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FY2024 Financial Results Briefing Materials



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株式会社 四電五

(TSE Prime Market: 1939)

May 2025

- I FY2024 Results**
- II Forecast for FY2025**
- III Capital Profitability and Shareholder Returns**
- IV Progress of Medium-Term Management Guidelines**
- V Topics**

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Business environment

- The order environment was generally favorable, with continued recovery in capital investment and public investment.
- Necessary to appropriately address the impact of factors such as rising material and equipment prices as well as labor shortages on order acceptance decisions, construction costs, and construction progress.

Group achievements

- Orders received reached a record high due to an increase in orders received by YONDENKO CORPORATION.
- Record highs achieved in net sales and all levels of profit.
 - Steady progress in large-scale construction work, stable procurement of materials and equipment, and thorough cost management contributed.

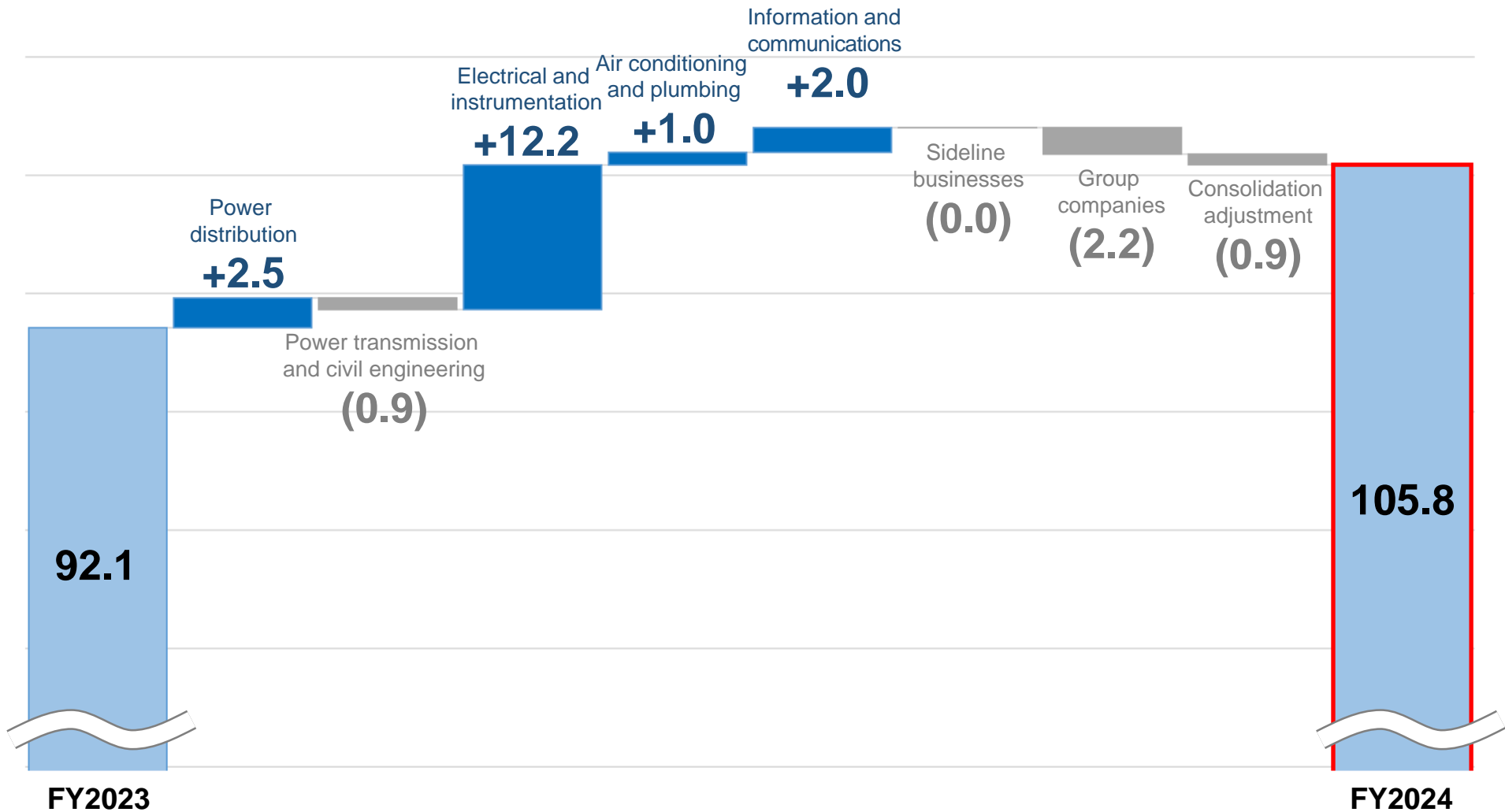
	(Billion yen)	FY2023	FY2024	YoY change
Orders received		97.7	99.5	+1.7
Net sales		92.1	105.8	+13.7
Operating profit		6.4	8.0	+1.6
Ordinary profit		7.0	8.5	+1.5
Profit attributable to owners of parent		4.5	5.1	+0.6
Basic earnings per share		96.71 yen	109.46 yen	+12.75 yen

(Note) The Company conducted a stock split on October 1, 2024, at a ratio of 3 shares for 1 common share. The basic earnings per share are calculated assuming that the stock split had taken place at the beginning of the previous consolidated fiscal year.

Factors Behind Changes in Net Sales (Consolidated)

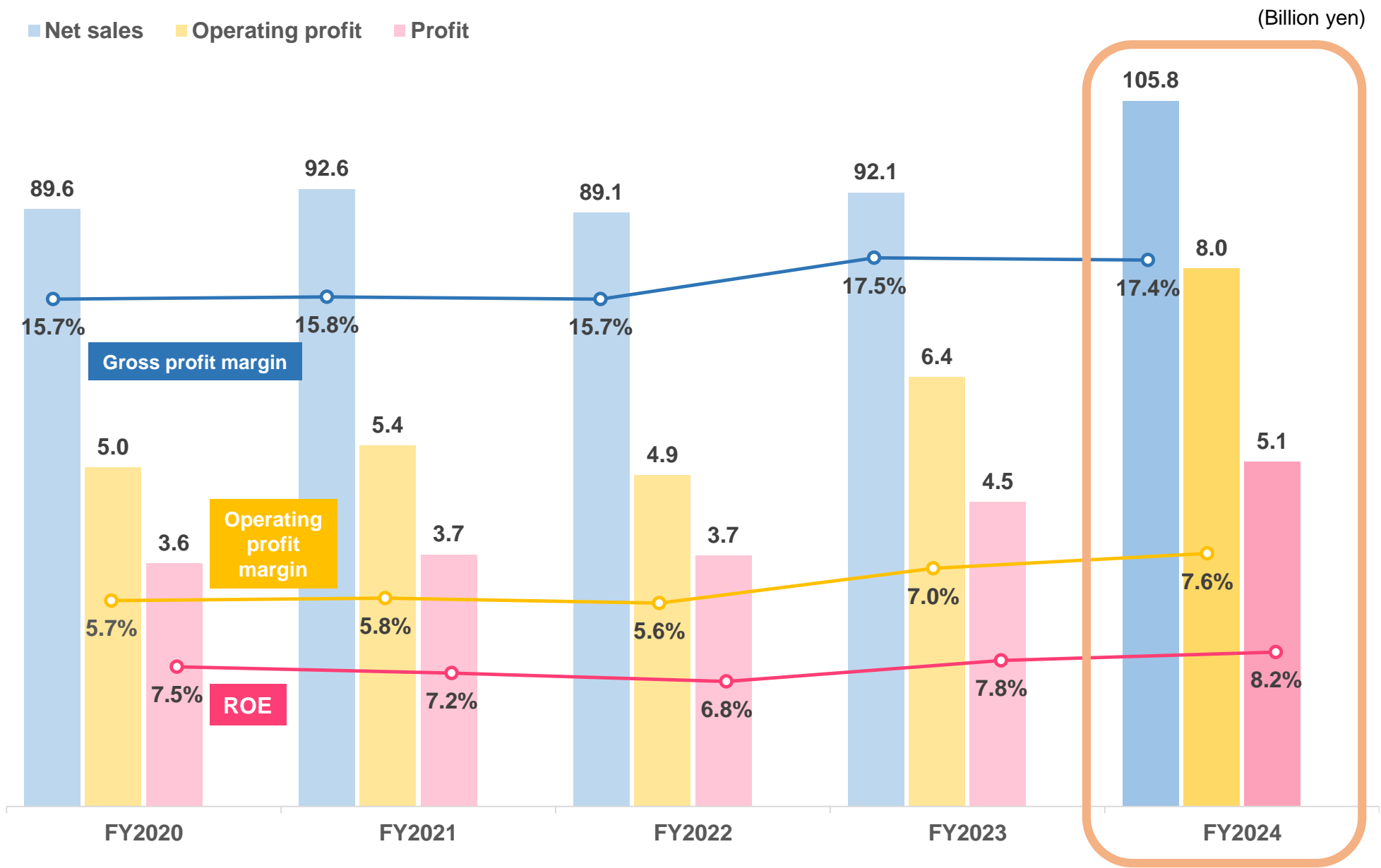
I FY2024 Results

(Billion yen)



Operating Results (Consolidated)

I FY2024 Results

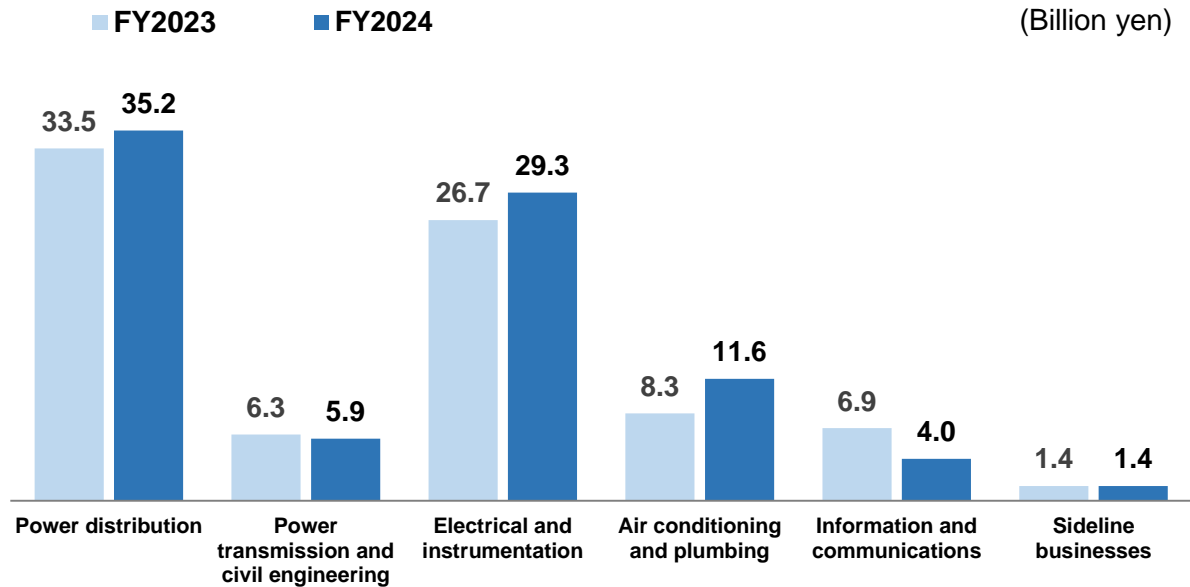


Orders received amounted to ¥87.6 billion, up ¥4.0 billion year on year.

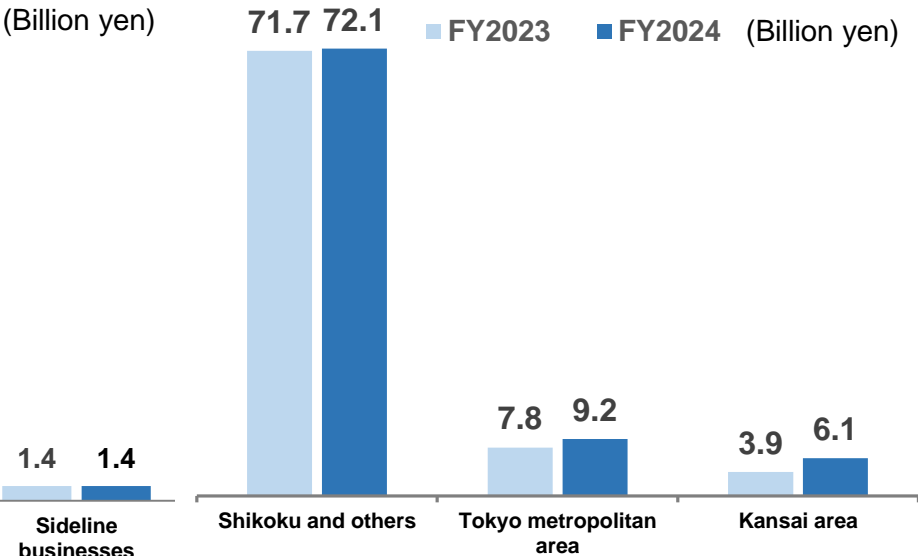
➤Recorded high orders received due to contribution from large-scale construction orders

(Billion yen)	FY2023	FY2024	YoY change
Orders received	83.5	87.6	+4.0

Orders received by type of construction



Orders received by region

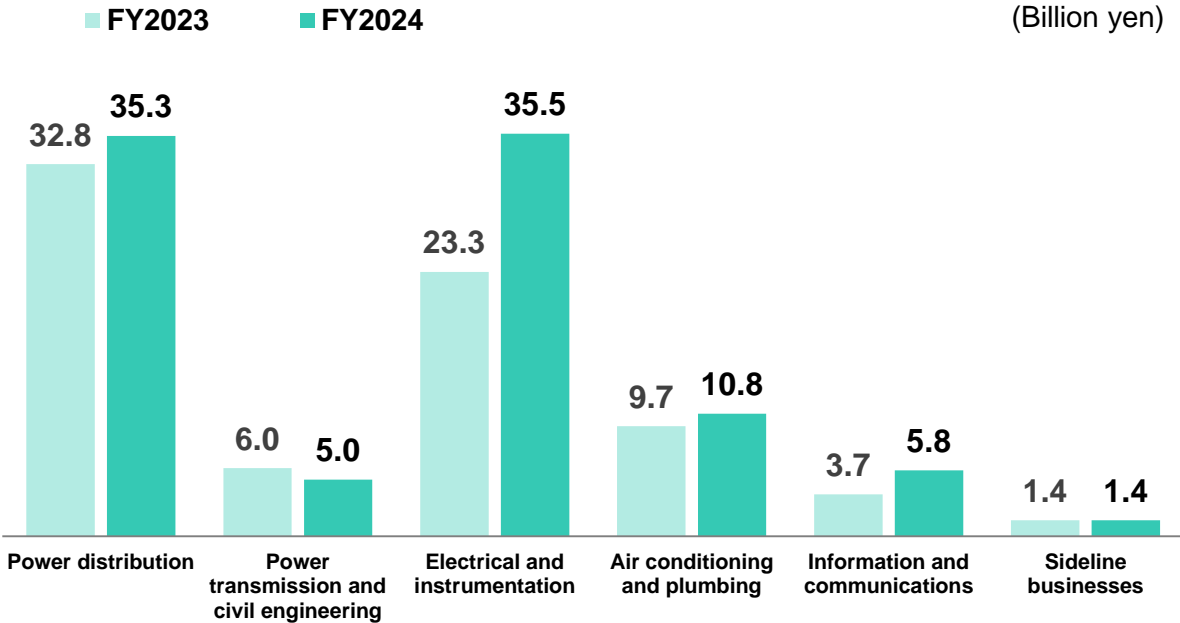


Net sales amounted to ¥94.1 billion, an increase of ¥16.9 billion year on year.

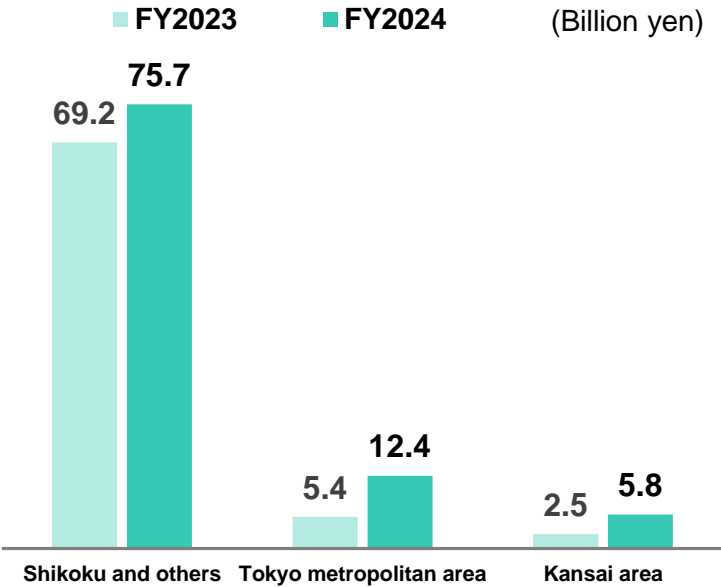
➤ Several large-scale construction projects, which had been delayed from the previous fiscal year, made steady progress and were completed. Other large-scale projects also made steady progress due to stable procurement of materials and equipment and meticulous process control, which resulted in record high net sales.

(Billion yen)	FY2023	FY2024	YoY change
Net sales	77.2	94.1	+16.9

Net sales by type of construction



Net sales by region

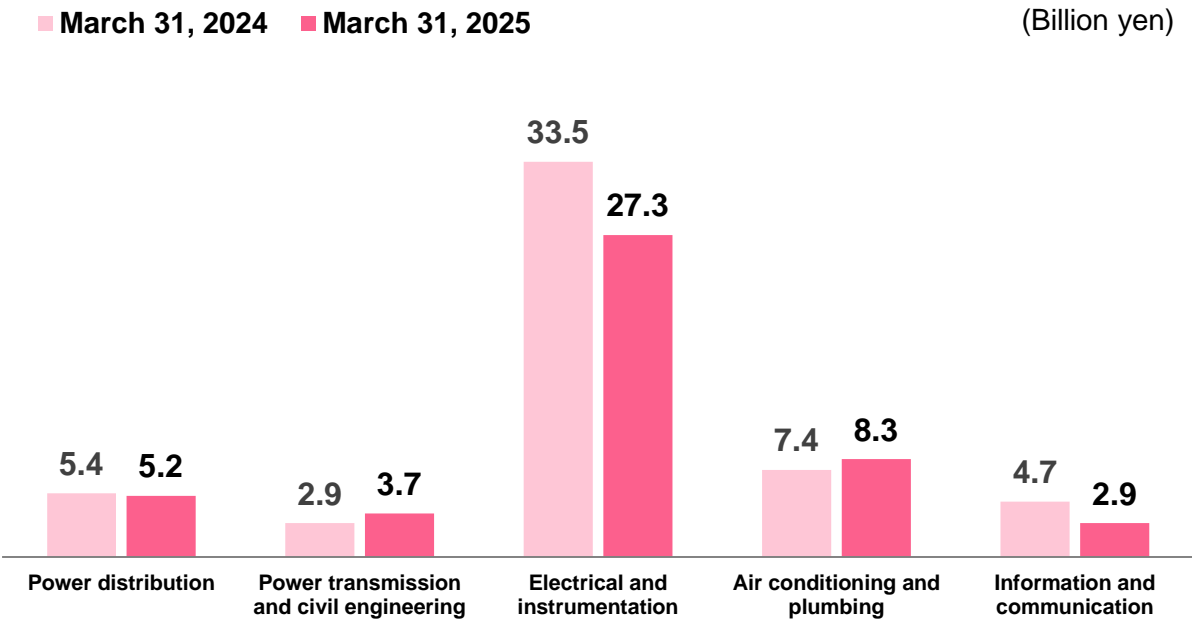


Net sales of construction contracts carried forward amounted to ¥47.7 billion, down ¥6.4 billion from the end of the previous fiscal year.

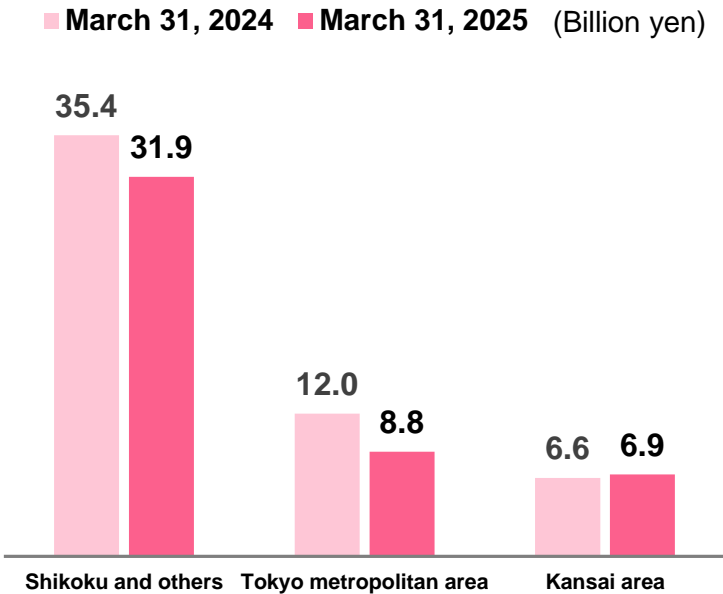
➤ Maintained high level of net sales due to steady progress of large-scale projects, despite the decrease from the previous fiscal year.

(Billion yen)	March 31, 2024	March 31, 2024	YoY change
Orders carried over	54.1	47.7	(6.4)

Orders carried over by type of construction



Orders carried over by region



(Billion yen)		March 31, 2024	March 31, 2025	YoY change	Main factors of change
	Current assets	58.1	55.2	(2.9)	Deposits paid to subsidiaries and associates (4.6) Cash and deposits (1.5)
	Non-current assets	45.0	44.3	(0.6)	Notes receivable, accounts receivable from completed construction contracts and other +3.1
Total assets		103.2	99.6	(3.5)	(Due to discontinuation of the use of notes and factoring and switch to cash transfers for payment of construction fees, etc. since FY2024.)
	Current liabilities	31.4	26.1	(5.2)	Accounts payable – other (debt factoring) (4.6) Notes payable, accounts payable for construction contracts and other (1.0)
	Non-current liabilities	9.9	8.5	(1.4)	Long-term borrowings (1.2)
Total liabilities		41.4	34.7	(6.6)	(Same as factors for total assets)
Net assets*		61.7	64.8	+3.0	Profit +5.1 Dividends (2.6)
Total liabilities and net assets		103.2	99.6	(3.5)	

Equity ratio	59.8%	65.1%	+5.3	
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* Net assets includes non-controlling interests.

Statement of Cash Flows (Consolidated)

I FY2024 Results

(Billion yen)	FY2023	FY2024	Details of FY2024
Cash flows from operating activities	6.0	(0.5)	Profit before income taxes 7.6 Increase (decrease) in trade payables and accounts payable – other (5.5)* Income taxes paid (2.7)
Cash flows from investing activities	(0.5)	(1.1)	Purchase of property, plant and equipment (1.4)
Cash flows from financing activities	(3.1)	(4.2)	Proceeds from long-term borrowings 2.0 Repayments of long-term borrowings (3.2) Dividends paid (2.6)
Net increase (decrease) in cash and cash equivalents	2.3	(5.9)	
Cash and cash equivalents at beginning of period	19.9	22.3	
Cash and cash equivalents at end of period	22.3	16.3	

* Due to the discontinuation of the use of notes and factoring and the switch to cash transfers for payment of construction fees, etc. since FY2024.

Major completed properties (1)



School

**Tokushima Bunri University
Takamatsueki Campus, Kagawa Prefecture**

Electrical and instrumentation	Air conditioning and plumbing
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Arena

**Kagawa Prefectural Arena
Kagawa Prefecture**

Electrical and instrumentation



Factory

**Awa Paper & Technological Company, Inc.
Shin-komatsushima Plant, Tokushima Prefecture**

Electrical and instrumentation	Air conditioning and plumbing
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Logistics facility

**Hulic Logistics Noda II
Chiba Prefecture**

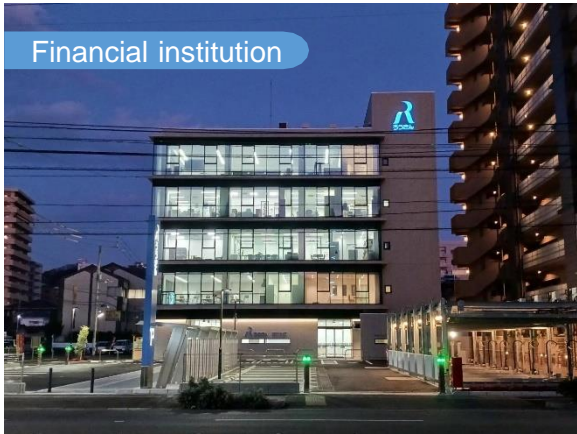
Electrical and instrumentation



Market

**Susaki Fish Market
Kochi Prefecture**

Air conditioning and plumbing



Financial institution

**Shikoku Labour Bank
Matsuyama Bldg., Ehime Prefecture**

Electrical and instrumentation	Air conditioning and plumbing
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Major completed properties (2)



Traffic information display
Tokushima Prefecture

Information and communications



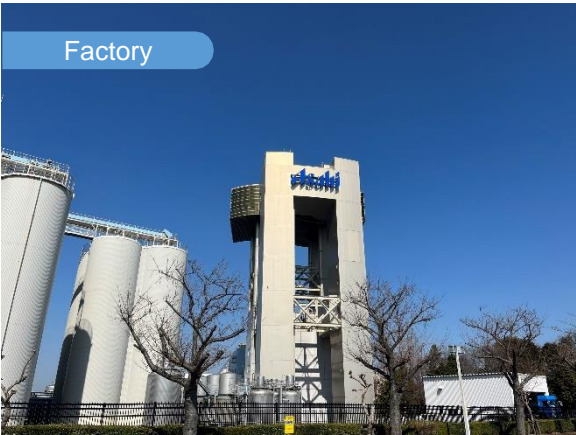
Chamber management system, Miyoshi City
New Government Bldg., Tokushima Prefecture

Information and communications



Yawatahama City Atago No. 4 distribution pond
electrical instrumentation equipment, Ehime Prefecture

Electrical and instrumentation



Asahi Breweries Ibaraki Plant,
Ibaraki Prefecture

Electrical and instrumentation



Shikoku-Chuo main line (replacement)
Ehime Prefecture

Power transmission and civil engineering



Bannosu Railway branch cable (replacement, installation
and removal), Kagawa Prefecture

Power transmission and civil engineering

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- Both consolidated and non-consolidated forecasts are for lower sales and profits.
The balance of construction contracts carried forward remains high and is expected to be reflected in future earnings.

(Billion yen)	Consolidated				Non-consolidated			
	FY2024 actual	FY2025 forecast	YoY change (amount)	YoY change (%)	FY2024 actual	FY2025 forecast	YoY change (amount)	YoY change (%)
Net sales	105.8	100.0	(5.8)	94.4%	94.1	84.0	(10.1)	89.3%
Operating profit	8.0	7.0	(1.0)	86.7%	6.7	5.0	(1.7)	73.7%
Ordinary profit	8.5	7.5	(1.0)	87.9%	7.2	5.7	(1.5)	78.6%
Profit attributable to owners of parent	5.1	5.0	(0.1)	96.6%	4.7	4.0	(0.7)	84.0%
Basic earnings per share ^{*1}	109.46 yen	105.76 yen	(3.70) yen	—	100.74 yen	84.60 yen	(16.14) yen	—
Dividend forecast ^{*2} (Payout ratio)	65 yen/share (59.4%)	65 yen/share (61.5%)	—	—	65 yen/share (64.5%)	65 yen/share (76.8%)	—	—

Notes ^{*1} The Company conducted a stock split on October 1, 2024, at a ratio of 3 shares for 1 common share. The basic earnings per share are calculated assuming that the stock split had taken place at the beginning of the fiscal 2023.

^{*2} FY2024: Interim dividend of 90 yen (30 yen after stock split), year-end dividend of 35 yen; FY2025: Interim dividend of 32 yen and year-end dividend of 33 yen

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■ In August 2023, we announced initiatives to improve capital profitability and have been implementing measures based on the following basic policies.

Basic Policy for Improving Capital Profitability

By investing in human resources and other forms of growth, we will achieve sustainable growth in profits and achieve an appropriate capital structure by enhancing shareholder returns and other measures. ⇒ We will promote initiatives focused on improving ROE.

Profit expansion

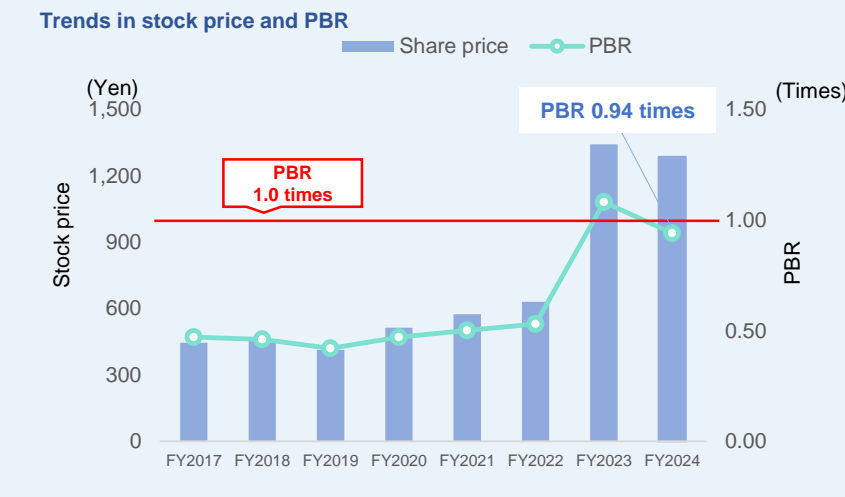
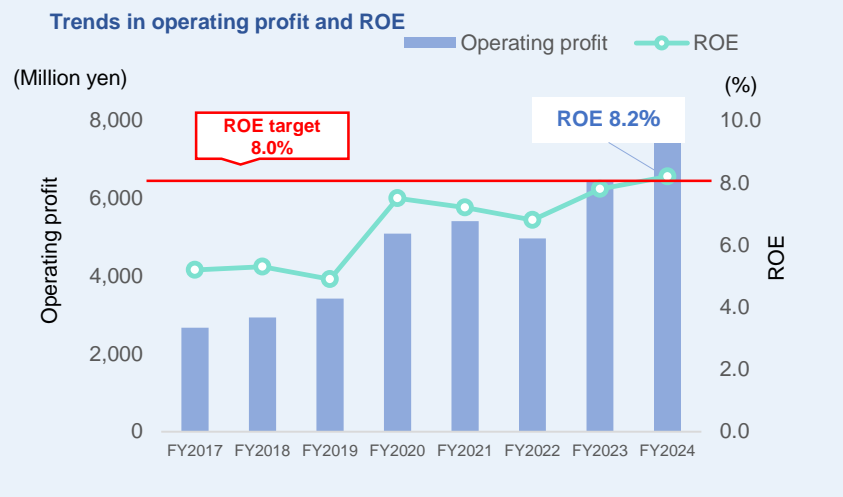
FY2023 (consolidated results)
Operating profit: ¥6,444 million
Ordinary profit: ¥7,012 million
Profit*: ¥4,571 million
* Profit attributable to owners of parent

⇒

FY2023 (consolidated results)
Operating profit : ¥8,073 million
Ordinary profit : ¥8,536 million
Profit*: ¥5,173 million

Capital structure optimization

- Oct. 1, 2024 Stock split
- Conducted a 3-for-1 stock split to improve stock liquidity and expand investor base
- Jul. 31, Oct. 31, 2024 and Apr. 24, 2025: Revision of dividend forecast (dividend increase)
- Conducted in line with stock split and upward revisions of earnings forecasts
⇒ Annual dividend*: ¥140 ⇒ ¥195 (up ¥55 year on year)
* Converted before stock split



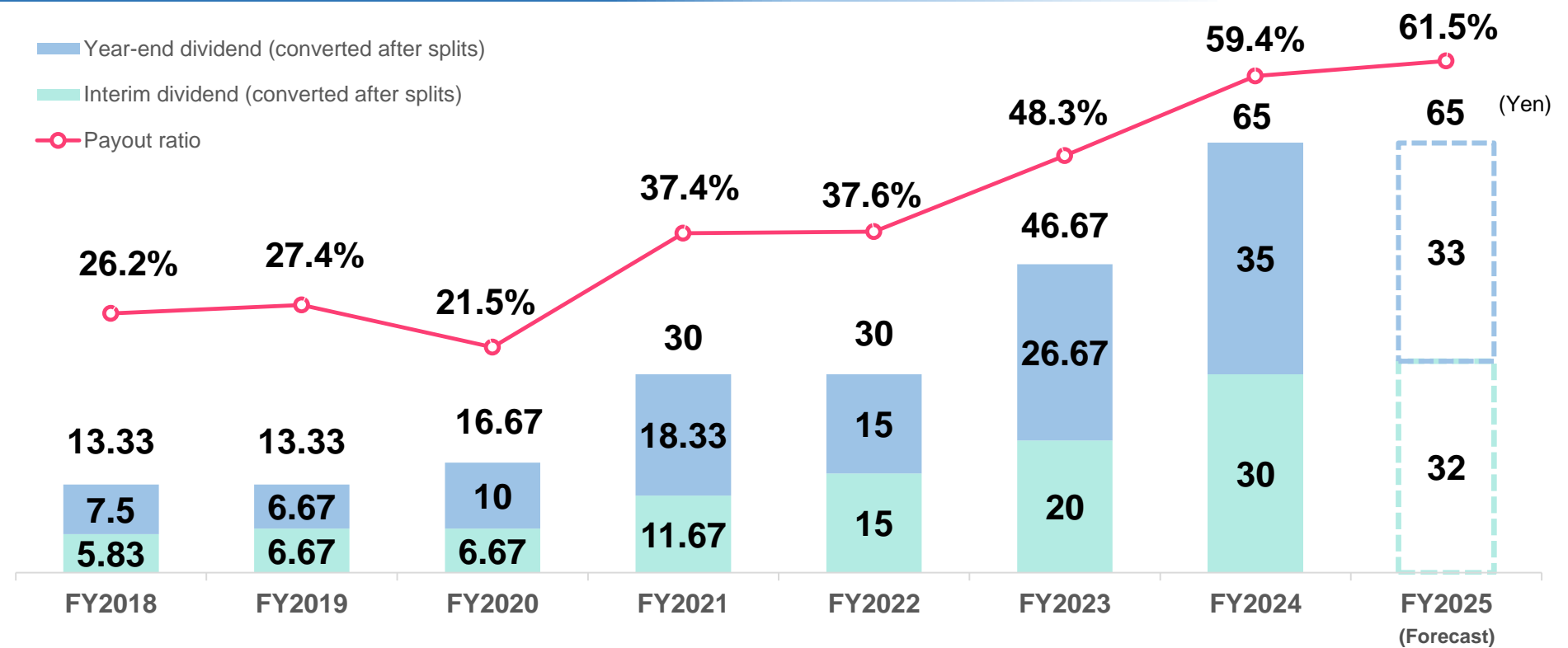
* Represents information as of the end of each fiscal year.
Stock prices are converted after the split.

- In the future, we will consider effective methods and scale of share repurchases, keeping in mind that the liquidity of shares is not be reduced as much as possible
- Having conducted a stock split FY2024, we will continue to consider measures to improve stock liquidity from medium-to long-term perspectives.

Shareholder return policy (from Medium-Term Management Guidelines 2025)

- We will return profits earned through our business activities to shareholders in a sustainable manner in line with our business performance, aiming for a consolidated dividend payout ratio of 40% or more.
- Even if profits decline temporarily due to future economic trends and other factors, we will strive to maintain dividend levels as much as possible.

Trends in dividends and dividend payout ratio (converted after stock split)



* The Company conducted a stock split on October 1, 2021 at a ratio of 2 shares for 1 common share, and on October 1, 2024 at a ratio of 3 shares for 1 common share. Dividends per share represent the amount converted into the current number of shares.

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Common Targets for FY2025
“Challenge to the Next Growth Stage”

Priority Issues to be Addressed

(1) Strengthening of multifaceted profitability as a General Facility Construction Company

(2) Expansion of wide-area business development

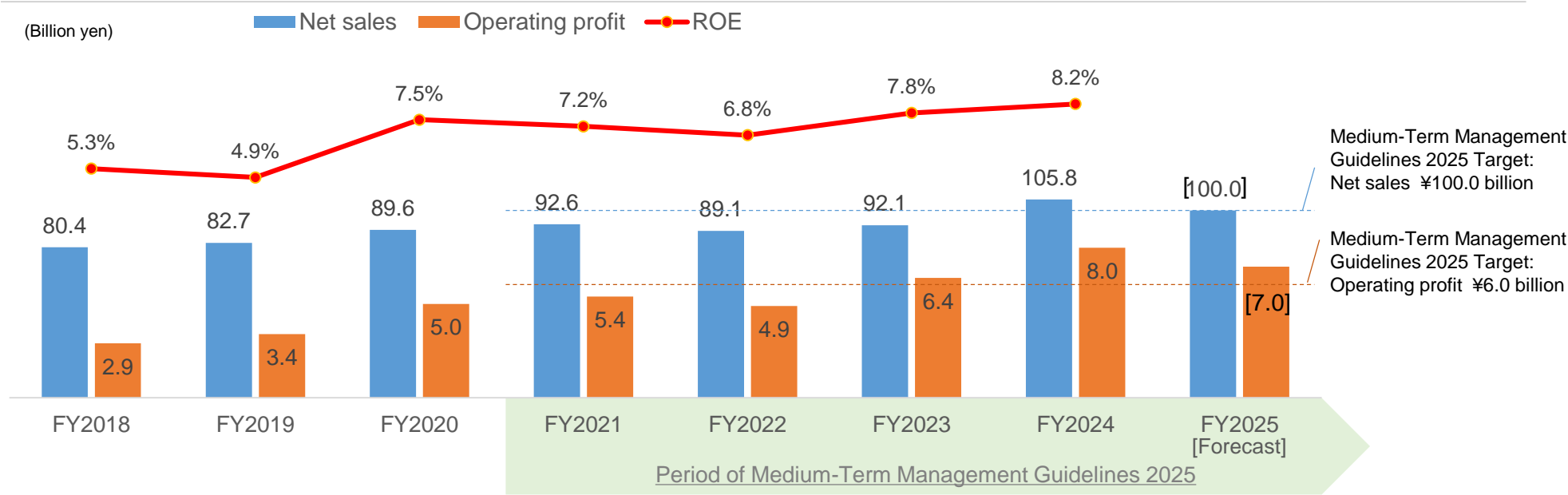
(3) Maintenance of business foundation to ensure the reliability of lifelines

(4) Demonstration of the collective strengths of the Yondenko Group

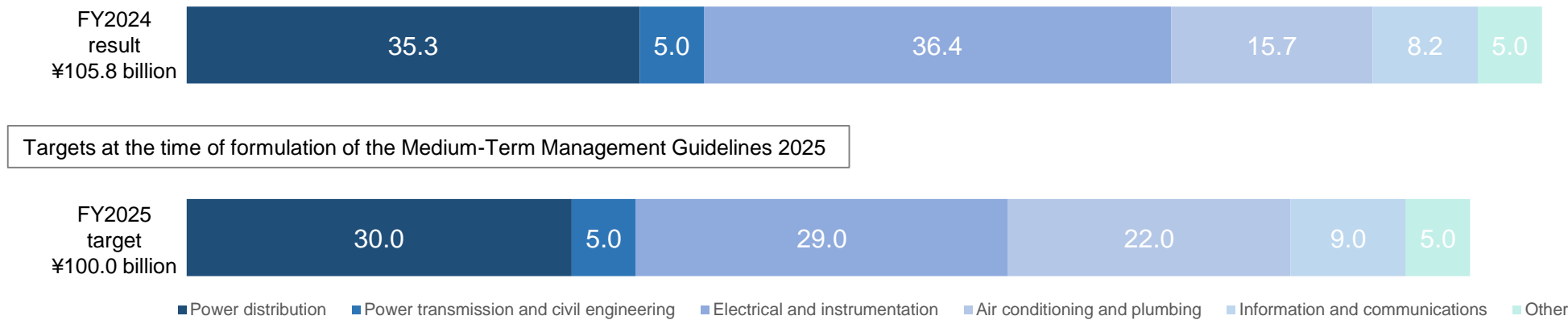
(5) Commitment to ensure sustainability of the environment and society

Consolidated Targets for FY2025	
Net sales	¥100.0 billion
Operating profit	¥6.0 billion
ROE	8.0%

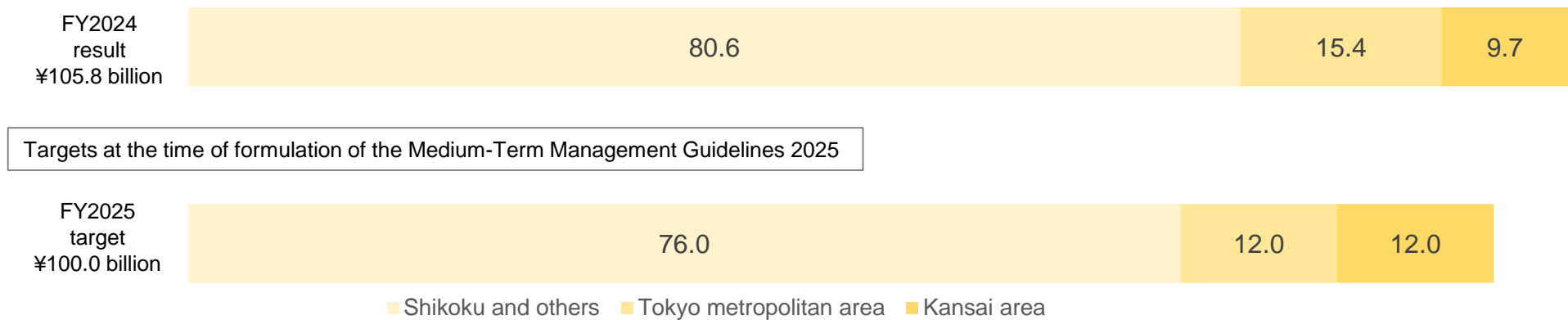
Business trends



Net sales by type of construction (consolidated) (Billion yen)



Net sales statistics by region (consolidated)



Trends in personnel by FY2025							(Persons)
		4/2021 result	4/2022 result	4/2023 result	4/2024 result	4/2025 result	4/2025 plan
General Facilities Division	Electrical and instrumentation	334	356	377	391	401	
	Air conditioning and plumbing	223	242	259	263	269	
	Information and communications / system controls	116	119	117	116	117	
Power Facilities Division		1,280	1,292	1,299	1,297	1,313	
Other Divisions		157	160	154	159	164	
Total / Non-consolidated (Yondenko)		2,110	2,169	2,206	2,226	2,264	
Total / Consolidated		2,531	2,645	2,684	2,715	2,773	Approx. 2,800

Outline of main initiatives

Increased base wages for three consecutive years	In April 2025, in addition to regular salary increases, we implemented a base increase of 15,000 yen per employee. The starting salary will also be increased uniformly by 15,000 yen. This resulted in a wage increase of 6.45% (average for union members), including regular salary increases.
Introduced student loan support scheme (repay loans on employees' behalf)	In April 2025, as part of our efforts to strengthen the recruitment of younger employees and improve retention rates, we have introduced a student loan support scheme (repay loans on employees' behalf) for employees (up to 10 years, maximum of ¥1.8 million).
Review of personnel systems to secure construction capabilities in Tokyo metropolitan and Kansai areas	We reviewed personnel systems to facilitate inter-regional transfers of personnel.
Relocation and construction of new employee training center	We decided to enhance and revamp the functions of our employee training center with the aim of securing and developing personnel who will support regional infrastructure as members of a General Facility Construction Company and take the lead in the sustainable growth of our business. The new employee training center will open in early 2028.

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Toward a sustainable society



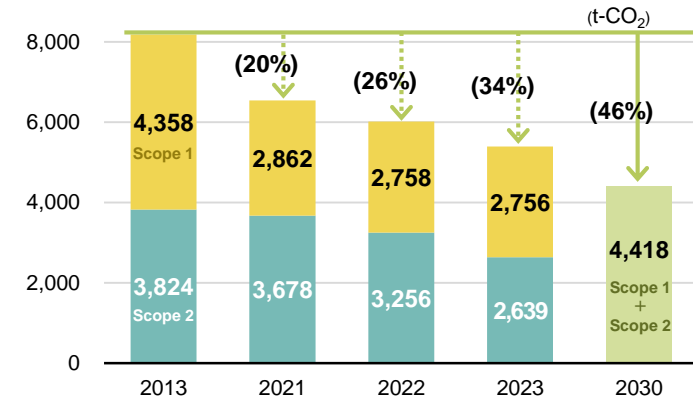
Greenhouse gas emissions and reduction status

We are striving to improve energy efficiency in our facilities and electrifying our vehicles in order to reduce CO₂ emissions associated with our business activities. In addition to installing solar power generation facilities in our buildings and replacing light fixtures with LED lighting, we are also promoting the replacement of our air conditioning systems with high-efficiency air conditioners. Corporate vehicles are being replaced with EVs or HVs as appropriate, taking into consideration the type of vehicle and its use.

To follow up on the progress of the above initiatives, we have set reduction targets for FY2030, and we are analyzing and evaluating non-consolidated Scope 1 and 2* CO₂ emissions. (See table at right.)

- * Scope 1: Direct emissions from in-house fuel use and industrial processes (At Yondenko, mainly gasoline and diesel oil)
- Scope 2: Indirect emissions from the use of energy such as electricity and heat purchased by the company (At Yondenko, mainly electricity)

YONDENKO's Greenhouse Gas Emissions



Off-site PPA using solar power

The Futatsuike Shitaikie Solar Power Plant, which is the Group's first offsite PPA business, was completed and began supplying renewable electricity in December 2024.

Floating power plants are said to be environmentally friendly because they do not require large-scale construction or deforestation.

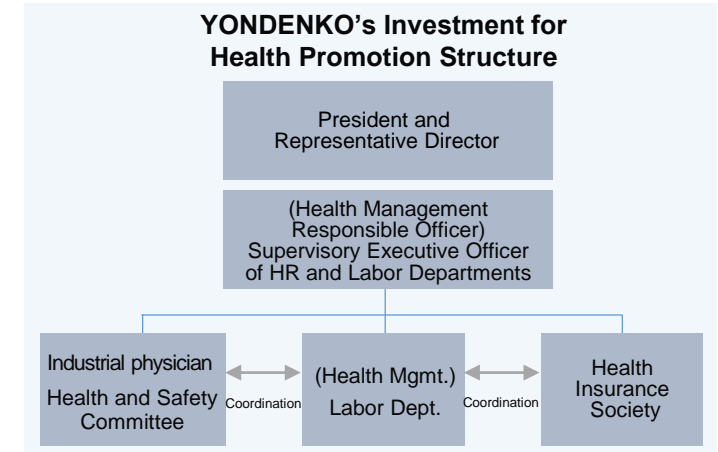
We will continue to contribute to the realization of a sustainable society by engaging in businesses related to renewable energy such as solar power generation.



Investment for health initiatives

We declared our Investment for Health Policy in 2022, and are promoting various measures towards the policy objectives with the aim of building a lifelong working society.

As in last year, we were recognized as one of the “2025 Outstanding Organizations of KENKO Investment for Health” in the large enterprise category.



Investment in Green Bond of the Kochi Prefecture

We invested in a Green Bond issued by the Kochi Prefecture in October 2024. (See table at right).

The funds procured from this bond issue will be used for the installation of solar power generation equipment in prefectural facilities, flood control and landslide prevention measures, and biodiversity conservation.

This is the second investment of this kind made by the Company, the first being an investment in an SDGs bond issued by the Tokushima Prefecture in September 2023.

We will continue to contribute to the formation of a sustainable society through our corporate activities, including investments in various projects that contribute to solutions to environmental problems.

Issue	Kochi Prefecture FY2024 1st Public Offering Bond (5-year term Green Bond)
Term	5 years (lump sum redemption at maturity)
Total amount of issue	¥5.0 billion (Our investment: ¥100 million)
Date of issue	October 2024

HR development and technology succession



Relocation and construction of new employee training center

We have decided to relocate our employee training center, currently situated in Takamatsu City, and build a new employee training center in the town of Ayagawa in Ayauta-gun. The objective of the relocation is to enhance and revamp the center's functions as part of our human capital investment, with the aim of securing and developing personnel who will support regional infrastructure as members of a General Facility Construction Company and take the lead in the sustainable growth of our business.

The new training center will be larger and more comfortable than the current facility, built to a design that considers sustainability and harmony with the surrounding environment. For example, a variety of energy-saving and energy creation facilities will be adopted to contribute to decarbonization as well as to equipment technology education.



Promoting understanding of electrical construction industry

Led by our employees who competed in the National Skills Competition, we conduct outreach classes on electrical work for students at industrial high schools in Shikoku. In FY2024, we provided practical training to a total of 196 students across nine schools, conveying the appeal of electrical work.



Contribution to education and employment support funds

In support of the objectives of programs that aim to support young people's enrollment in schools, promoting employment and creating jobs within Shikoku's four prefectures, we contributed a total of ¥4 million to funds set up by those prefectures.

This is the fourth time that we have made such contributions, the first time being in FY2021. We will continue to contribute to the sustainable development of the Shikoku region.

Prefecture	Program name
Tokushima	Tokushima Prefectural Student Loan Repayment Assistance Scheme
Kochi	Kochi Student Loan Repayment Assistance Program
Ehime	Ehime Prefecture Core Industry Human Resources Support Scheme
Kagawa	Japan Student Services Organization (JASSO) Type 1 Student Loan Repayment Assistance Scheme

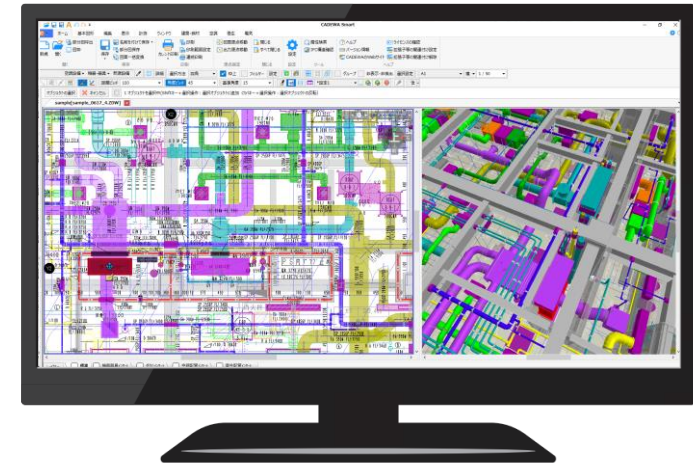
Promotion of Digital Transformation



Upgrade of construction equipment CAD software CADEWA Smart

We released the latest version (V.6) of the full-3D construction equipment CAD software, “CADEWA Smart,” in January.

Through collaboration with design support applications provided by an air conditioner manufacturer, this version features a function that allows the user to select the appropriate air conditioning and ventilation equipment and insert them into the drawings automatically.



Upgrade of cost estimation software



We released the latest version (V.3) of the cost estimation software, “CRAFT DX” in February.

In this version, we enhanced functionality to support labor cost adjustment rates for “works promoting two-day weekends” advocated by the Ministry of Land, Infrastructure, Transport and Tourism. The touch-pen pick-up feature was also added.

We will continue to develop software that offers advanced functions to support the building equipment industry, with the aim of contributing to the further improvement of work efficiency in the construction sector.



Conceptual image of touch-pen pick-up feature



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All forward-looking statements, including the data and financial forecasts contained in these materials, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ from these forecasts for a number of reasons.