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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



July 31, 2023

Company name: YONDENKO CORPORATION
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1939
 URL: <https://www.yondenko.co.jp/en/>
 Representative: Yukio Sekiya, President and Representative Director
 Contact: Tadakazu Takata, Senior Executive Officer, General Manager, Accounting and Finance Dept.
 Phone: +81-87-840-0230
 Scheduled date of filing quarterly securities report: August 4, 2023
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: Not available
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 - June 30, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	20,284	6.4	1,149	48.5	1,239	43.0	803	50.0
June 30, 2022	19,061	(26.1)	773	(57.1)	866	(54.9)	535	(52.4)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥1,547 million [180.3%]
 Three months ended June 30, 2022: ¥551 million [(49.1)%]

	Basic earnings per share	Diluted earnings per share
Three months ended June 30, 2023	Yen 51.02	Yen –
June 30, 2022	34.07	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	93,290	56,708	60.7
As of March 31, 2023	97,069	55,908	57.5

(Reference) Equity: As of June 30, 2023: ¥56,668 million
 As of March 31, 2023: ¥55,851 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	45.00	—	45.00	90.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (Forecast)		50.00	—	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	97,000	8.8	5,500	10.6	6,000	7.8	3,900	3.6	247.70

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

- (1) Changes in significant subsidiaries during the period under review: None
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes
(Note) See “2. (3) Notes to Quarterly Consolidated Financial Statements” on page 7 of the attached documents (available only in Japanese) for detailed information.
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2023:	16,255,470 shares
March 31, 2023:	16,255,470 shares
 - 2) Total number of treasury shares at the end of the period:

June 30, 2023:	510,697 shares
March 31, 2023:	510,615 shares
 - 3) Average number of shares outstanding during the period:

Three months ended June 30, 2023:	15,744,809 shares
Three months ended June 30, 2022:	15,719,210 shares

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

* Explanation of the proper use of financial results forecast and other notes

The above forecasts are prepared on the basis of the Company's current outlook and plans as of the date of publication of this document and do not represent a promise or commitment by the Company to achieve them. Actual results may be different from the forecast figures due to various factors in the future.

Please refer to page 2 of the attached document (available only in Japanese) for the assumptions and other matters related to the above forecasts.

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 - June 30, 2023)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	16,383	9.1	528	—	759	68.9	527	66.0
June 30, 2022	15,012	(23.0)	41	(94.3)	449	(63.2)	317	(56.0)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	33.49	—
June 30, 2022	20.20	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	75,505	49,174	65.1
As of March 31, 2023	79,108	48,611	61.4

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	82,000	10.2	3,400	8.7	4,100	1.3	2,800	(8.4)	177.84

(Note) Revision to the financial results forecast announced most recently: None

*** Explanation of the proper use of financial results forecast and other notes**

The above forecasts are prepared on the basis of the Company's current outlook and plans as of the date of publication of this document and do not represent a promise or commitment by the Company to achieve them. Actual results may be different from the forecast figures due to various factors in the future.

Please refer to page 2 of the attached document (available only in Japanese) for the assumptions and other matters related to the above forecasts.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	7,603	7,398
Notes receivable, accounts receivable from completed construction contracts and other	24,049	19,329
Investments in leases	3,434	3,441
Costs on construction contracts in progress	2,022	2,471
Other inventories	1,845	1,795
Deposits paid to subsidiaries and associates	13,000	13,500
Other	1,776	2,085
Allowance for doubtful accounts	(87)	(98)
Total current assets	53,644	49,925
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,154	19,154
Machinery, vehicles, tools, furniture and fixtures	21,807	22,048
Land	11,876	11,372
Other	–	8
Accumulated depreciation	(26,425)	(26,774)
Total property, plant and equipment	26,413	25,809
Intangible assets		
Goodwill	1,235	1,143
Other	509	502
Total intangible assets	1,745	1,646
Investments and other assets		
Investment securities	9,360	10,287
Other	5,978	5,707
Allowance for doubtful accounts	(72)	(85)
Total investments and other assets	15,267	15,908
Total non-current assets	43,425	43,364
Total assets	97,069	93,290

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	14,924	9,854
Short-term borrowings	400	520
Accounts payable - other	4,645	5,685
Income taxes payable	1,462	507
Advances received on construction contracts in progress	2,230	2,782
Provision for loss on construction contracts	163	247
Other	5,679	5,571
Total current liabilities	29,506	25,168
Non-current liabilities		
Bonds payable	81	106
Long-term borrowings	8,205	7,889
Provision for retirement benefits for directors (and other officers)	316	349
Retirement benefit liability	2,882	2,890
Other	168	178
Total non-current liabilities	11,654	11,413
Total liabilities	41,160	36,582
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,249	4,249
Retained earnings	48,819	48,901
Treasury shares	(592)	(593)
Total shareholders' equity	55,927	56,009
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(261)	480
Remeasurements of defined benefit plans	186	179
Total accumulated other comprehensive income	(75)	659
Non-controlling interests	56	39
Total net assets	55,908	56,708
Total liabilities and net assets	97,069	93,290

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales		
Net sales of completed construction contracts	17,658	18,988
Sales in other businesses	1,402	1,295
Total net sales	19,061	20,284
Cost of sales		
Cost of sales of completed construction contracts	15,069	15,850
Cost of sales in other businesses	886	874
Total cost of sales	15,956	16,724
Gross profit		
Gross profit on completed construction contracts	2,589	3,138
Gross profit - other business	515	421
Total gross profit	3,105	3,560
Selling, general and administrative expenses	2,331	2,411
Operating profit	773	1,149
Non-operating income		
Interest income	4	4
Dividend income	27	32
Gain on sale of securities	–	33
Rental income from real estate	17	17
Other	72	16
Total non-operating income	121	104
Non-operating expenses		
Interest expenses	11	8
Condolence money	15	–
Other	2	4
Total non-operating expenses	28	13
Ordinary profit	866	1,239
Extraordinary income		
Gain on sale of non-current assets	2	7
Total extraordinary income	2	7
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	0	0
Loss on valuation of investment securities	4	10
Total extraordinary losses	4	11
Profit before income taxes	864	1,235
Income taxes	319	423
Profit	545	811
Profit attributable to non-controlling interests	10	8
Profit attributable to owners of parent	535	803

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	545	811
Other comprehensive income		
Valuation difference on available-for-sale securities	11	742
Remeasurements of defined benefit plans, net of tax	(5)	(6)
Total other comprehensive income	6	735
Comprehensive income	551	1,547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	541	1,538
Comprehensive income attributable to non-controlling interests	10	8