


# INFRONEER Holdings Inc

## IRDAY FY2025



January 26, 2026

**Theme****Specific measures to realize integration synergies  
with Sumitomo Mitsui Construction**

time	Contents	Speaker
15:00-15:20	1 . CEO Message – Vision and PMI with Sumitomo Mitsui Construction	President Kibe
15:20-15:40	2 . Key Strengths of Sumitomo Mitsui Construction	Executive Officer Shibata
15:40-16:10	3 . Initiatives for Management Improvement at MAEDA CORP.	President Kibe
16:10-16:20	4 . Summary	President Kibe
16:20-17:00	Q&A (including free discussion)	—

# 1. CEO Message

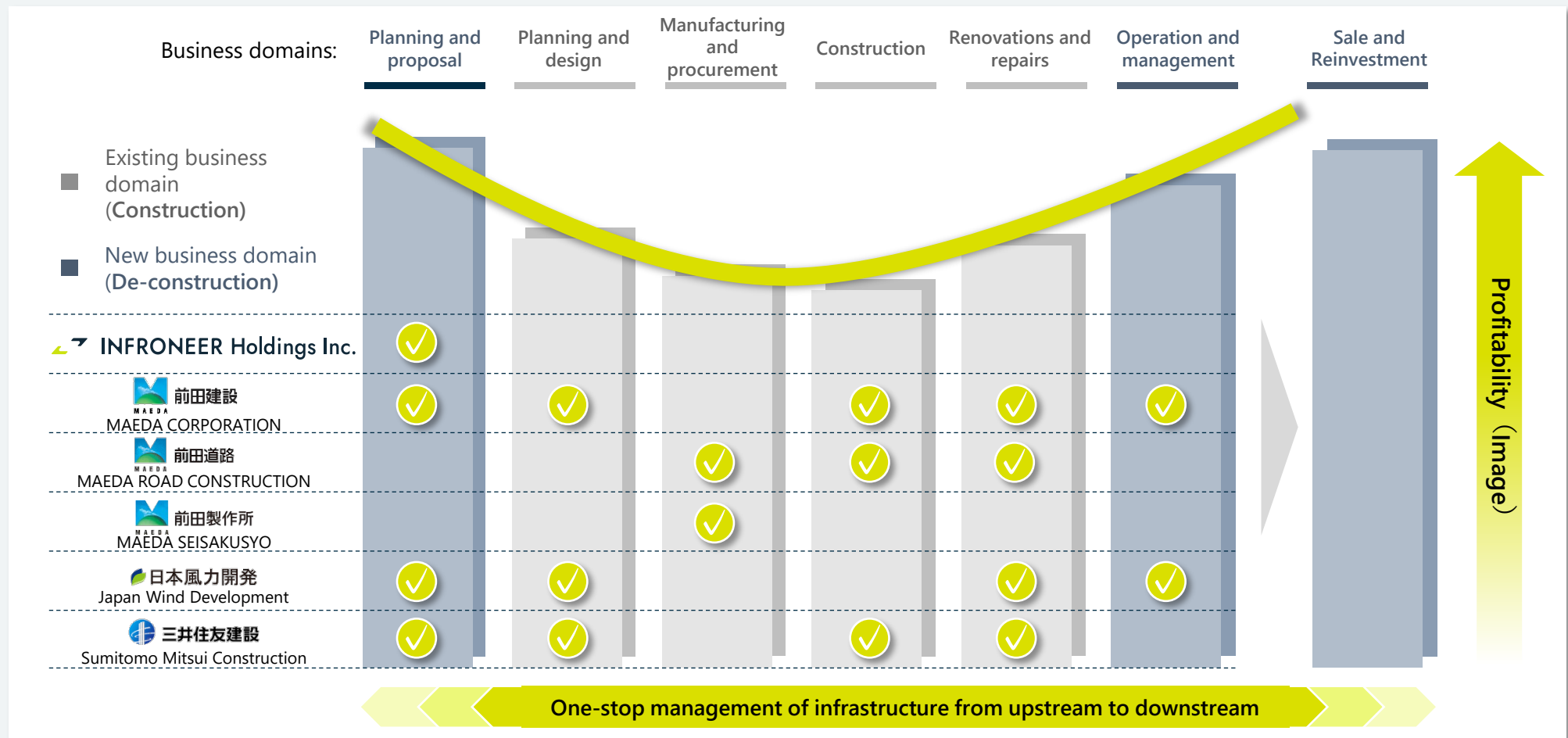
- Vision and Synergy with Sumitomo Mitsui Construction

# To Become Japan's First "Integrated Infrastructure Service Company"



## Japan's First "Integrated Infrastructure Service Company"

Aiming to achieve high profitability by providing one-stop management from upstream to downstream infrastructure operations, by utilizing the functions of our group companies and our engineering capabilities



# Strength of Alliances with the World's Top Companies

Alliances with numerous leading companies worldwide in both construction and de-construction business domains

## Construction

Engineering Capabilities  
cultivated in our construction business

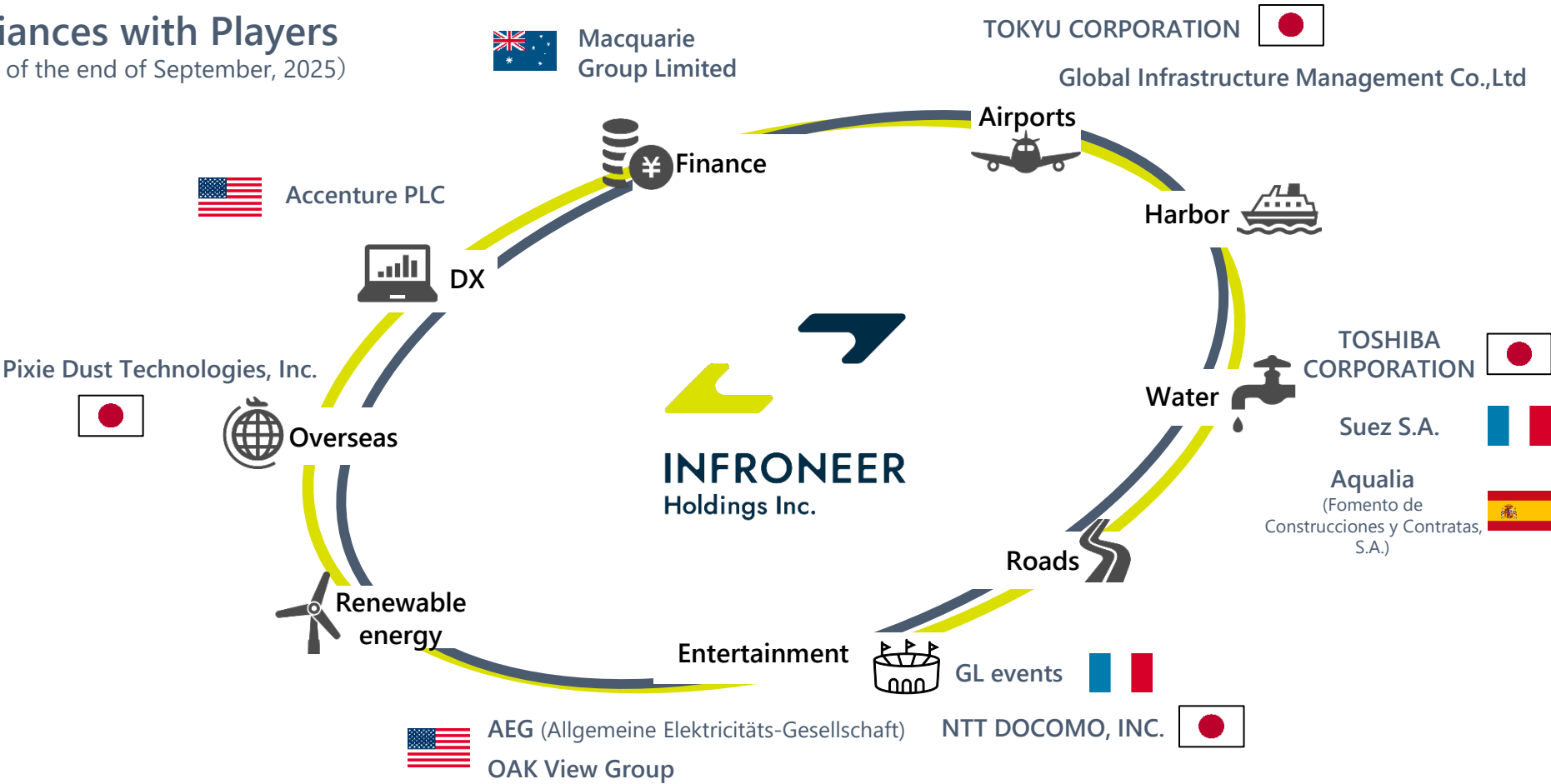
## De-construction

Financing Capabilities  
cultivated in our infrastructure management business



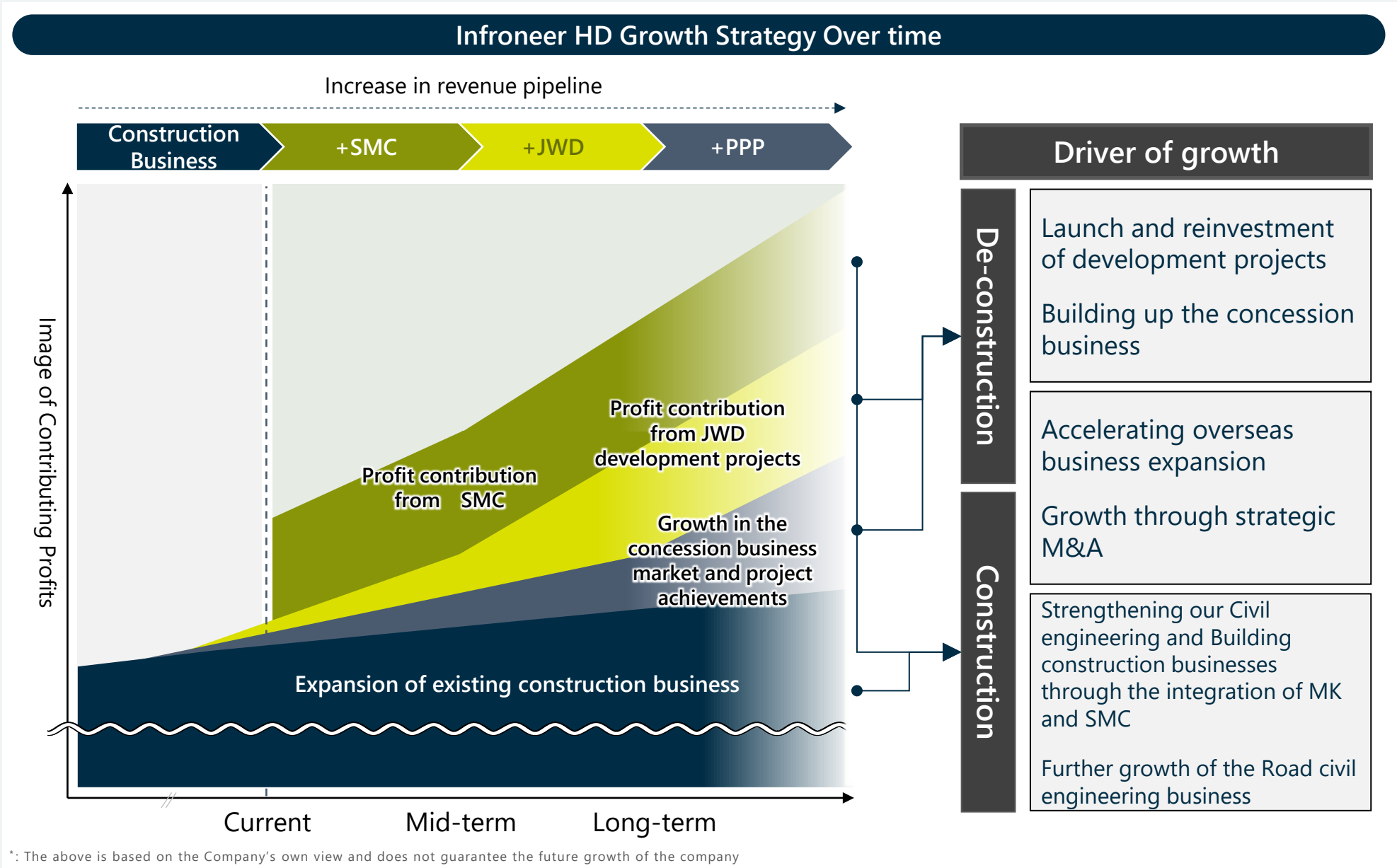
### Alliances with Players

(As of the end of September, 2025)



# Future Growth Strategy Image

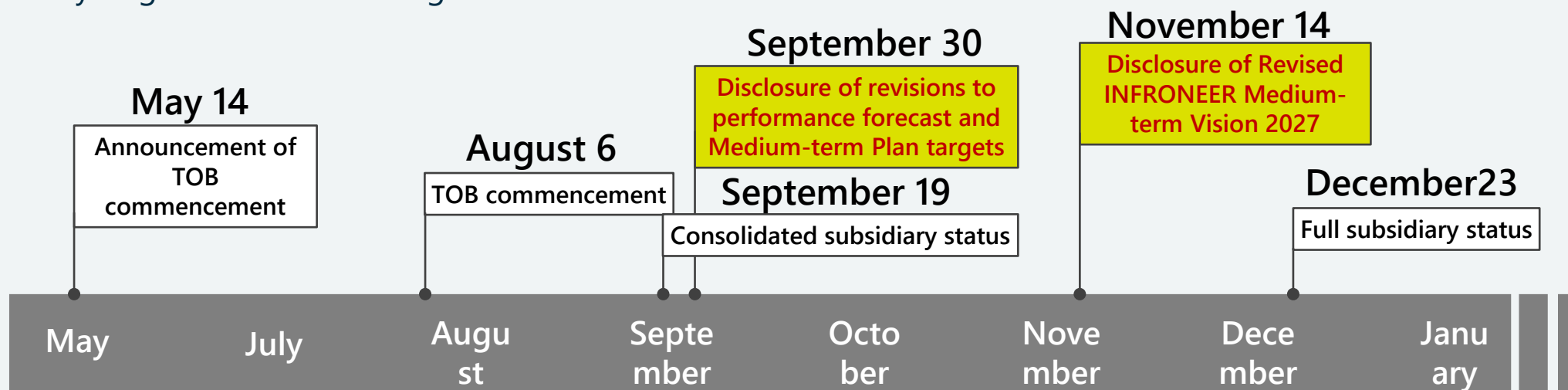
The integration of SMC is expected to contributed to profit for Infroneer HD in the near term. In the future, we expect further contribution to profits from the launch of JWD development projects and concession businesses, supporting us to accelerate growth over the medium to long term



# Progress on Management Integration and PMI with Sumitomo Mitsui Construction

INFRONEER Holdings Inc.

- Progressed smoothly from TOB announcement on May 14; completed TOB on September 19, resulting in consolidated subsidiary status. After squeeze-out procedures, **achieved full subsidiary status on December 23**, completing the management integration process.
- Pre-PMI started in late May; full-scale PMI began upon consolidation on September 19. **Since November 14, restructured organization centered on executive officers**, accelerating efforts to create synergies and achieve targets.



## Late May ~ Pre-PMI start

- Formed 15 subcommittees focusing on initial response themes related to corporate functions

## September 19 ~ Full-scale PMI operation

- Examining measures to achieve earnings forecasts disclosed on September 30
- Organizing necessary actions and issues based on detailed information sharing in the civil engineering and building construction businesses

## November 14 ~ PMI system reorganization

- Reorganizing subcommittees and accelerating initiatives to create synergies and achieve targets



## Building Construction

**Further strengthening areas of strength/Scrutinizing projects on hand and thoroughly enforcing order discipline**

- Analyze best practices to strengthen competitiveness in order to gain overwhelming market share in high-rise projects
- Participation of Sumitomo Mitsui Construction designers as outsourced to MAEDA CORP
- Scrutiny of FY26-27 plan feasibility and review of order plans. Formed JVs with MAEDA CORP (about 10 projects considered, 4 contracts signed)

## Civil Engineering

**By improving the probability of receiving orders from each other, it becomes 1+1→2 or more**

- Implement a one-pool technical proposal team
- Sharing sales and customer information of both companies, selecting target customers, and define sales strategies
- Share design change management and cost management methods that MAEDA CORP is working on with Sumitomo Mitsui Construction and start test operations

## Overseas

**Further expansion of orders/challenge in new areas**

- Confirm capabilities of both Sumitomo Mitsui Construction and MAEDA CORP to jointly work on ODA projects
- Continuously conduct joint overseas strategy meetings between the two companies to create new projects in the de-construction domain

## Corporate

**Initiatives to maximize operational efficiency**

- To promote integrated operation of assets such as branches and sales offices, we are taking concrete actions starting with a selected number of sites.
- Consolidate functions into HD and clarify roles and functions with business companies
- Consider expanding back-office business reforms implemented at MAEDA CORP to Sumitomo Mitsui Construction



## **2. Key Strengths of Sumitomo Mitsui Construction**

## Background and Determination for the Management Integration

- The construction industry was entering an unprecedented period of transformation, and the importance of external collaboration and partnerships was increasing. Considering our company's business situation as well, **a major transformation was required.**
- INFRONEER showed us **a vision of aiming for mutual growth** while respecting our company's strengths. Because we were able to empathize with this vision, we reached the determination to move forward together on the same ship.
- Initially, there was some confusion among employees, but as we explained continuously and communication progressed through PMI, a **positive mindset** has been fostered.
- We will contribute to the group's growth while incorporating INFRONEER 's strengths and **fully leveraging SMC's advantages.**

# Sumitomo Mitsui Construction's Strengths - Civil Engineering Business -

World's  
and  
Japan's  
First

- |      |  |                                |
|------|--|--------------------------------|
| 1959 | Japan's first cantilever method construction | : Arashiyama Bridge            |
| 1994 | World's first Extradosed bridge              | : Odawara Blue Way Bridge 2004 |
|      | Japan's first AOS winner (fib)               | : Seiun Bridge                 |
| 2013 | World's first Butterfly web bridge           | : Terasakochocho-Ohashi Bridge |
| 2021 | World's first Dura-Bridge                    | : Bessodani Bridge             |

Seiun Bridge



Arashiyama Bridge



Terasakochocho-Ohashi Bridge



Approx.  
**4,500**  
Concrete  
Bridges



Bessodani Bridge



Odawara Blue Way Bridge



# Sumitomo Mitsui Construction's Strengths - Civil Engineering Business -

## Innovative structures pioneering the world

### Extradosed and Butterfly web bridge



**Mukogawa Bridge (2017)**



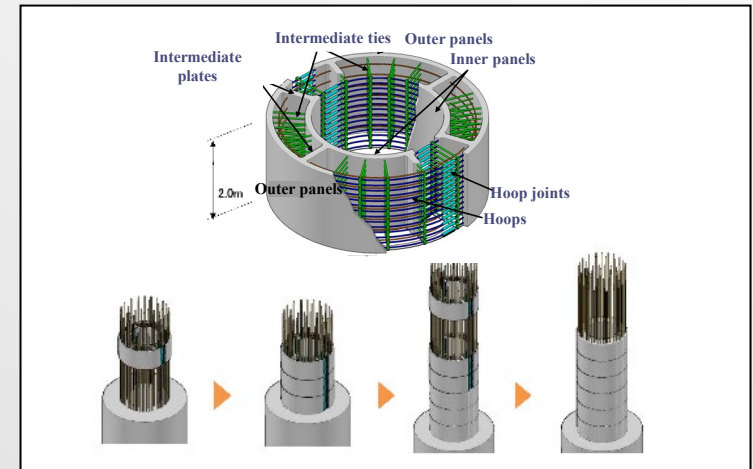
**Nakatsugawa Bridge (underway)**

### Extradosed Bridge

**World's first application in 1994  
(Design-build project)**

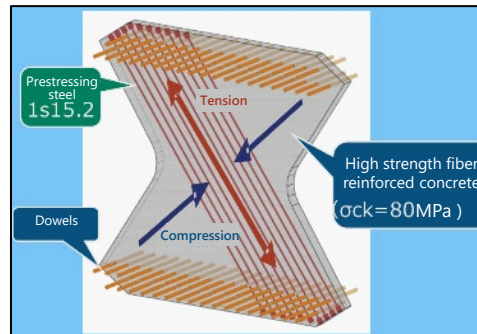


### The SPER method

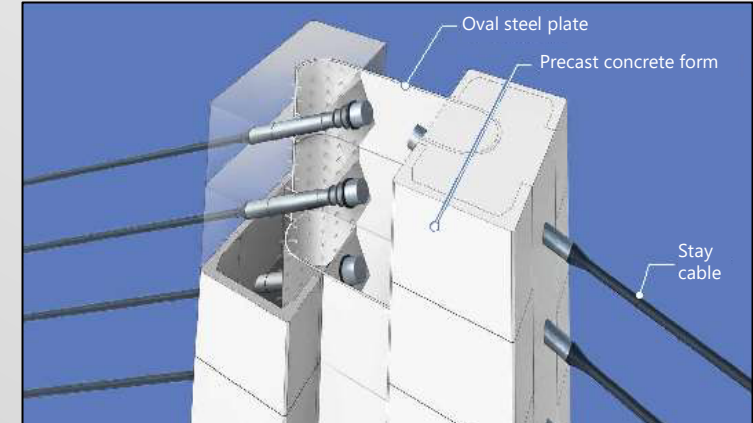


### Butterfly web (SMCC development)

**World's first application in 2013  
(Design-build project)**



### Development of new anchorage system

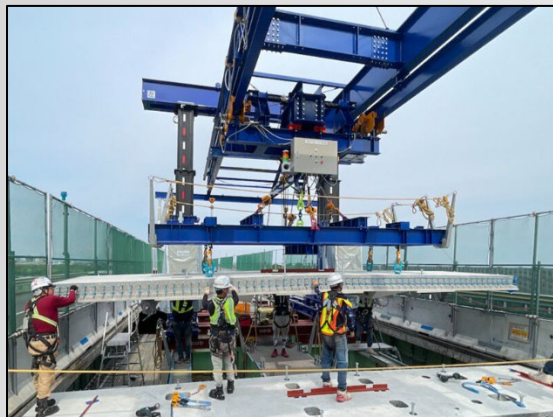




# Sumitomo Mitsui Construction's Strengths - Civil Engineering Business -

Various projects including large-scale infrastructure renewal, tunnels, energy facilities, and more

## Large-scale infrastructure Renewal



### **Nagaragawa Bridge (underway)**

Replacing construction of deck slab

## Tunnels, energy facilities



### **Yagayama Tunnel (2020)**

Large-scale tunnel on Expressway



### **Sendai Port Biomass Power Plant (2025)**

Design-build project of silos

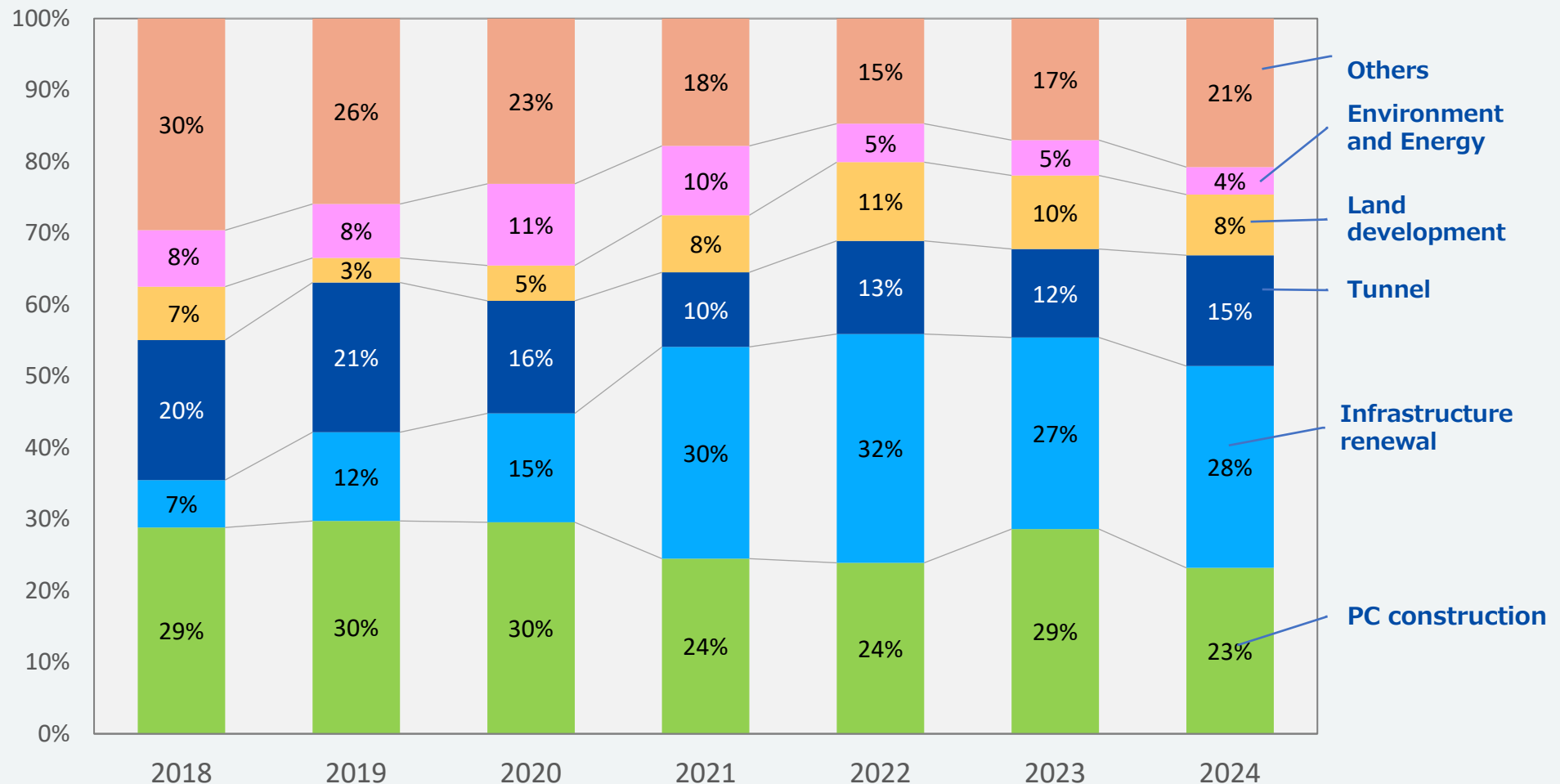
# Sumitomo Mitsui Construction's Strengths - Civil Engineering Business -

Strategic initiatives leveraging our areas of expertise

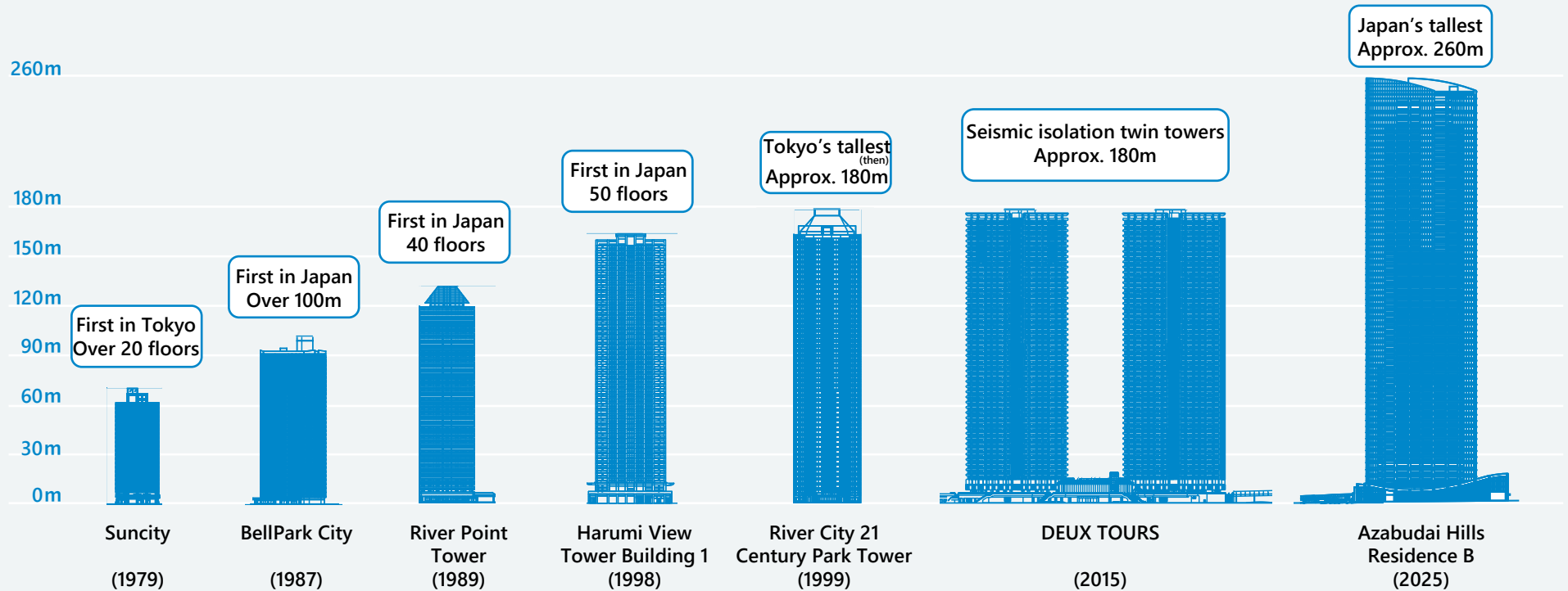
PC construction (our areas of expertise) : 20~30%

Large-scale infrastructure renewal business : New business pillar

## Sales Composition Ratio (Non-consolidated ; Domestic)



# Sumitomo Mitsui Construction's Strengths - Building Construction Business -



**176**  
High-Rise  
Residential

over  
**300K** units  
Residential  
Complex





# Sumitomo Mitsui Construction's Strengths - Building Construction Business -

## Strong in high-rise residential buildings : 176 buildings completed



Azabudai Hills Residence B (2025) Mori Building Co., Ltd.





# Sumitomo Mitsui Construction's Strengths - Building Construction Business -

Various projects including production facilities, residential buildings, distribution facilities and commercial facilities

## Large-scale production facilities

The Japan Steel Works Hiroshima Plant (2025)



## Seismic isolation renovation of existing buildings

Yamanashi Culture Hall (2016)



## Large-scale distribution facilities

DPL Yokohamatotsuka (2022)



## Commercial facilities

Mitsui Outlet Park Marine Pia Kobe (2024)



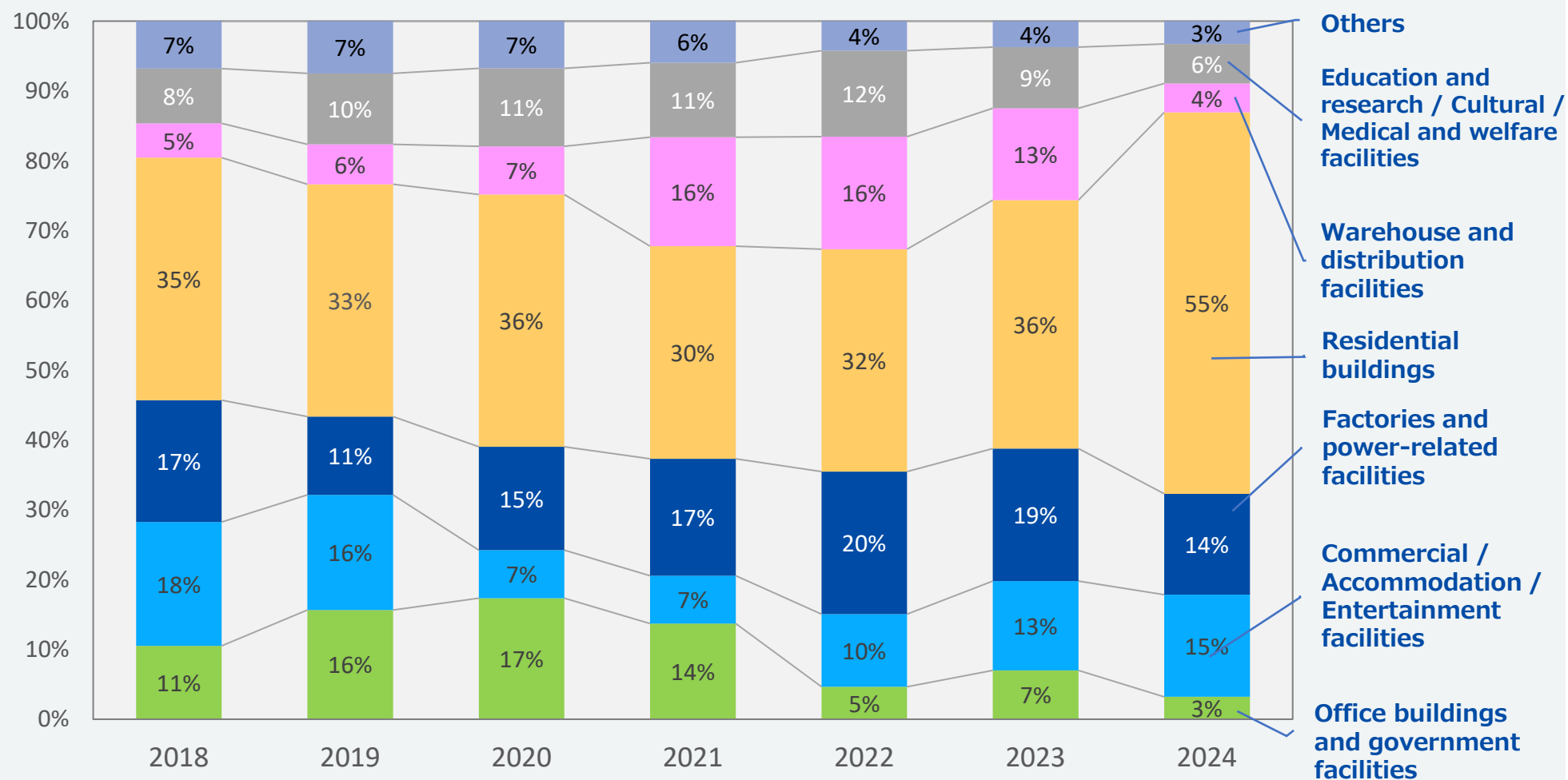
# Sumitomo Mitsui Construction's Strengths - Building Construction Business -

Strategic initiatives to respond to changes in the market

Residential buildings (our areas of expertise) : 30%

Factories and commercial facilities : Remaining stable

## Sales Composition Ratio (Non-consolidated ; Domestic)



# Sumitomo Mitsui Construction's Strengths - Manufacturing Facilities -

The competitive advantages of manufacturing facilities in 7 locations nationwide

construction

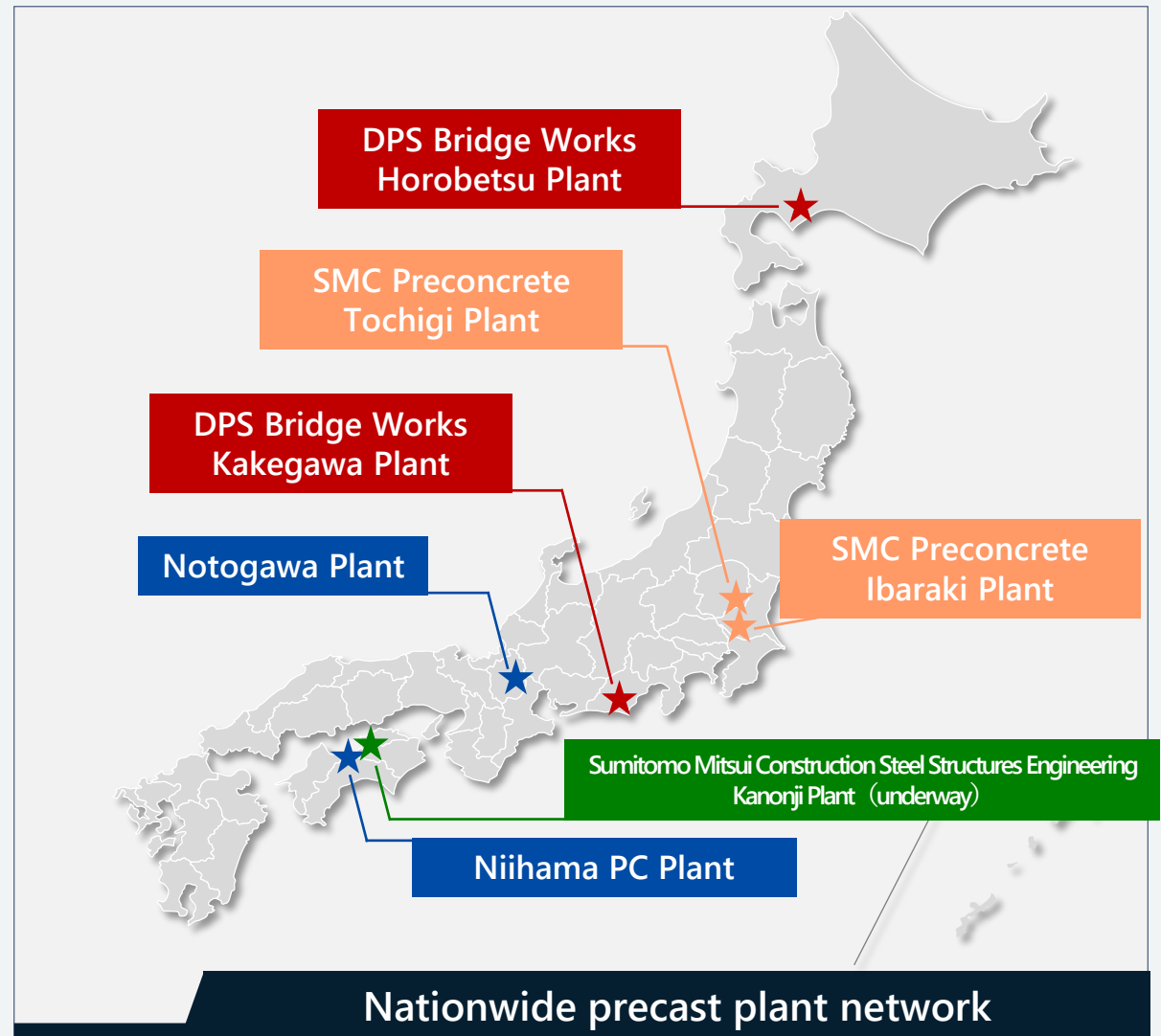
Active utilization  
of precast concrete



Manufacturing

Efficient and stable  
manufacturing

- Improving productivity, safety, and quality
  - Reduction of environmental impact
- **Enhancing Competitiveness**

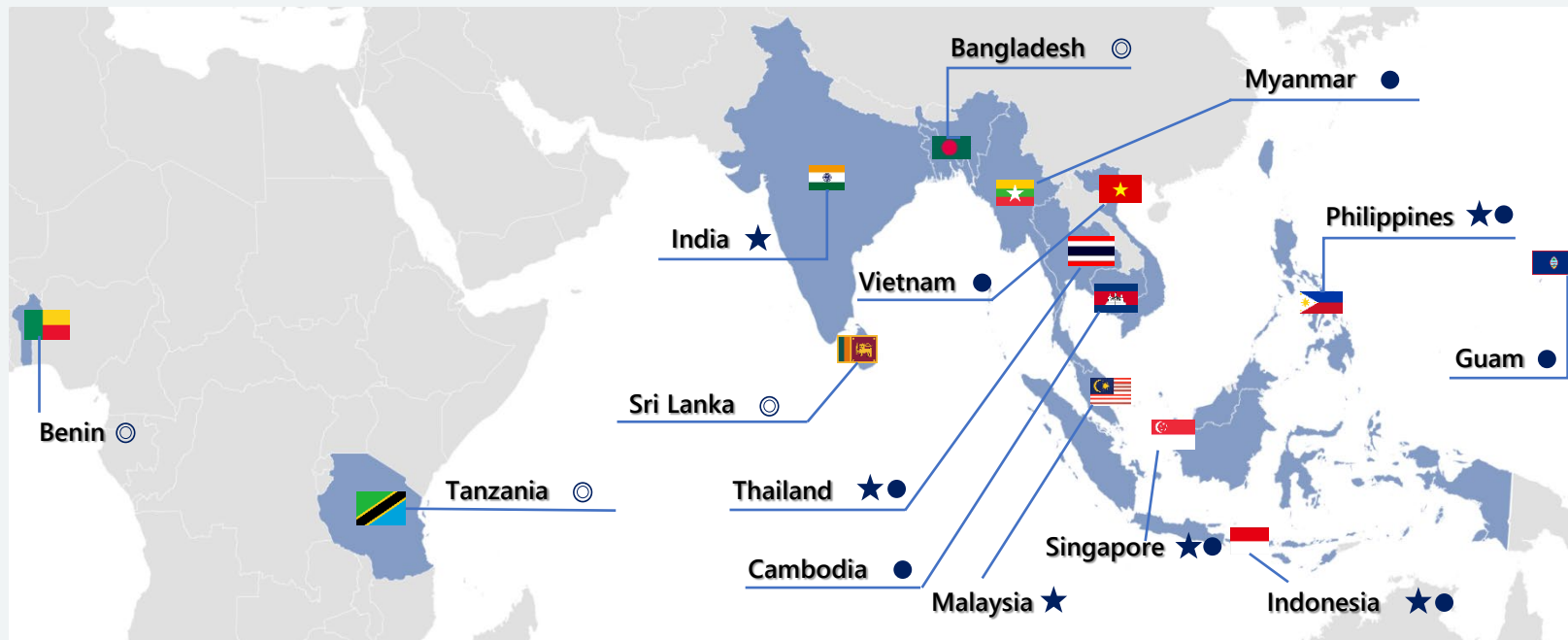




# Sumitomo Mitsui Construction's Strengths –Overseas Business–

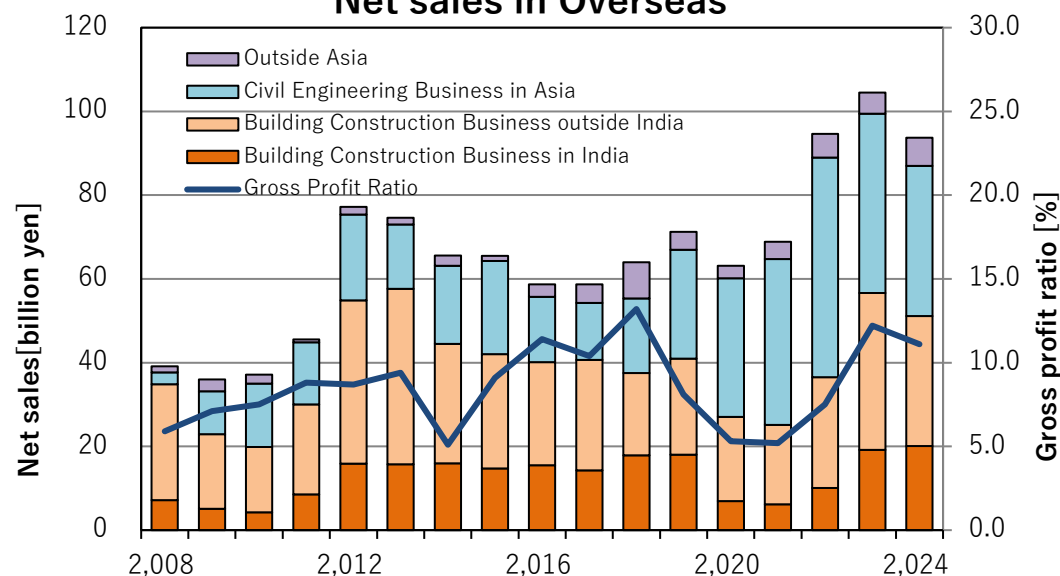
Expanding into 14 countries, primarily in Southeast Asia and South Asia

- Accumulating experience in Japanese ODA projects
- Top market share of building construction in India among Japanese companies

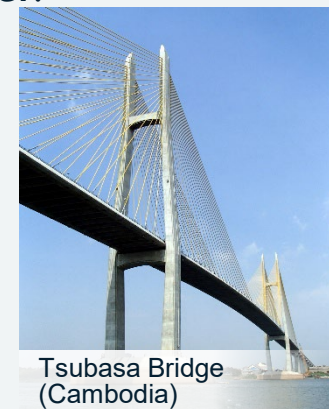
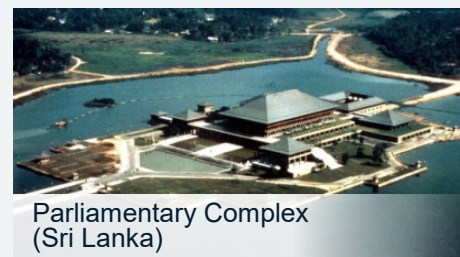


1971	Thailand
1976	Indonesia
1977	Singapore
1979	Sri Lanka
1984	Guam
1989	India
1994	Vietnam
1995	Philippines
1998	Bangladesh
2010	Cambodia
2013	Myanmar
2014	Malaysia
2015	Tanzania
2017	Taiwan
2025	Benin

## Net sales in Overseas



Business scale has grown to over 100 billion yen. Continuing to strengthen our business foundation as a growth driver.

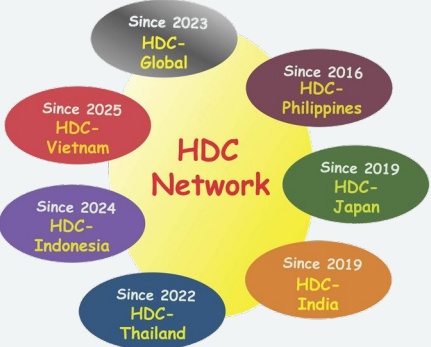


# Sumitomo Mitsui Construction's Strengths –Overseas Business–

With “HDC” as our foundation, we advance global talent development.  
We aim to achieve overseas independence and strengthen our core personnel network.

## Human resource development for the next generation

Providing global education to local overseas staff and domestic/overseas employees.  
Total participants over the past 3 years: **1,830**



Training Session

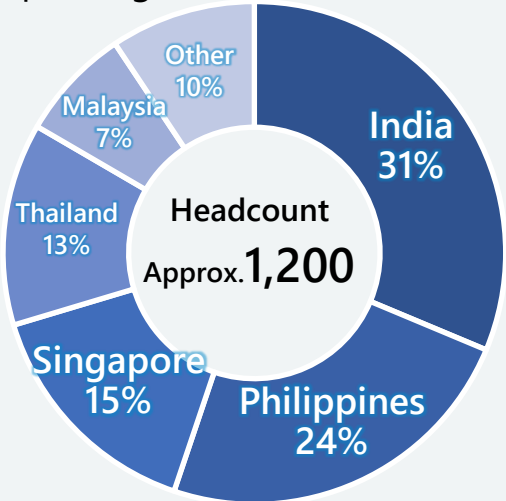


Site Visit



## Local Overseas Staff

Centered on India (our strength) and the Philippines (English-speaking).



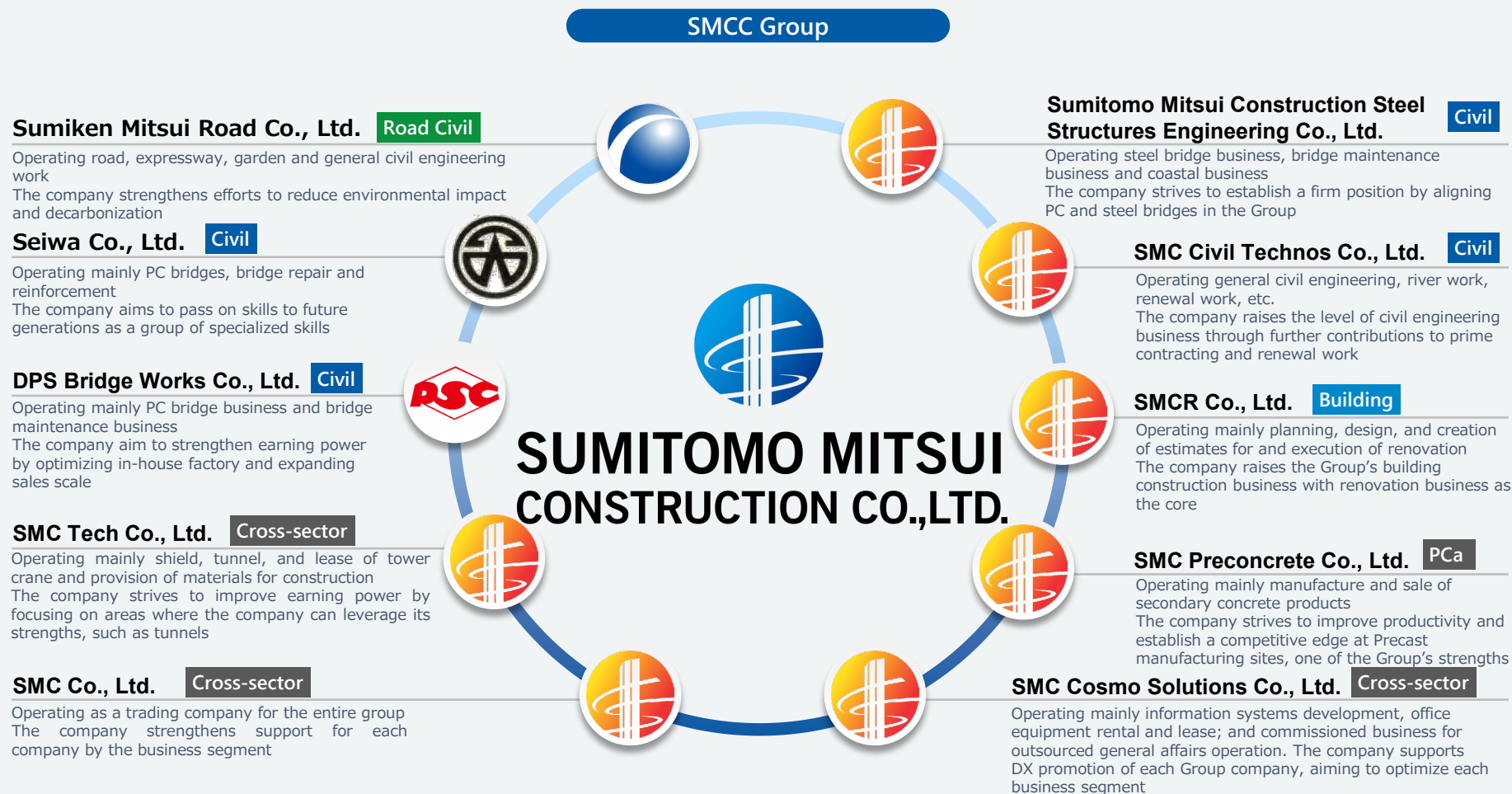
## Overseas University Graduate Recruitment Program

Approx. 10% of our regular new graduate hires are international students. Since 2019, we have implemented the "Overseas University Graduate Recruitment Program" as a new recruitment channel for international talent.

	Domestic		Overseas University Recruitment		Intl. Ratio
	Hires	(Intl.)	University	Hires (Intl.)	
FY2023	119	( 7 )	Myanmar Institute of Information Technology	8	11.8 %
FY2024	87	( 8 )	—	—	9.2 %
FY2025	88	( 8 )	Bangladesh University of Engineering and Technology	1	10.1 %
FY2026 (Planned)	105	( 5 )	Polytechnic University of the Philippines / Mapua University	8	11.5 %

# Sumitomo Mitsui Construction's Strengths –SMCC Group–

By leveraging and developing the strengths of each company, we will strengthen our comprehensive capabilities and achieve sustainable growth across the entire Group.





## Four Months Since The Integration

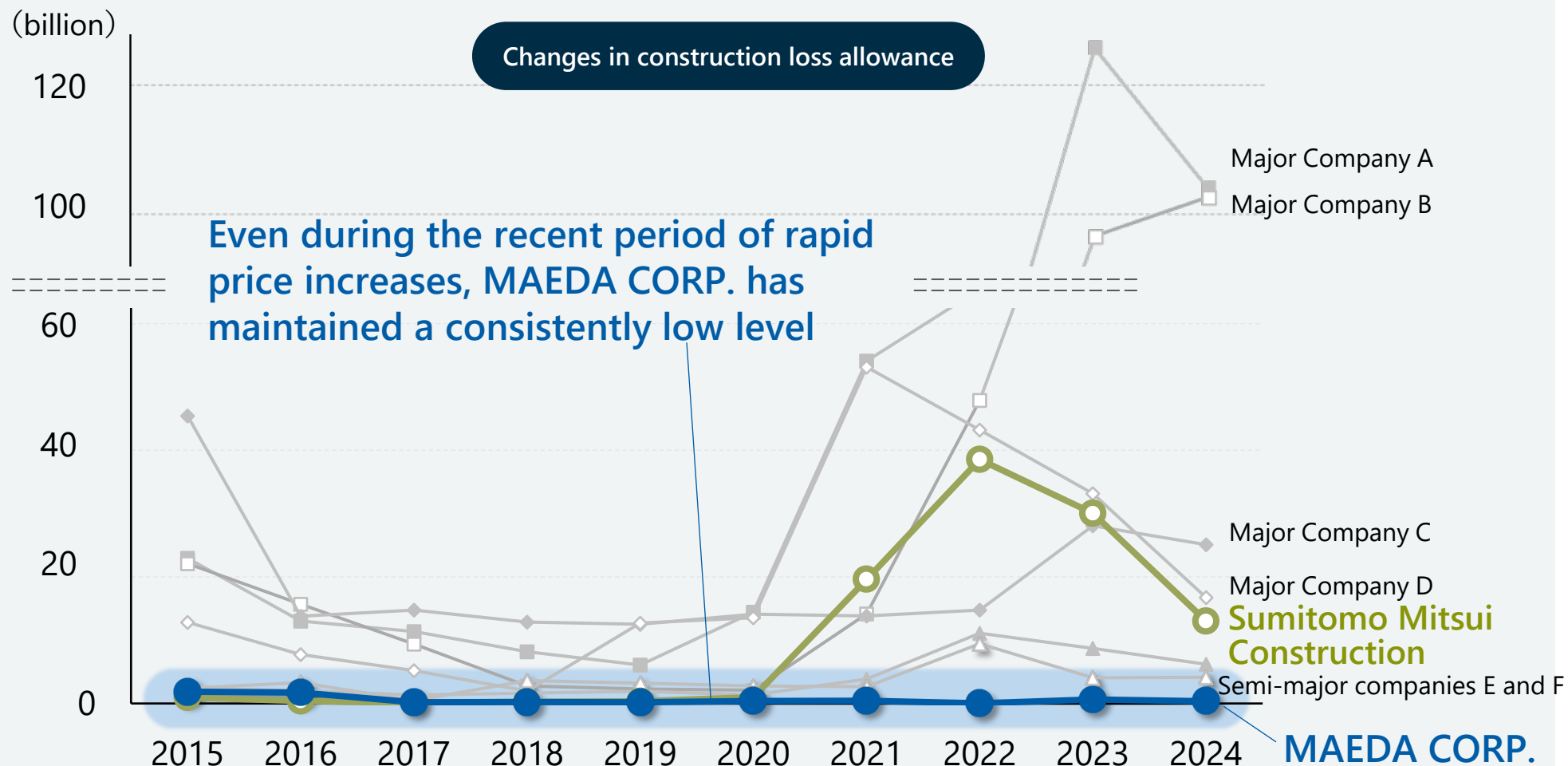
- In PMI, we will proceed with positive discussions to **achieve further growth early**.
- We have **renewed our realization that there are many points to learn** from, such as forward-looking business strategies, commitment to profitability, and pursuit of efficiency. We are confident that it will lead to the growth of the entire group to adopt INFRONEER's strengths actively.
- We started with frank exchanges of opinions unbound by preconceived notions, taking the stance of "not imposing, but also not holding back." While there was initial confusion and anxiety, we perceive that **a positive mindset is being fostered**.
- We express our aspirations and determination through the following slogan **"Decisions one step Ahead, Creating Value Beyond"**

### **3. Initiatives for Management Improvement at MAEDA CORP.**

# Breaking free from the fate of the construction industry

INFRONEER Holdings Inc.

- In the construction industry, the cycle of falling into price competition linked to economic fluctuations and widespread deterioration in business performance has been repeated every 10 to 20 years
- The most critical factor for maintaining stable performance is **not accepting loss-making projects**



# Initiatives implemented to eliminate acceptance of loss-making projects

INFRONEER Holdings Inc.

- Clarified responsibility that had been ambiguous due to separation of sales and construction
  - ➔ Introduced the Business Division System
- Optimized overall optimization by eliminating inefficiencies caused by prioritizing individual optimization
  - ➔ Abolished the independent profit accounting system for branches
- Shifted from a sales-focused mindset that hindered order discipline to a profit-focused mindset
  - ➔ Decisions based on profit margin of orders received and productivity indicators
- Transitioned from project-based sales that induced price competition to building partnerships with clients
  - ➔ Participation from upstream stages and transparent information sharing with clients

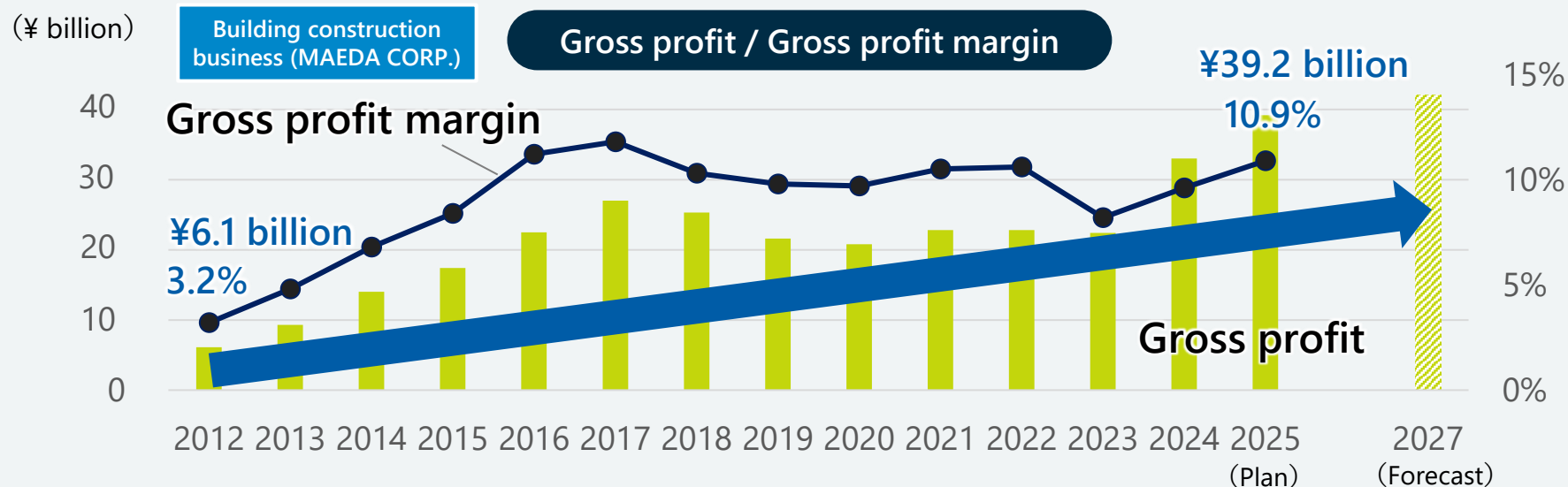
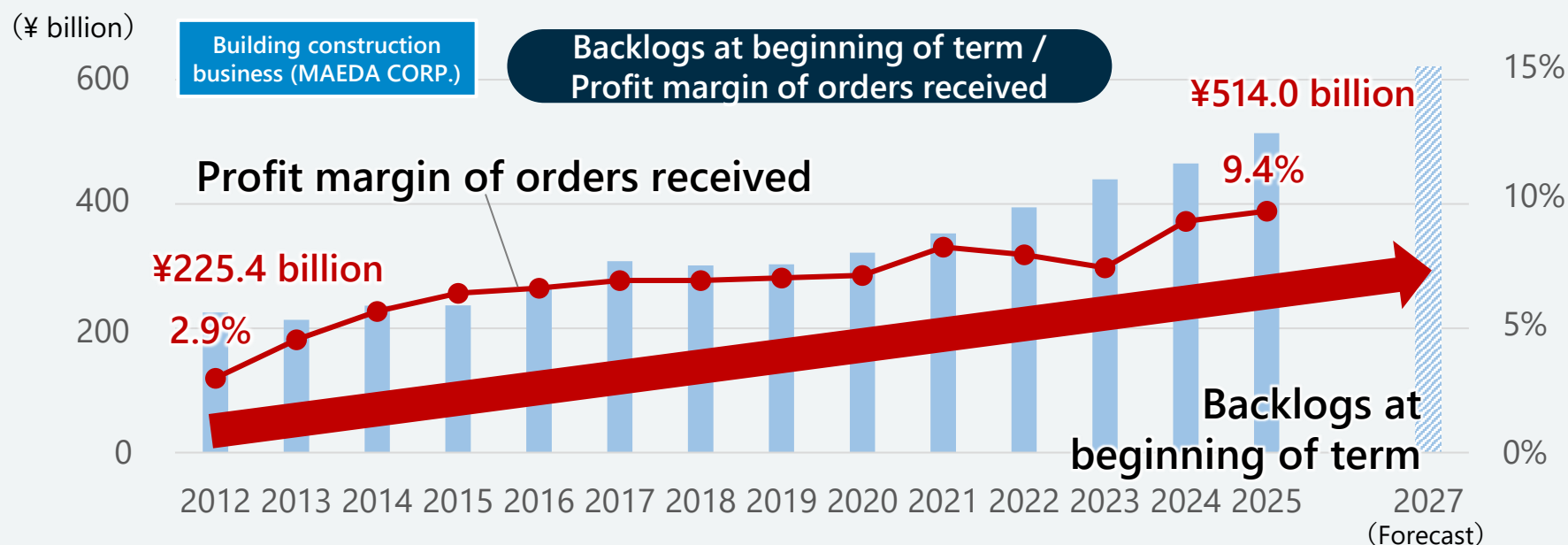


By deliberately disclosing profit margins of orders received externally, we have established **strong governance through market oversight**

# Results of Initiatives to Date – Building Construction Segment –

INFRONEER Holdings Inc.

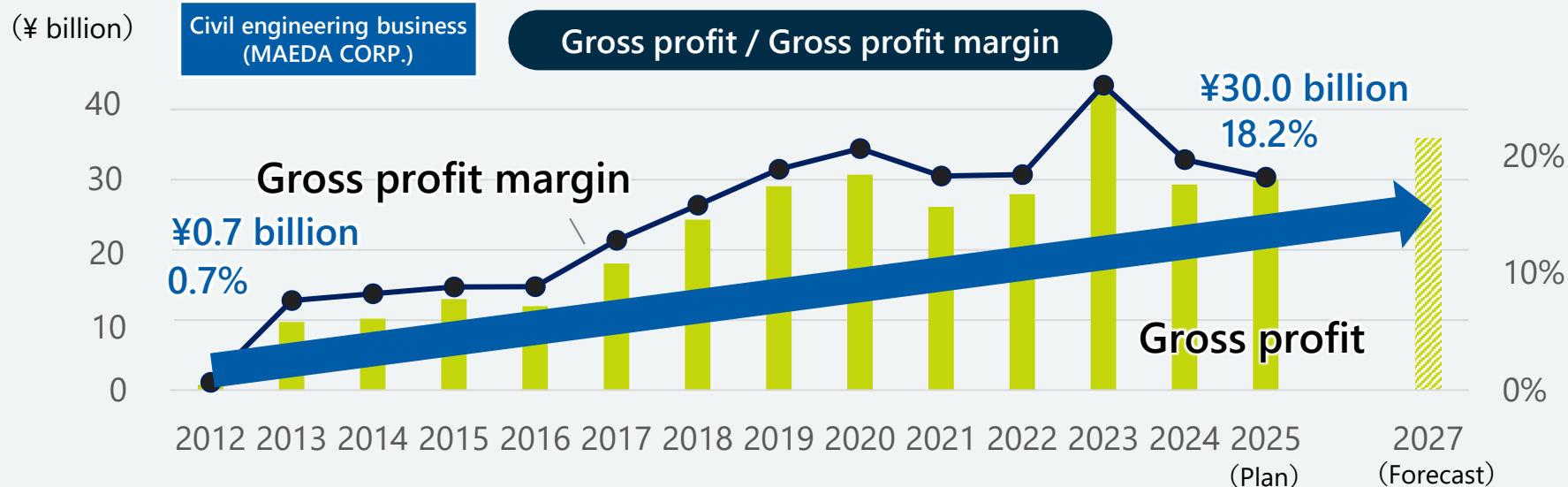
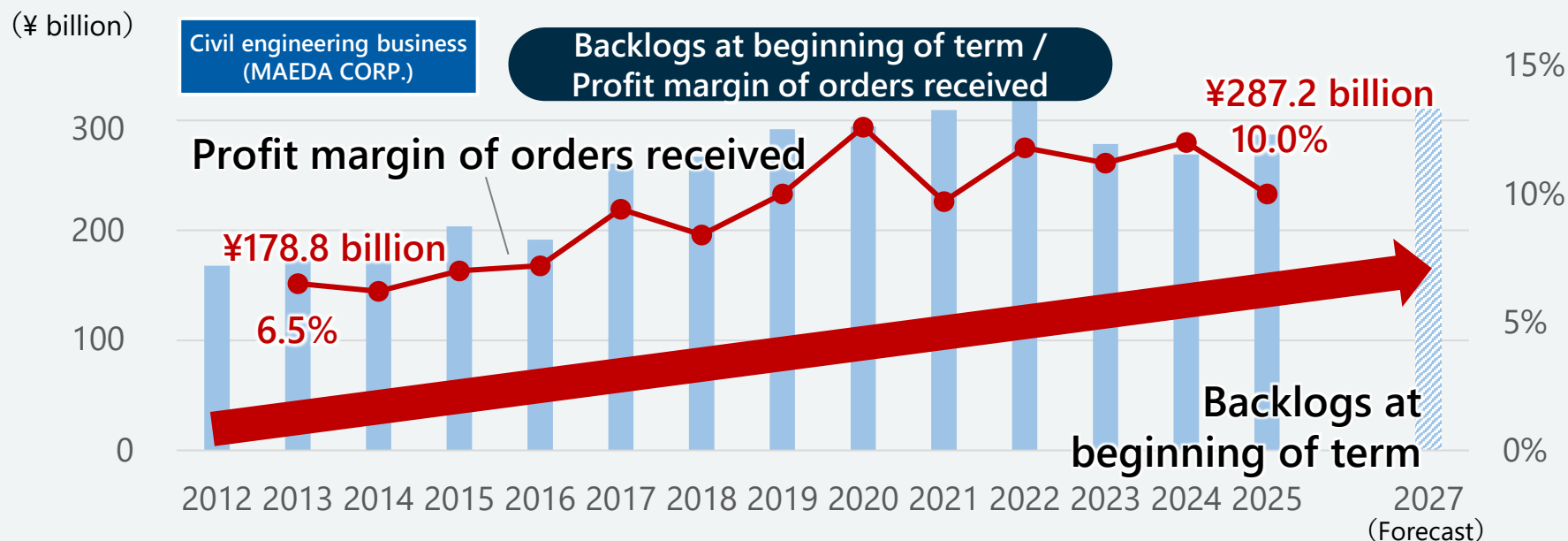
Advancing reforms since 2008, we eliminated loss-making orders by FY2019



# Results of Initiatives to Date – Civil Engineering Segment –

INFRONEER Holdings Inc.

Advancing reforms since 2008, we eliminated loss-making orders by FY2014



Although our initiatives have steadily improved performance, these efforts have thus far remained primarily **cumulative analog measures**.




### Initiating further reforms

#### Point

The construction business is **characterized by highly site-dependent, one-off on-site production**, requiring site managers to possess advanced “project management capabilities” and “risk management capabilities.”

However, these capabilities rely heavily on the tacit knowledge of experienced managers, leaving room for **organizational enhancement**.



Until now: **A collection of individual operations dependent on the competencies of each site manager**

Going forward: **Transform into an organization that competes through data-driven organizational capability**



Going forward: **Transform into an organization that competes through data-driven organizational capability**

## Challenges

- The strong sense of responsibility and pride traditionally held by site managers—on which the Company has long relied—creates resistance to sharing information and know-how.
- Establishing data infrastructure and collecting/analyzing extensive performance data require significant resource investment, demanding commitment and resolve from management.



**Although this represents a major reform requiring a shift in long-established mindsets,**

it can be achieved through a “business scale that allows management to oversee the whole organization” and “strong leadership from the management team.”

## Key Initiative Theme

- ① Optimization of order planning based on simulations
- ② Early detection of issues arising at construction sites and organizational risk response
- ③ Standardization of cost management and creation of organizational profit through data integration

## Objectives

- ✓ Maximize orders for projects with high productivity and strong profit margins
- ✓ To prevent issues caused by labor shortages or losses due to excess staffing, it is essential to appropriately balance design/construction workforce capacity and project volume.

1

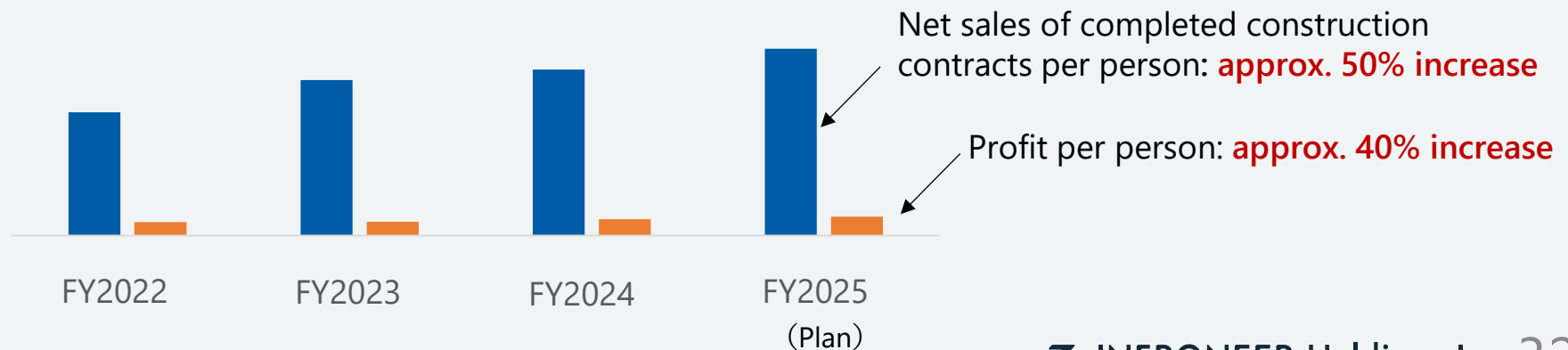
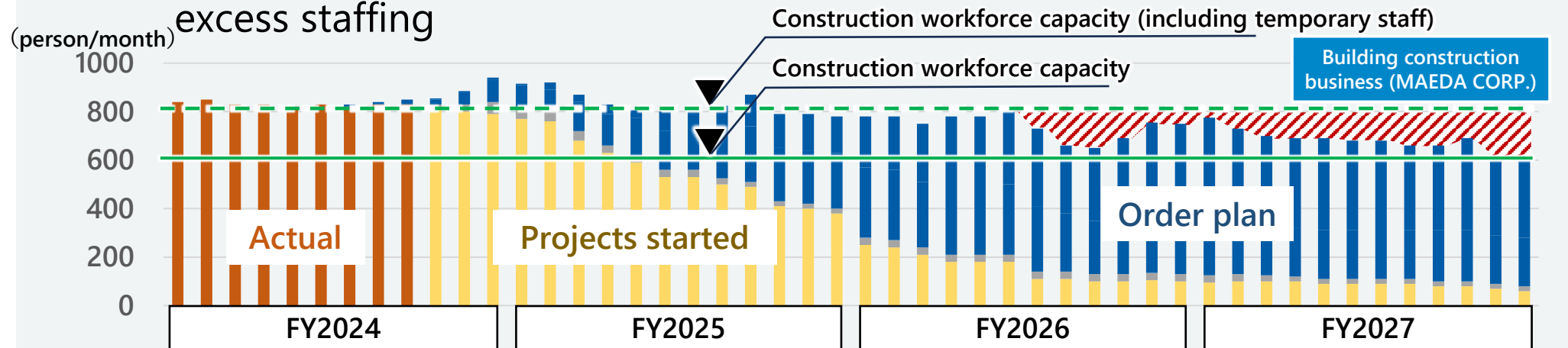
### Development of an “Order Simulation” tool that visualizes workforce loading

- Visualize ongoing operations and site conditions, enabling future simulations that reflect order plans.
- Shift away from order decisions based on limited data and experience, and realize data-driven order planning that maximizes profit with existing resources.

①

## Development of an “Order Simulation” tool that visualizes workforce loading

- ✓ Simulate construction workforce capacity on a monthly basis up to three years ahead
- ✓ Formulate an **optimal order plan** that maximizes productivity without excess staffing



## Objectives

- ✓ Understand the status of all sites in real time and **detect potential issues at the head/branch office side without waiting for reports from the site.**
- ✓ Provide proactive support from the head/branch office before issues surface or worsen.



**2**

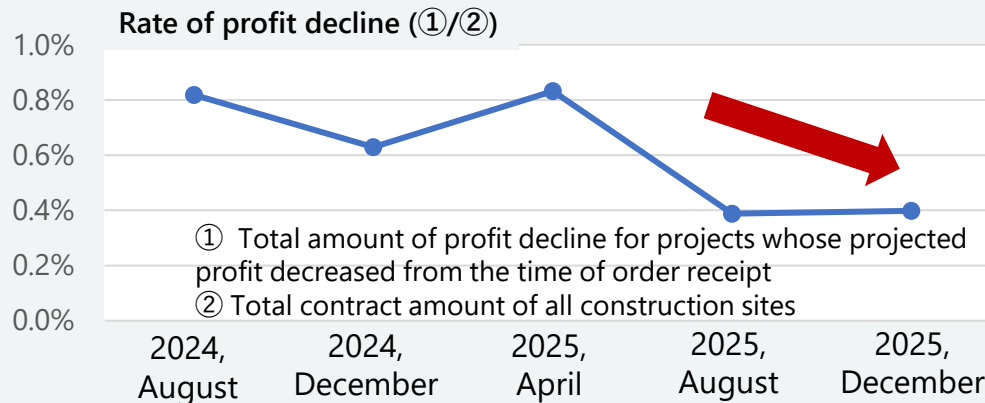
## Development of an “Issue Detection Alert” tool and a risk-response framework

- Analyze past performance data to extract indicators that suggest the occurrence (or signs) of issues at sites and develop a tool that **detects alerts from multiple perspectives.**
- **At bi-monthly risk review meetings at the headquarters,** review sites where alert indicators have deteriorated and provide necessary support at an early stage.
- Establish a management framework in which **sites and head/branch offices work together until issues are resolved.**

2


## Development of an "Issue Detection Alert" tool and a risk-response framework

- ✓ Monitor all construction sites using six major categories together with 21 alert indicators, and review all sites at bi-monthly headquarters risk meetings.
- ✓ Comprehensive visualization of site conditions has increased cases where losses are minimized through thorough early response by head/branch offices.



Profit decline after order receipt has been reduced by half through utilization of the tool and framework

### Objectives

- ✓ Standardize superior management methods and eliminate information asymmetry between headquarters and branch offices, **enabling skill enhancement for less-experienced site managers and organizational profit generation.**
  - ✓ Provide organizational support for securing design changes, a key source of profit.
- 

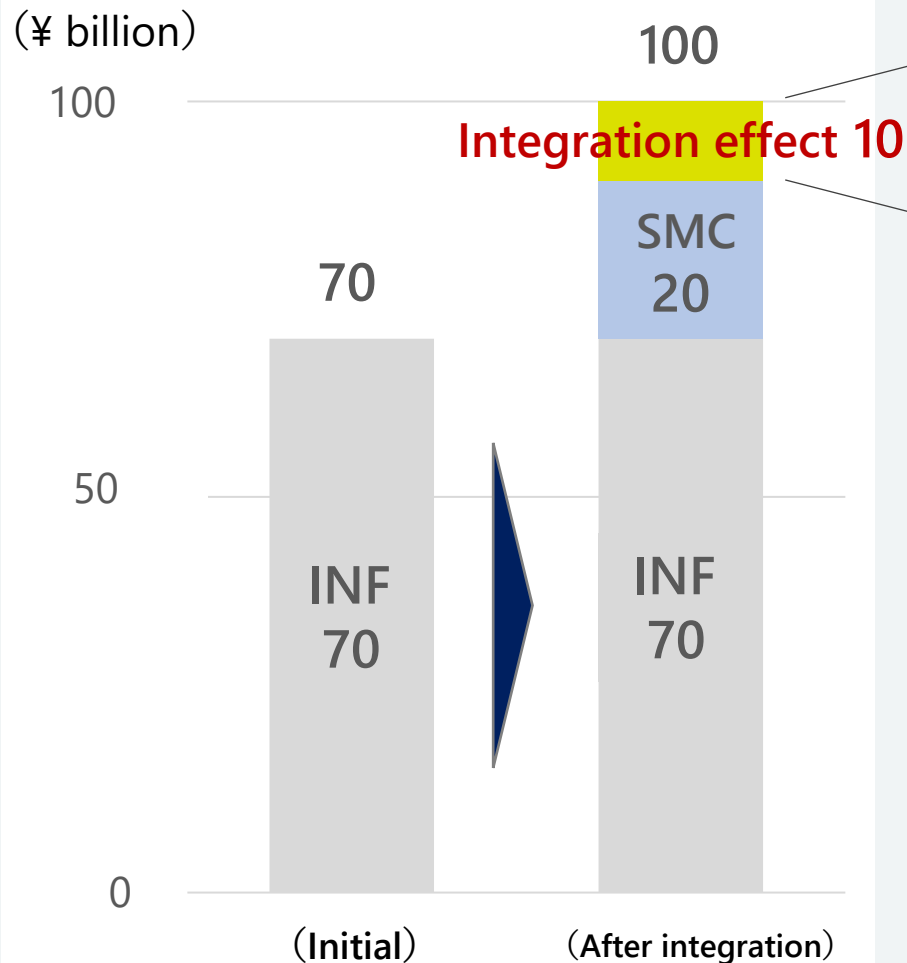
### ③ Establish a “Cost Control ” and a framework to support profit generation

- **Develop and standardize a cost control tool** incorporating veteran site managers’ management methods to provide necessary insights for profit generation.
- Share cost control information—which tends to become a black box—directly and in real time with headquarters and branch offices, **enabling organizational profit generation while viewing the same data.**



## 4 . Summary

## Planned Business Profit for FY27



Profit improvement in the civil engineering and building construction businesses **¥7.0 billion~**

Reduction of SG&A expenses ¥3.0 billion (maximum)

Based on analysis of past performance data, we identified a **3–5% profit shortfall (improvement potential)** in MAEDA CORP.'s civil engineering and building construction businesses.

**If initiatives raise the profit margin even by 1%, MAEDA CORP. and Sumitomo Mitsui Construction combined can achieve profit improvement of approximately ¥10 billion.**

【 Disclaimer】

The performance figures stated in this document are based on the numbers from the financial results report etc., rounded to the nearest billion yen.

In addition, forward-looking statements such as performance plans are based on judgments made using information available as of the date of this document's release. Actual performance may differ from the figures stated due to various factors.

インフラの未来に挑む  
Challenge the status quo

 **INFRAFRONTIER Holdings Inc.**