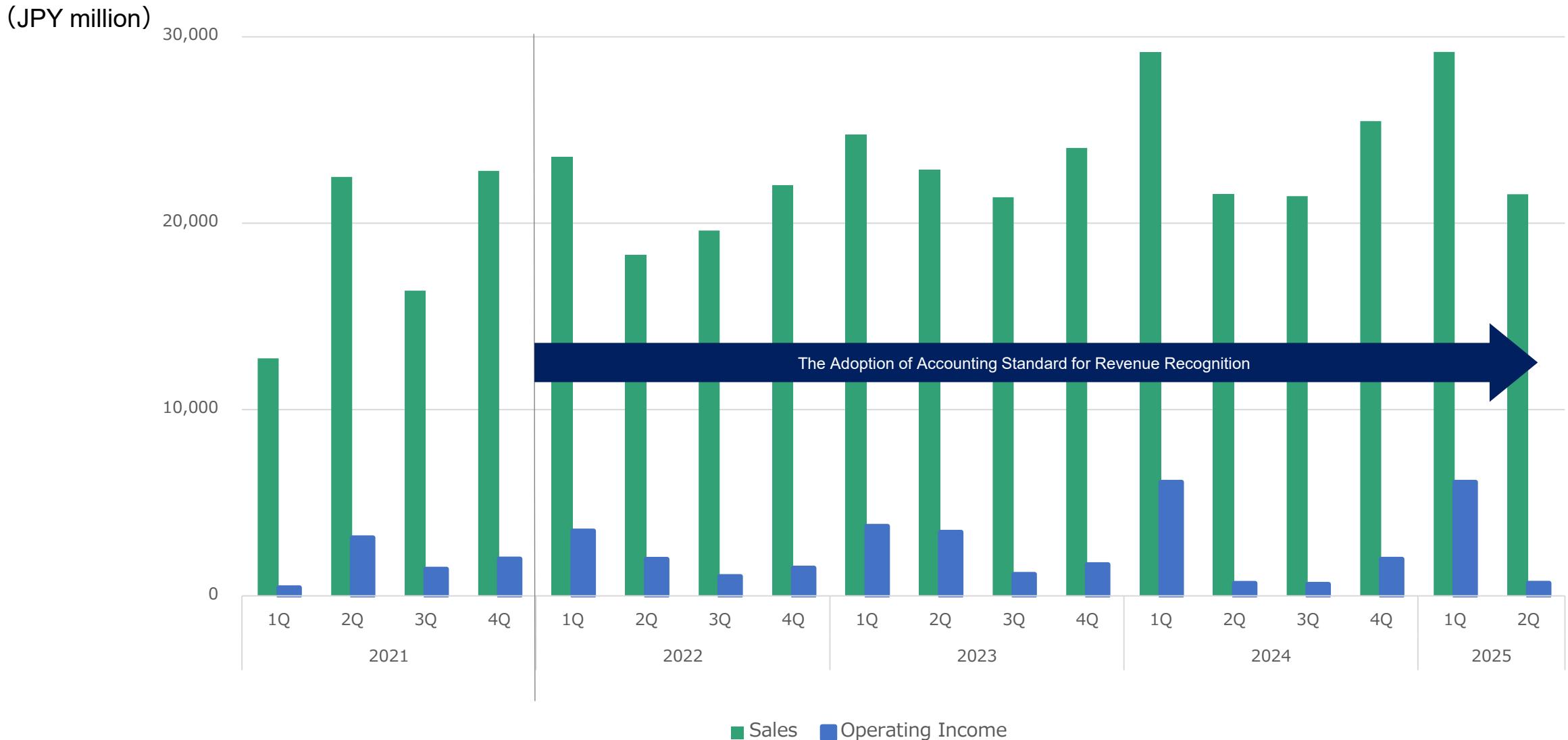
During the postwar period, the Ministry of Construction (now the Ministry of Land, Infrastructure, Transport and Tourism) clarified the principle of separation of design and construction.



- Project size: Mostly tens of millions of yen. In recent years, the number of large-scale projects is increasing by several hundred million.
- Number of projects :Thousands per year
- Project period : Basically 1 year. The ends of projects period tends to concentrate at the end of the fiscal year (March)
- Project teams: Consists of 5-6 engineers. As a team leader, Professional Engineer certification is required



CTI Group has a large number of public projects, leading work progress clustering toward the end of the fiscal year. This, in turn, leads sales and income to cluster in 1Q. (after the adoption of Accounting Standard of Revenue Recognition in 2022)



Our  
founding  
amidst  
Japan's  
defeat in  
WWII

The history of the Construction Technology Institute (the predecessor of CTI Engineering Co., Ltd.) begins in December 1944, as Japan headed toward its defeat in World War II.

To catch up to the United States, the board of directors of the Japan Civil Engineering and Construction Control Association approved a proposal to establish an incorporated foundation (zaidan hojin) on August 1, 1945.

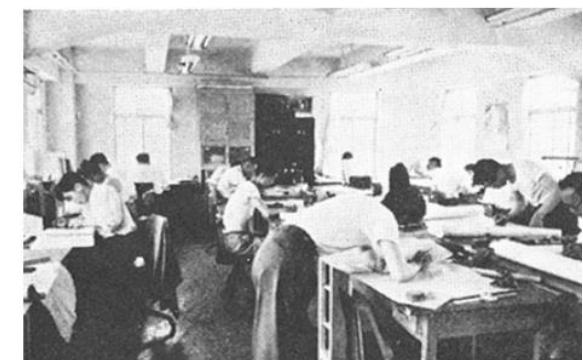


Office at the time of establishment

Period of  
growth:  
entered the  
field of  
water  
engineering

From 1950 onward, with the Korean War in full swing, the number of contracts for engineering consulting services multiplied year after year. The Institute quickly and accurately grasped Japan's agenda for post-war reconstruction and focused on one area: hydropower generation and related dam construction.

This has led to our strength in the water sector that continues to this day.



Transform  
ation in  
the face of  
changing  
times

In 196s, Japan's River Act was revised, requiring a basic plan for the implementation of construction work to be formulated for each river system. To keep up with the new requirements, we introduced electronic calculators—which were expensive at the time—before any of our competitors. This was a decisive factor in our development in the field of river planning.

We had grown steadily, registered its shares with the Japan Securities Dealers Association as over-the-counter stock in June 1994. Then we listed its shares on the Second Section of the Tokyo Stock Exchange. In October 1996, and listed on the First Section of the Tokyo Stock Exchange in June 1999.

Achieved  
sustainable  
growth through  
human resource  
expansion and  
M&A

Number of employees: 104  
Net sales JPY 0.12 billion

1963(Establishment)



Yodo River, Yodo River system  
(Osaka City, Osaka Prefecture)  
(1971～1980)



The Comprehensive Flood Control  
Project in Metro Manila (Philippines)  
(1977)

Our first independent overseas business



Onagawa Central District,  
Onagawa Earthquake  
Reconstruction Project  
(2013～2016)

Number of employees: 3,966  
Sales : JPY 97.6 billion



2017  
Waterman joined  
CTI group

Number of employees  
(Consolidated)  
Number of employees  
(Non-Consolidated)  
Sales amount(Consolidated)

1963(Establishment) 1980 2000 2024

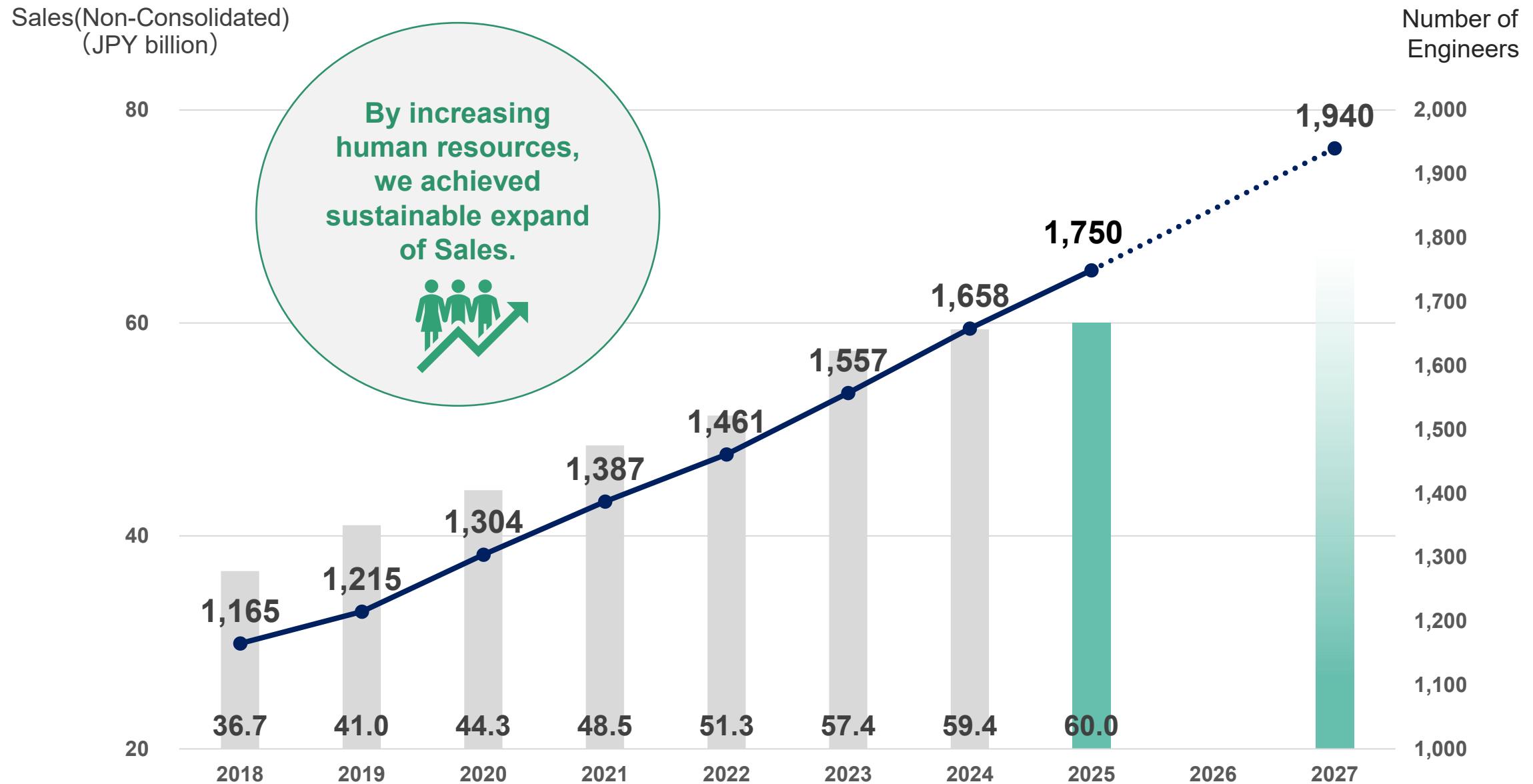
Postwar  
reconstruction

Pollution problem  
High economic growth

From quantity to quality

Global environmental  
problems

Reconstruction after the earthquake  
National Resilience



## Japan Urban Engineering Co., Ltd.

### Services

Provides professional services related to urban development, urban planning and town planning, land readjustment and urban redevelopment projects, civil engineering design and development permits, compensation surveys, field surveying, disaster reconstruction, estate consulting, etc.

Trans  
portation  
Urban

## NISSOKEN ARCHITECTS & ENGINEERS Co., Ltd.

### Services

Provides professional services related to the design and supervision of building and building facility projects, research, planning, project and construction management for all aspects of construction work, investigation and appraisal of buildings, longevity and long-term repair plans of buildings, etc.

Trans  
portation  
Urban

## HIROKEN CONSULTANTS Co., LTD.

### Services

Infrastructure projects (civil engineering design, development design, agricultural engineering, built environment, various inspections, surveys, compensation studies, geological surveys, etc.) and waste-related projects, shops and development projects, soil surveys, ICT projects (3D surveying and 3D design, etc.)

Water  
Land

Trans  
portation  
Urban

Environ  
mental  
Social

## Chi-ken Sogo Consultants Co., Ltd.

### Services

Provides professional services related to geological surveying and analysis, groundwater and soil contamination surveys, planning and design of roads, rivers, and underground facilities, planning and design of sabo and disaster prevention works, investigation and design of slope disaster prevention works and landslide countermeasures.

Environ  
mental  
Social

## Environmental Research & Solutions Co., Ltd.

### Services

Environmental consulting (soil contamination control, water treatment, environmental assessment), environmental research and analysis (water quality, waste, exhaust gases, dioxins, PCBs, asbestos, PFAS), working environment measurement, drinking water testing, genetic analysis (environmental DNA).

Environ  
mental  
Social

# Our Position in the Construction Consulting Industry (Non-consolidated)

Ranked 3rd in sales, 1st in Current Term Income in FY 2024

(JPY Million)

	Company Name	Construction Consulting Division Sales	Current term Income
1	Integrated Design & Engineering Holdings(ID&E) * 1	64,208	6,329
2	Pacific Consultants (PCKK) (Unlisted)	57,718	3,867
3	<b>CTI Engineering (CTIE)</b>	<b>56,249</b>	<b>6,532</b>
4	Oriental Consultants (OC)	33,447	1,089
5	Oriental Consultants Global(OC Global)	29,995	783
6	Dia Nippon Engineering Consultants * 2	28,173	1,656
7	Yachiyo Engineering (Yachiyo) (Unlisted)	25,559	639
8	Eight-Japan Engineering Consultants (Eight JP)	23,402	1,596
9	Pasco	23,037	4,354
10	IDEA Consultants	22,448	2,316

Source: Top 10 companies extracted from "Nikkei Construction" April 2024 Construction Consultant Financial Ranking 2024

(The Company's "Construction Consulting Division Sales" is the amount obtained by subtracting the sales of survey and geological survey services other than the "Construction Consulting Division" from the total sales.)

\* 1: In July 2023, the company was reorganized under the holding company (ID & E) into a system in which Nippon Koei and Nippon Koei Urban Space are located. In February 2025, Tokio Marine Holdings' tender offer for ID&E HD will be completed, and ID&E HD will become a consolidated subsidiary of Tokio Marine Holdings and is scheduled to be delisted in May 2025.

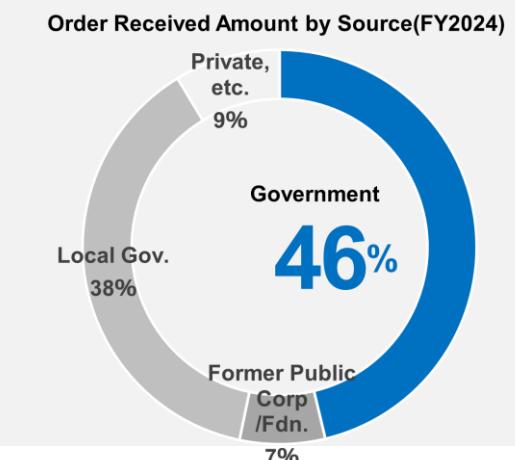
\* 2: Established in July 2023 through the merger of Dai Nippon Consultant and Dia Consultant.

## Japan's first consulting engineer

Since the founding of the Construction Technology Institute (our predecessor) in 1945, we have been "Japan's first consulting engineer" and have cultivated high-level technical expertise as our core strength.

## Stable earning structure

As we receive a large number of orders from the government, we are able to secure profitability.



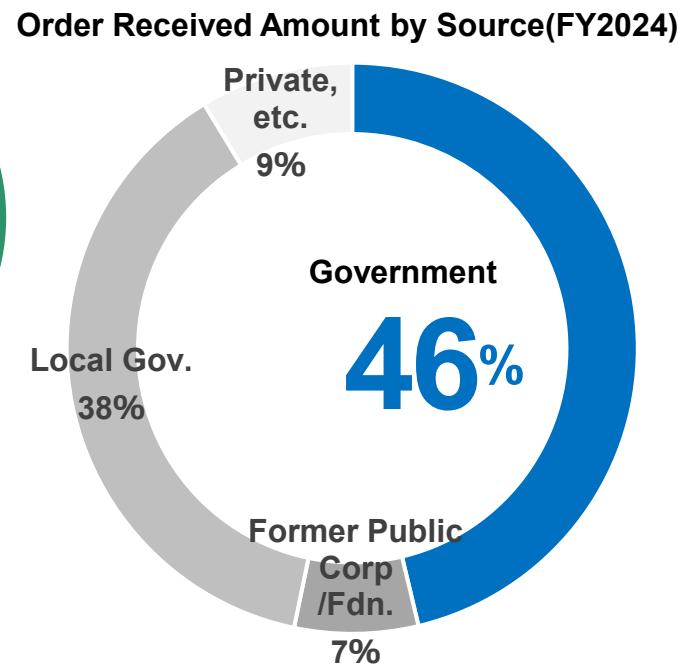
## No. 1 in the industry in terms of orders received for river-related consulting

Leveraging our experiences in river infrastructure development, we have been contributing to the comprehensive management of entire river basins—including the drafting of disaster prevention and mitigation measures for floods, droughts, and other disasters, as well as the conservation and improvement of the water environment and water cycle.

## Professional Engineers With advanced technical skills

We are a group of consulting engineers with more than 1,600 licensed **Professional Engineers (P.E.Jp.)**.

We believe that our people are our greatest resource, and we actively invest in training through programs such as the Professional Engineer Qualification Support Program and university-level continuing education for working adults.

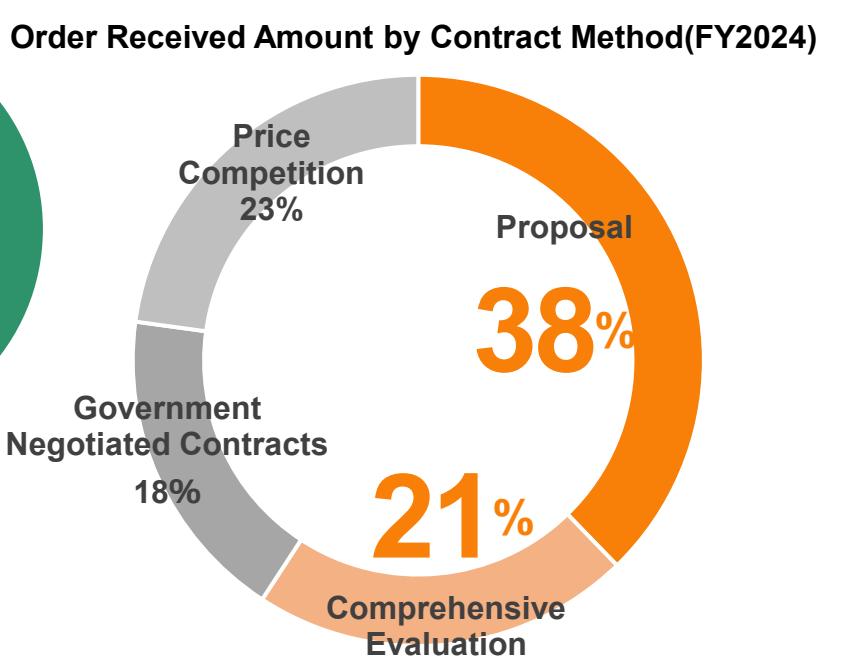


Half of all orders received are from the National government.  
While national projects are stable and highly profitable  
It requires advanced technology.

As we receive a large number of orders from the government, we are able to secure profitability and build up a track record of engineers through the implementation of projects, which will lead to orders in the next fiscal year.

This cycle has resulted in our technological superiority

In the future, we will strive to expand our top-line and transform our client structure into a well-balanced by expanding sales to prefectural and municipal governments and primary government agencies while maintaining MLIT sales.



Orders received under “Proposal” and “Comprehensive Evaluation”, in which technical capabilities are evaluated, accounted for 60% of total orders received, indicating the high level of our technical competitiveness

#### Proposal

: Competition based on complete technical proposal capability

#### Comprehensive Evaluation

: Competition based on ability to propose both technology and price

#### Price Competition

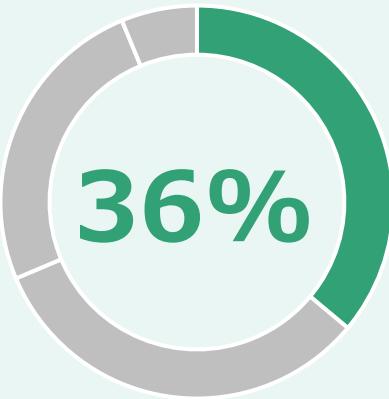
: Competition based on complete price

# Business fields of Domestic Segment

The Company's (non-consolidated) business fields consist of the following four business divisions.

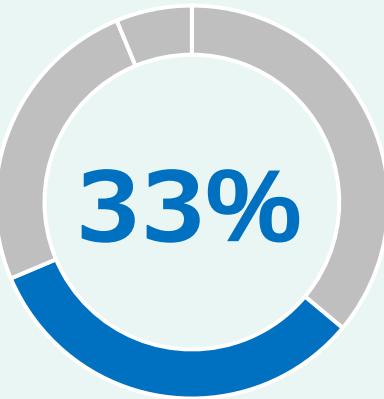
## ■ 62<sup>nd</sup> (2024) Period Orders Composition Ratio (Domestic)

### Water and Land Business Sector



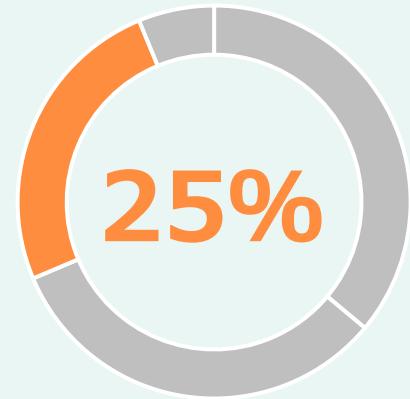
Rivers / Water Resources /  
Coasts / Ports / Dams / Erosion  
Control / Water Supply &  
Sewerage / Mechanical &  
Electrical Equipment

### Transportation and Urban Business Sector



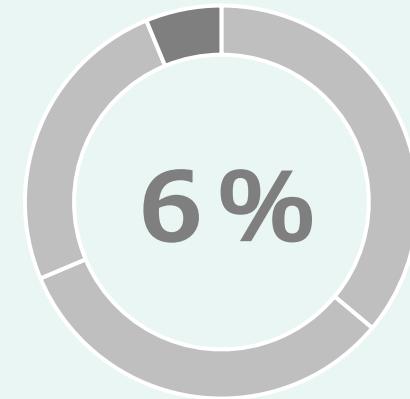
Roads & Transportation / Urban  
Planning / PFIs & PPPs /  
Architecture

### Environmental and social Business Sector



Information &  
Telecommunications Technology  
/ Disaster Mitigation /  
Environment / Geo-environment

### Construction Management Business Sector



Public Procurement Assistance /  
Construction Management &  
Execution Management

# Our Position in the Industry (Results in 2024)

Our strengths lie in the domestic public sector and the river sector. The Construction management Business Sector is growing.

(JPY Million)

Our company Business Unit	Watershed and Land Business Sector			Transportation and Urban Business Sector				
	Sales Rank	Rivers, erosion control, coasts and oceans	sewer	Mechanical	Road	City planning and regional planning	Steel structure and concrete	Tunnel
1	CTIE 21,866	NJS 13,781	PCKK 790	PCKK 8,829	Oba 7,965	Dia Nippon Engineering 10,631	PCKK 2,610	
2	ID&E 13,229	Nihon Suido Consultants 11,588	CTIE 651	OC 7,917	NK Urban Space 6,577	PCKK 7,101	OC 2,395	
3	PCKK 8,281	NIHON SUIKO SEKKEI 6,905	JR East Consultant 572	CTIE 7,508	NIKKEN 6,093	Chodai 7,003	OYO Corporatin 1,697	
4	Yachiyo	OEC	TOKEN CEE Consultant	ID&E	Pasco	OC	Dia Nippon Engineering	
5	Tokyo Construction Consultant	TEC Group	Yachiyo	Dia Nippon Engineering	PCKK	CTIE 5,016	Nippon Civic Consultant	
6	Nihon Shinko	SANSUI CONSULTANT		Nihon Shinko	OC	Eight Japan Engineering	Eight Japan Engineering	
7	Dorkon	Nakanihon Consultant		Chodai	ID&E	TEPSCO	TEPSCO	
8	OC	PCKK		Pasco	International shipping	Chiyoda Consultant	CTIE 1,057	
9	Mitsui Joint Construction Consultant	ID&E		OC Global	Showa	ID&E	Suncoh Consultant	
10	IDEA	CTIE 1,804		Fukuyama Consultant	CTIE 2,690	Chuo Consultant	Chuo Fukken Consultant	

# Our Position in the Industry (Results in 2024)

Construction Management Business Sector Sales increased by 50% compared to last year

(JPY Million)

Our company Business Unit	Environmental and Social Business Sector				Construction Management Business Sector
Sales Rank	Construction environment	Electricity and electronics	Garbage	Geology	Construction plan and construction equipment
1	IDEA 12,719	 <b>CTIE</b> <b>3,938</b>	PCKK 2,549	Dia Nippon Engineering 3,047	Tenet Japan 4,759
2	Kenkan Consultants 5,402	ID&E 2,153	Eight Japan Engineering 2,203	OYO Corporation 2,754	 <b>CTIE</b> <b>3,880</b>
3	ID&E 4,672	Chuden Technology Consultant 1,640	OYO Corporation 1,876	ID&E 2,424	Taisei Engineering 3,193
4	PCKK	Electrical technology development	Yachiyo	 <b>CTIE</b> <b>1,732</b>	Yokohama Consulting Center
5	 <b>CTIE</b> <b>3,520</b>	Applied geology	 <b>CTIE</b> <b>1,029</b>	Kisojiban Consultants	OC
6	NS Environment			Chuo Kaihatsu Corporation	Planned engineering
7	Asia Air Survey			Kawasaki Geological Engineering	Nihon Shinko
8	Applied geology			Japan Conservation Engineering	Asia Co-Design Consultant
9	OC			WEST JEC	PCKK
10	Chodai			Docon	PCKK technical management

We are expanding globally with two subsidiaries, Waterman and CTI International.

## Waterman Group

### Creeping

June 2017 Joined the Group

### Business Outline

Mainly for private companies  
→ Architecture Structural design,  
Equipment design

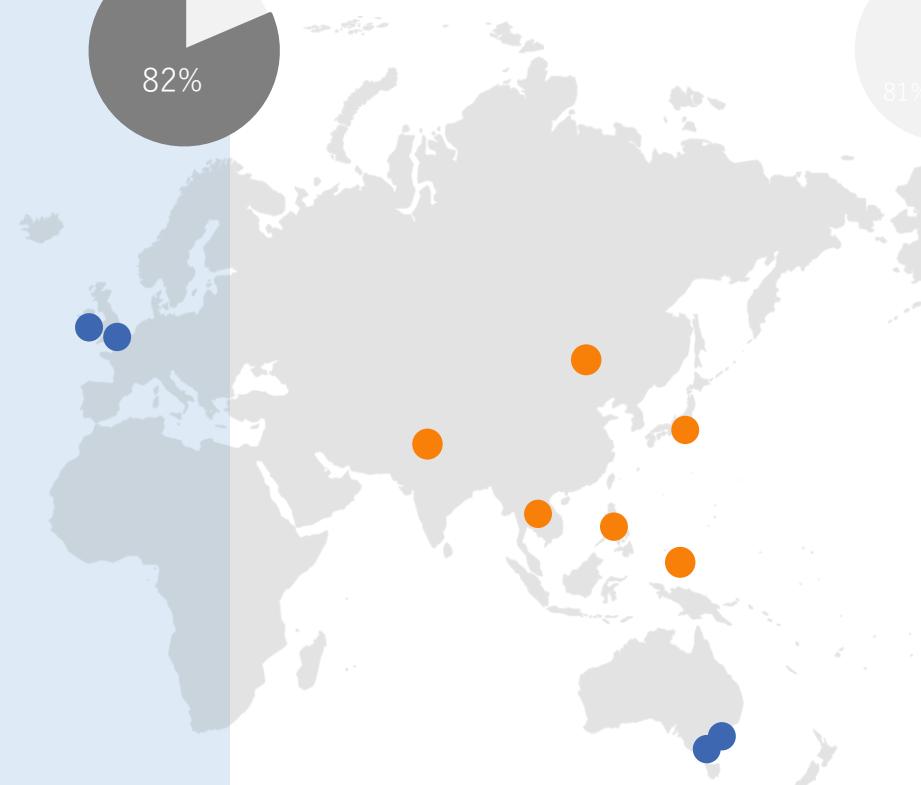
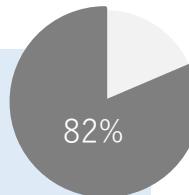
Mainly for public works  
→ Civil Engineering Field  
• Construction consultant  
• Dispatch of engineers

### Business Area

United Kingdom, Ireland, Australia



62<sup>nd</sup> Term  
Composition of Overseas  
Segment Sales



## CTI International

### Creeping

1999 March Established as a wholly owned subsidiary of the Company, following the separation of the Company's overseas operations.

### Business Outline

Construction consulting business mainly through ODA in semi-developed and developing countries

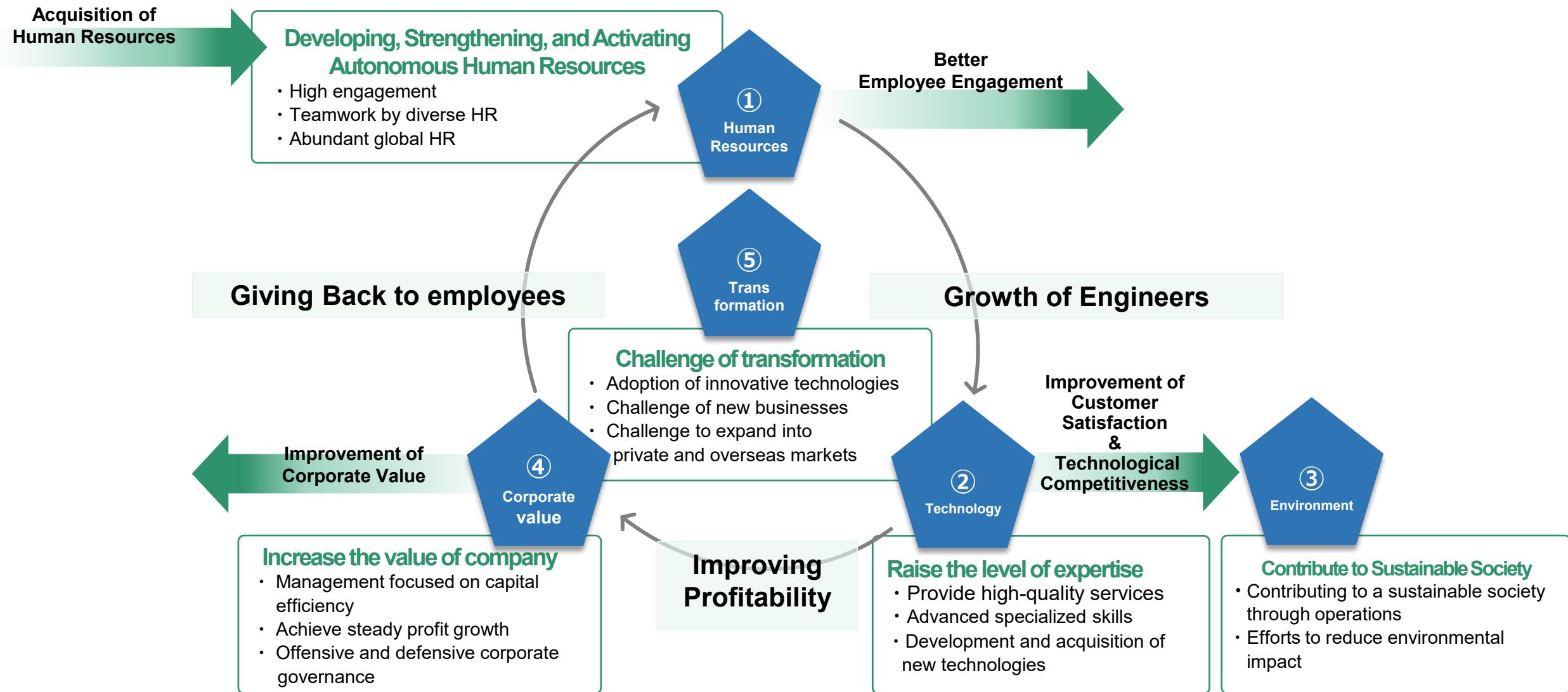
### Major Business Partners

Japan International Cooperation Agency (JICA)  
World Bank, Asian Development Bank, governments, etc.

### Business Area

Bases in Japan, the Philippines, and Myanmar  
Business targets: Asia, Africa, Middle East, South America, etc.

 CTI Engineering International Co., Ltd.



## ● Key business figures for 2027

Sales	Continue to strengthen our workforce with an annual growth rate of approximately 5%, aiming for Sales of over 110 billion yen. (Achieve our Mid- to Long-Term Vision, SPRONG 2030, ahead of schedule.)
Operating Income	Aim for sustainable profit growth over the mid- to long-term, achieving Operating Income of 12 billion yen or more
ROE	Ensure a return on equity (ROE) of 12% or higher through business development, productivity improvements, and appropriate shareholder returns.
Labor productivity	Increase labour productivity by more than 10% through promoting digital transformation and enhancing project management PM.(Increase internal production per hour by 10%)

## ● Key points for setting a plan

### Revenue Plan

- Continue to strengthen workforce and wage increases
- Maintain and improve gross profit margins through DX and efficiency
- Reduce rework and mistakes through advanced PM, improve the quality of deliverables, and reduce working hours.
- Control increase in SG&A expenses through DX and efficiency

### Order Plan

- Maintain Orders from the Ministry of Land, Infrastructure, Transport and Tourism while achieving a balanced customer structure including local governments and the private sector
- Achieve goals through sustainable growth in Core Business and expansion of Growth Area through external growth such as M&A

### Financial Plan

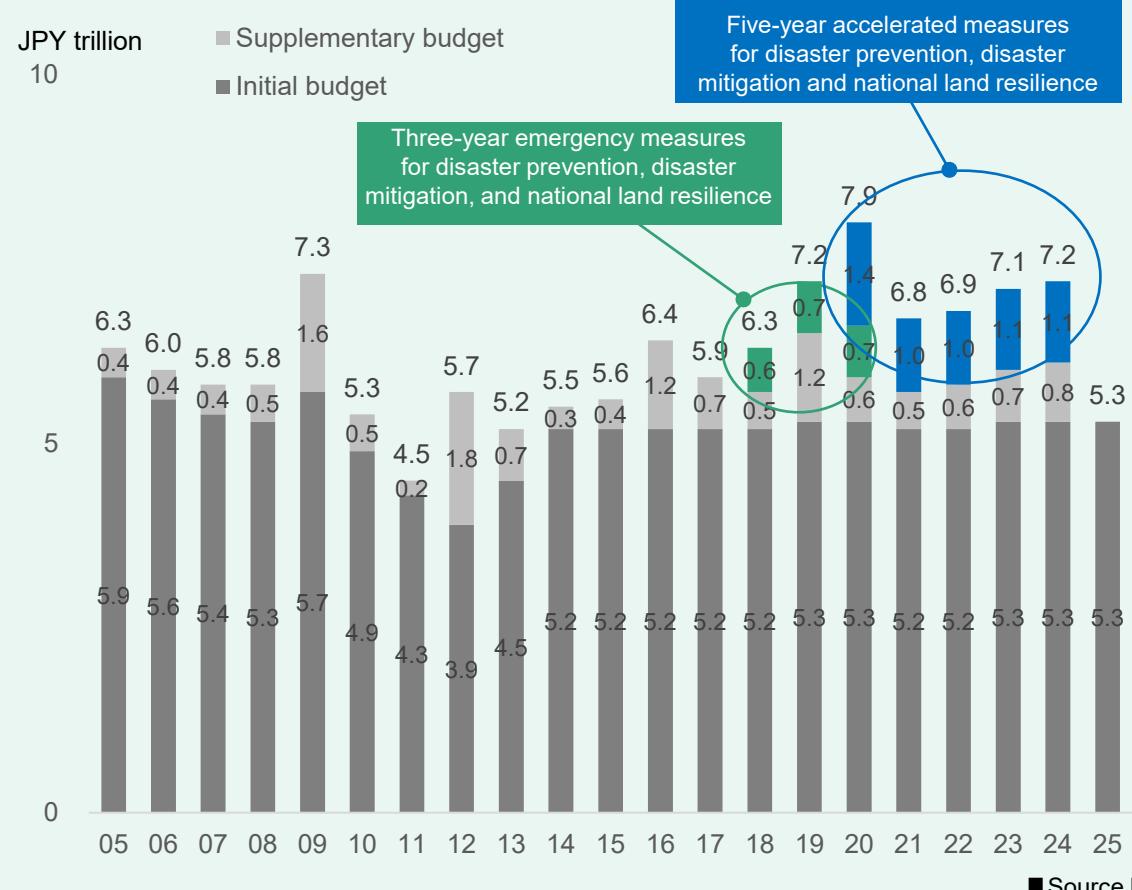
- Improve ROE and EPS by combining steady growth in Operating Income, flexible shareholder returns through dividends, and external growth such as M&A.

The market for construction consulting business is strongly influenced by government budget allocations and construction investment. Public works expenses (Ministry of Land, Infrastructure, Transport and Tourism) has been steady due to the "Five-year accelerated measures for disaster prevention, disaster mitigation and national land resilience" until 2025.

Overall construction investment (public and private) has been increasing continuously since 2014.

Construction investment by the government and the private sector is expected to stabilize to a certain extent in the future, and the potential market is also large due to the state of undeveloped infrastructure.

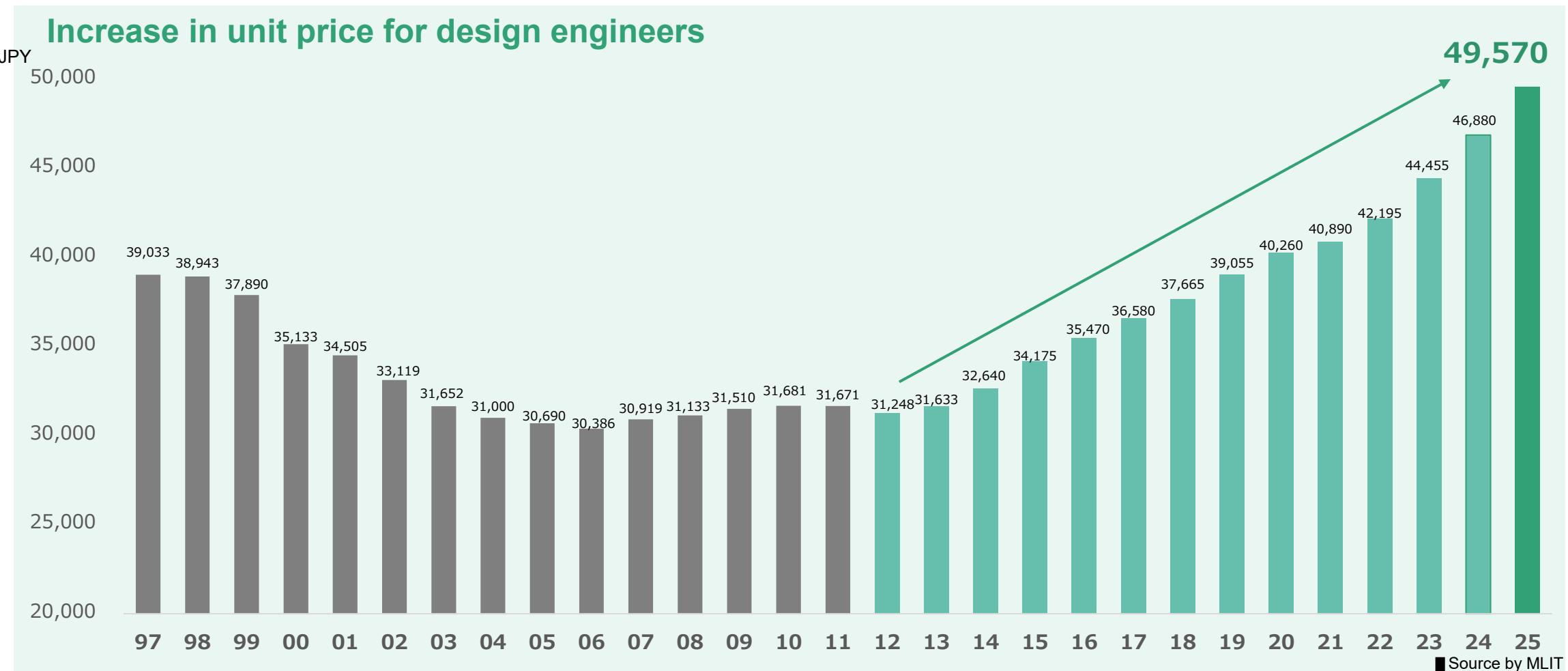
## Public works related expenses



## Increase in construction investment



- **Unit price for design engineers:** A unit price used for the estimation of design outsourcing (design, survey, geology, etc.) ordered by the Ministry of Land, Infrastructure, Transport and Tourism. Set unit prices based on annual salary surveys
- In FY 2025, the average of all job categories was 49,570 yen, up 5.7%



# Business Philosophy

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We strive to create a safe,

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Comfortable and enriching society

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Using world-class technology and expertise.

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CTI Engineering Co., Ltd. has faced social issues with integrity throughout its history as a pioneering consulting engineer. It has worked to solve a variety of infrastructure development issues by constantly improving its engineering capabilities. As technological innovation accelerates, we will serve as a group of professionals who will ambitiously take on new technologies and always provide the best infrastructure services. We will work tirelessly to create a society where people can live safely and securely with an eye on the future.

- Any forward-looking statements as part of information disclosed by the Company, such as (but not restricted to) information pertaining to future plans, outlooks, management strategy, etc., are based on the information available at the time of disclosure and/or on certain assumptions deemed reasonable.
- As such, these contain risks and uncertainties related to changes in the state of the economy, government policies impacting the Company's businesses, changes to the tax code and/or other regulatory changes and/or in the International status quo.
- Realized results may differ materially from the aforementioned forward-looking statements, due to a variety of factors and causes.

# **CTI Engineering Co., Ltd.**

Nihombashi Hamacho F Tower, 3-21-1 Nihombashi Hamacho, Chuo-ku, Tokyo, Japan(TSE Prime 9621)

**Tatsuya Nishimura**, Representative Director and President, CEO

Contact: **Toshikazu Matsuoka**, Managing Executive Officer

TEL : 03-3668-4125

**2Q / 63th term (2025)**

**Financial Results**

**(Supplementary Data)**

**CTI Engineering Co.,Ltd..**

## 1. Order Status (Non-consolidated)

### (1) Orders received by month

(JPY million, rounded down to the nearest million, %)

Item Month	Our company						Consulting Engineering (50 companies) (Note)					
	2023		2024		2025		2023		2024		2025	
	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)
Jan.	2,468	-5.1	2,725	10.4	2,281	-16.3	22,746	-0.9	26,720	17.5	25,926	-3.0
Feb.	3,166	-9.3	2,977	-6.0	2,645	-11.2	38,771	18.8	38,410	-0.9	37,297	-2.9
Mar.	11,106	14.8	9,046	-18.5	10,156	12.3	81,481	7.7	94,586	16.1	90,119	-4.7
Apr.	9,851	10.3	9,230	-6.3	10,888	18.0	89,173	2.7	95,812	7.4	108,100	12.8
May	4,571	-7.2	4,985	9.1	4,812	-3.5	54,842	10.5	56,577	3.2	58,288	3.0
Jun.	5,562	8.7	5,010	-9.9	6,242	24.6	77,547	4.1	81,440	5.0	86,964	6.8
Jul.	4,279	-0.2	6,170	44.2			70,025	10.4	81,564	16.5		
Aug.	3,615	4.0	4,795	32.6			62,736	22.7	59,303	-5.5		
Sept.	3,603	24.6	4,567	26.7			54,777	3.6	60,394	10.3		
Oct.	3,431	74.1	4,143	20.7			46,626	15.9	48,248	3.5		
Nov.	1,823	11.7	1,986	9.0			33,962	6.9	33,303	-1.9		
Dec.	1,451	-34.7	2,310	59.2			36,562	2.5	34,013	-7.0		

(Note) Source: "Dynamic Survey of Construction-Related Industries, etc. (50 consulting engineering companies)" published Ministry of Land, Infrastructure, Transport and Tourism, June 2025

### (2) Cumulative Orders Received

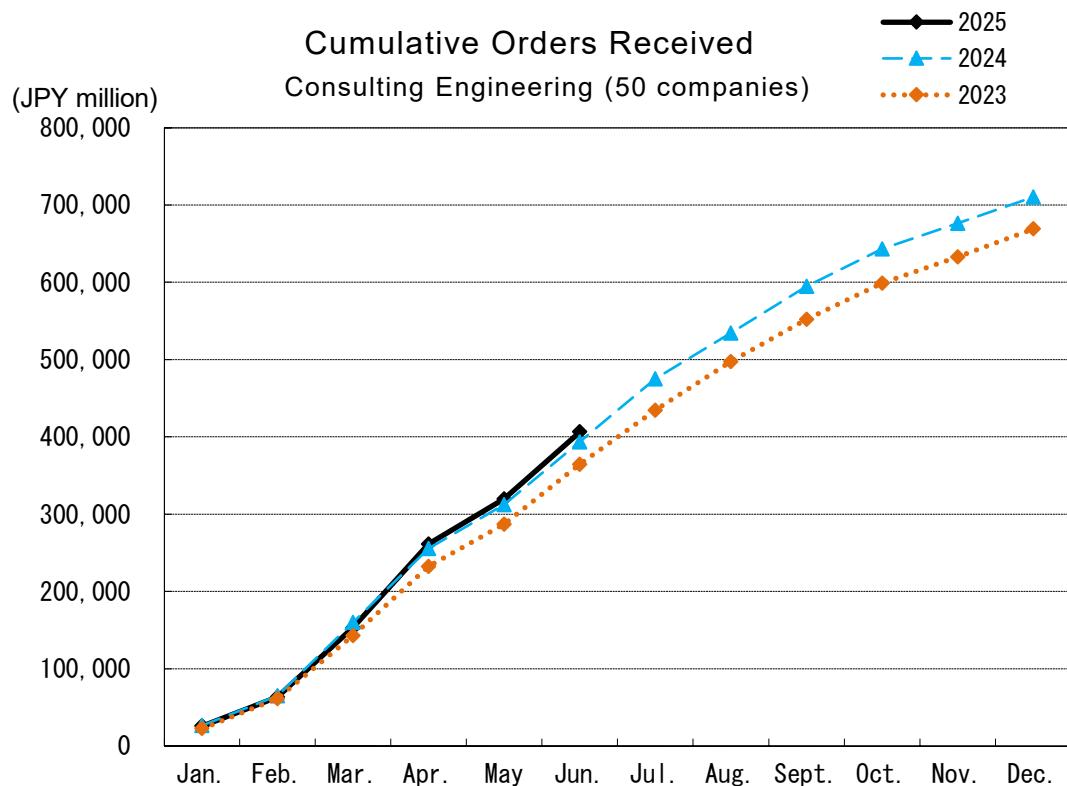
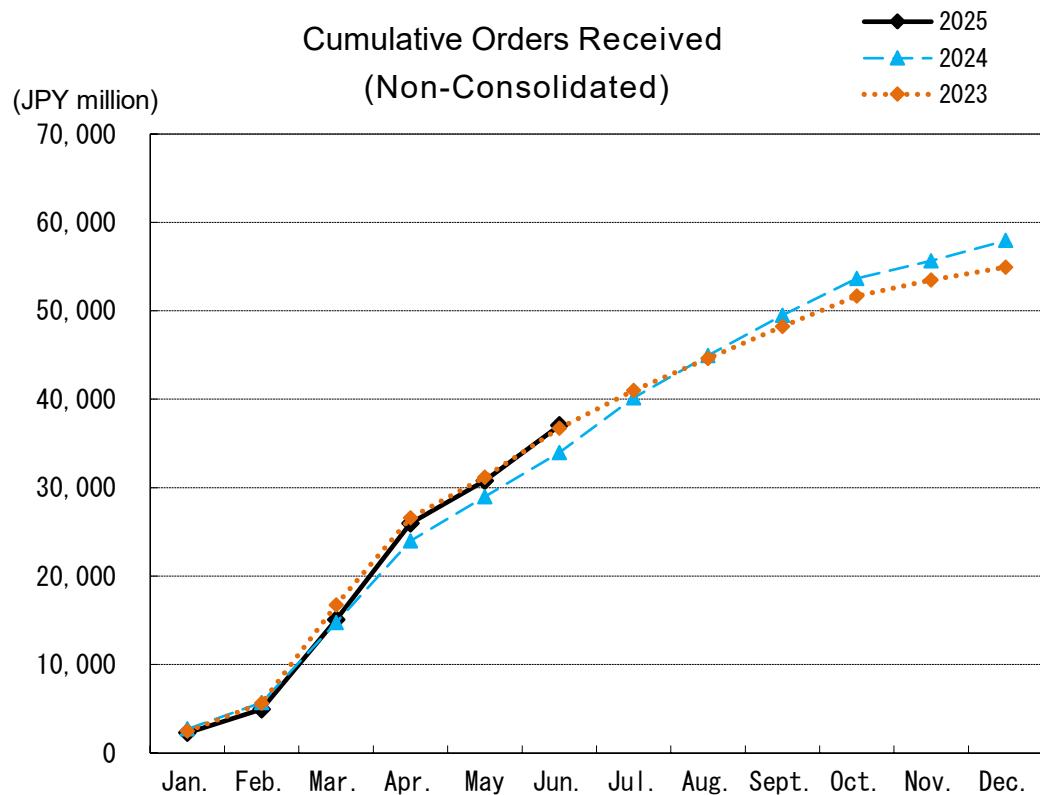
(JPY million, rounded down to the nearest million, %)

Item Month	Our company						Consulting Engineering (50 companies) (Note)					
	2023		2024		2025		2023		2024		2025	
	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)
Jan.	2,468	-5.1	2,725	10.4	2,281	-16.3	22,746	-0.9	26,720	17.5	25,926	-3.0
Feb.	5,635	-7.5	5,702	1.2	4,926	-13.6	61,517	10.7	65,130	5.9	63,223	-2.9
Mar.	16,741	6.2	14,749	-11.9	15,083	2.3	142,998	9.0	159,716	11.7	153,342	-4.0
Apr.	26,592	7.7	23,980	-9.8	25,971	8.3	232,171	6.5	255,528	10.1	261,442	2.3
May	31,164	5.2	28,965	-7.1	30,783	6.3	287,013	7.2	312,105	8.7	319,730	2.4
Jun.	36,726	5.7	33,975	-7.5	37,026	9.0	364,560	6.5	393,545	8.0	406,694	3.3
Jul.	41,005	5.1	40,146	-2.1			434,585	7.1	475,109	9.3		
Aug.	44,621	5.0	44,942	0.7			497,321	8.9	534,412	7.5		
Sept.	48,224	6.2	49,509	2.7			552,098	8.3	594,806	7.7		
Oct.	51,656	9.0	53,652	3.9			598,724	8.9	643,054	7.4		
Nov.	53,479	9.1	55,639	4.0			632,686	8.8	676,357	6.9		
Dec.	54,930	7.2	57,949	5.5			669,248	8.4	710,370	6.1		

\* Reference data: Consolidated Orders Received

(JPY million, rounded down to the nearest million, %)

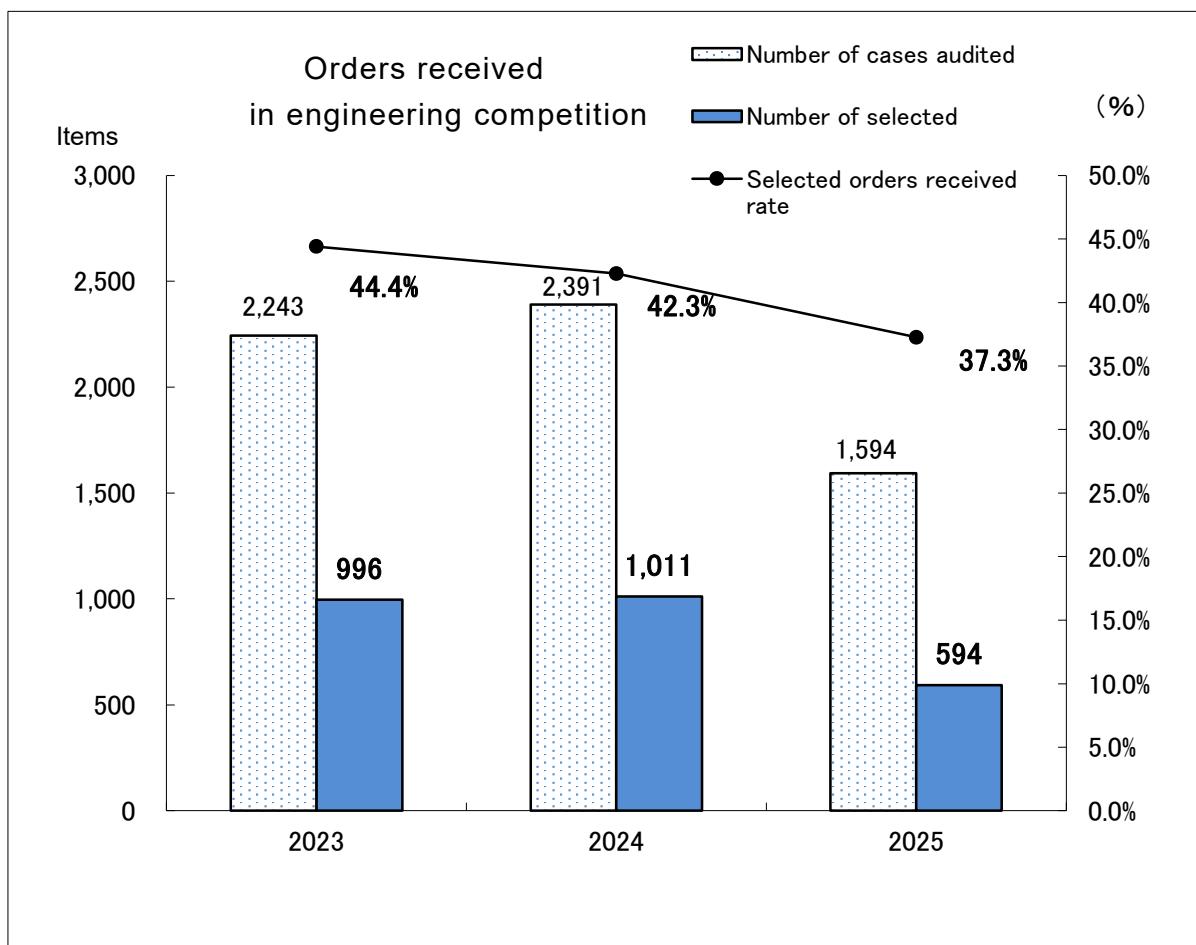
	2023		2024		2025	
	Amount	Change (YoY)	Amount	Change (YoY)	Amount	Change (YoY)
Six Months (January to June)	58,923	11.6	54,545	-7.4	60,917	11.7
Full Year (January to December)	92,473	7.7	94,400	2.1		



(Note) Source: "Dynamic Survey of Construction-Related Industries, etc. (50 consulting engineering companies)"  
published Ministry of Land, Infrastructure, Transport and Tourism, June 2025

(3) Orders Received of Proposals and Comprehensive Evaluation bid (Non-Consolidated)  
(Items,%)

FY	2023 (2023.1 to 12)	2024 (2024.1 to 12)	2025 (2025.1 to 6)
Number of cases audited	2,243	2,391	1,594
Number of selected	996	1,011	594
Selected orders received rate	44.4%	42.3%	37.3%



## 2. Results by Business Sector (Consolidated)

(2Q)

(JPY million, rounded down to the nearest million, %)

FY	Business Sector	Beginning balance of orders carried forward	Orders received	change (YoY)	Sales Amount	Composition ratio	change (YoY)	Gross profit	Gross Profit Margin%	Balance of orders carried forward
2023	Water & Land	15,169	14,300	4.2	12,388	25.9	16.9	5,180	41.8	16,749
	Transportation & Urban	13,675	11,949	1.5	10,483	22.0	2.9	3,090	29.5	14,872
	Environmental & Social	8,608	9,669	-2.8	8,671	18.3	17.4	3,093	35.7	9,550
	Construction Mgmt.	2,274	4,706	66.8	2,570	5.4	40.0	1,190	46.3	4,512
	Overseas	25,034	18,297	26.0	13,510	28.4	14.2	2,833	21.0	30,545
	Total	64,761	58,923	11.6	47,623	100.0	13.8	15,388	32.3	76,231
2024	Water & Land	14,644	12,792	-10.5	14,008	27.7	13.1	5,930	42.3	13,726
	Transportation & Urban	13,568	11,807	-1.2	11,117	21.9	6.0	3,332	30.0	13,608
	Environmental & Social	7,689	9,955	3.0	7,943	15.6	-8.4	2,570	32.4	9,186
	Construction Mgmt.	2,953	3,568	-24.2	2,424	4.7	-5.7	969	40.0	4,108
	Overseas	26,497	16,421	-10.3	15,253	30.1	12.9	3,183	20.9	28,299
	Total	65,353	54,545	-7.4	50,746	100.0	6.6	15,985	31.5	68,929
2025	Water & Land	13,905	14,604	14.2	12,979	25.6	-7.3	5,270	40.6	15,496
	Transportation & Urban	13,940	12,965	9.8	11,734	23.1	5.6	3,695	31.5	15,768
	Environmental & Social	7,835	9,579	-3.8	8,460	16.7	6.5	2,699	31.9	9,212
	Construction Mgmt.	2,341	4,675	31.0	2,650	5.2	9.3	1,102	41.6	4,329
	Overseas	25,419	19,092	16.3	14,967	29.5	-1.9	3,187	21.3	29,598
	Total	63,442	60,917	11.7	50,794	100.1	0.1	15,955	31.4	74,405

(Results [FY2024], Forecast [FY2025])

(JPY million, rounded down to the nearest million, %)

FY	Business Sector	Beginning balance of orders carried forward	Orders received	change (YoY)	Sales Amount	Composition ratio	change (YoY)	Gross profit	Gross Profit Margin%	Balance of orders carried forward
2024	Water & Land	14,644	23,691	6.1	24,919	25.6	5.8	9,598	38.5	13,579
	Transportation & Urban	13,568	21,417	10.2	21,001	21.5	5.1	5,586	26.6	13,614
	Environmental & Social	7,689	16,472	8.1	16,361	16.7	0.8	4,941	30.2	7,672
	Construction Mgmt.	2,953	4,142	-19.8	4,662	4.7	-1.3	1,645	35.3	2,341
	Overseas	26,497	28,676	-5.4	30,733	31.5	7.5	6,656	21.7	25,419
	Total	65,353	94,400	2.1	97,678	100.0	5.0	28,427	29.1	62,626
2025	Water & Land	13,905	23,800	0.5	24,900	24.9	-0.1	9,300	37.3	12,805
	Transportation & Urban	13,940	21,900	2.3	22,000	22.0	4.8	6,500	29.5	13,840
	Environmental & Social	7,835	16,600	0.8	17,000	17.0	3.9	5,400	31.8	7,435
	Construction Mgmt.	2,341	4,700	13.5	5,100	5.1	9.4	1,800	35.3	1,941
	Overseas	25,419	33,000	15.1	31,000	31.0	0.9	6,500	21.0	27,419
	Total	63,442	100,000	5.9	100,000	100.0	2.4	29,500	29.5	63,442

### [Disclaimer]

These presentation materials contain forward-looking statements concerning plans, forecasts, corporate strategies, etc., and reflect information available to the company at the time this results presentation was published and are based on assumptions deemed reasonable by management.

In light of the uncertainties inherent in these judgements and assumptions – resulting from possible changes in the overall economic climate, government policies affecting our business, changes to the tax code and in other policy areas, changes in the geopolitical climate, etc. – the Company's actual financial results could differ materially from these forward-looking statements.