

Financial Results Report for the Fiscal Year 2024 2Q (period ending March 31,2025)



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今日を支え 明日を創る

株式会社 四電五

(TSE Prime Market: 1939)

November, 2024

I 2024 fiscal year 2Q results

II Revision of 2024 fiscal year results forecast

III Revision of dividend forecast (dividend increase)

IV Topics

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Business Environment

- Orders received generally favorable due to continued signs of recovery in capital investment
- Need to pay attention to the impact on the decision to win an order, the cost of construction, orders receiveds, and the progress of construction work due to a rise in the price of materials and equipment and labor shortages.

Our group's achievements

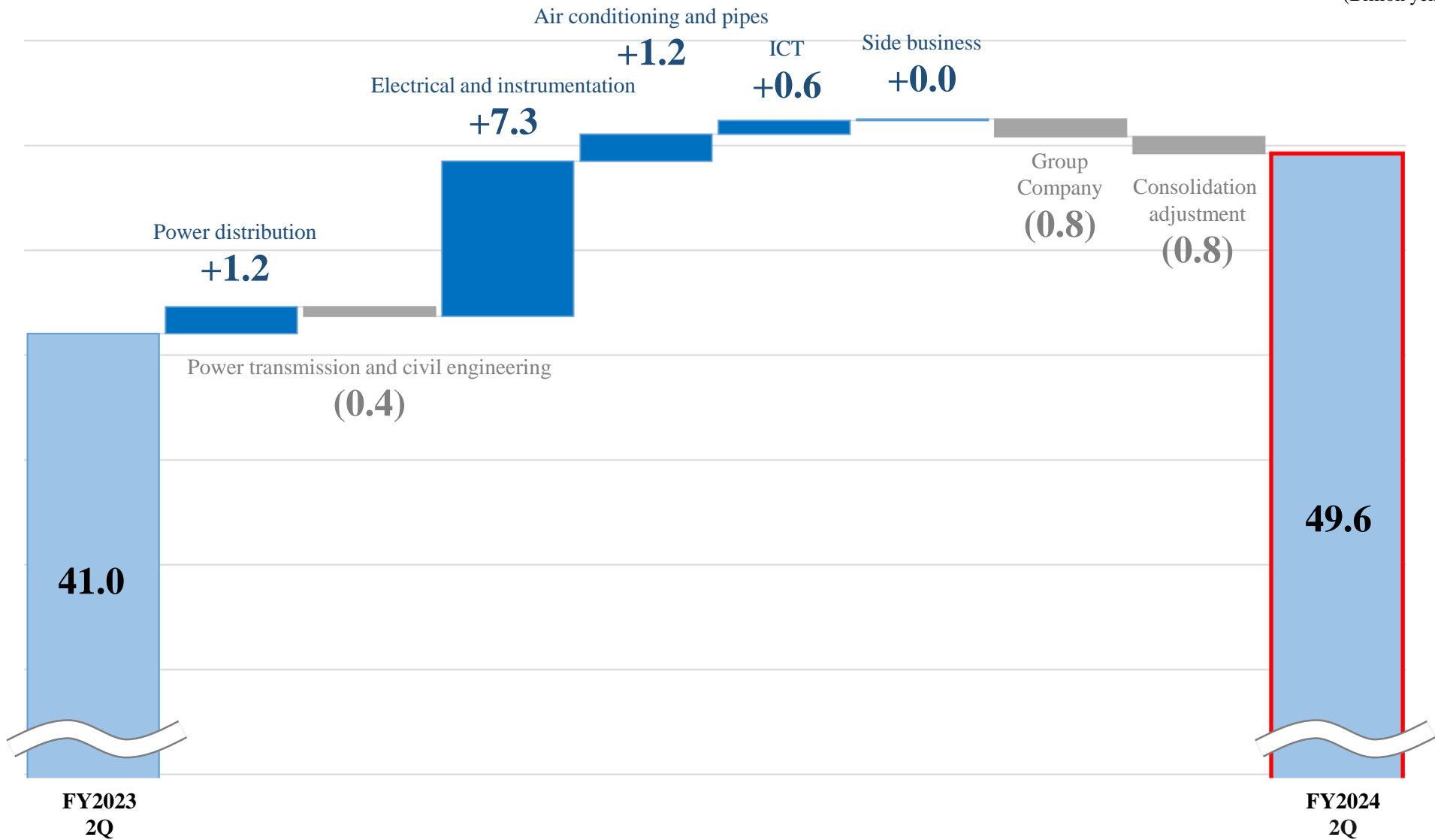
- Secure a high level of orders (second in the past)
- Record-high net sales and profits
 - Steady progress in construction, stable procurement of materials and equipment, and thorough cost management contributed

| | FY2023 2Q | FY2024 2Q | YoY change |
|---|--------------|--------------|---------------|
| (Billion yen) | | | |
| Orders received | 54.1 | 52.1 | (2.0) |
| Net sales | 41.0 | 49.6 | +8.5 |
| Operating profit | 3.0 | 4.5 | +1.5 |
| Ordinary profit | 3.2 | 4.7 | +1.5 |
| Profit attributable to owners of parent | 2.1 | 2.7 | +0.6 |

Factors behind Changes in Net Sales (Consolidated)

I 2024 fiscal year 2Q results

(Billion yen)

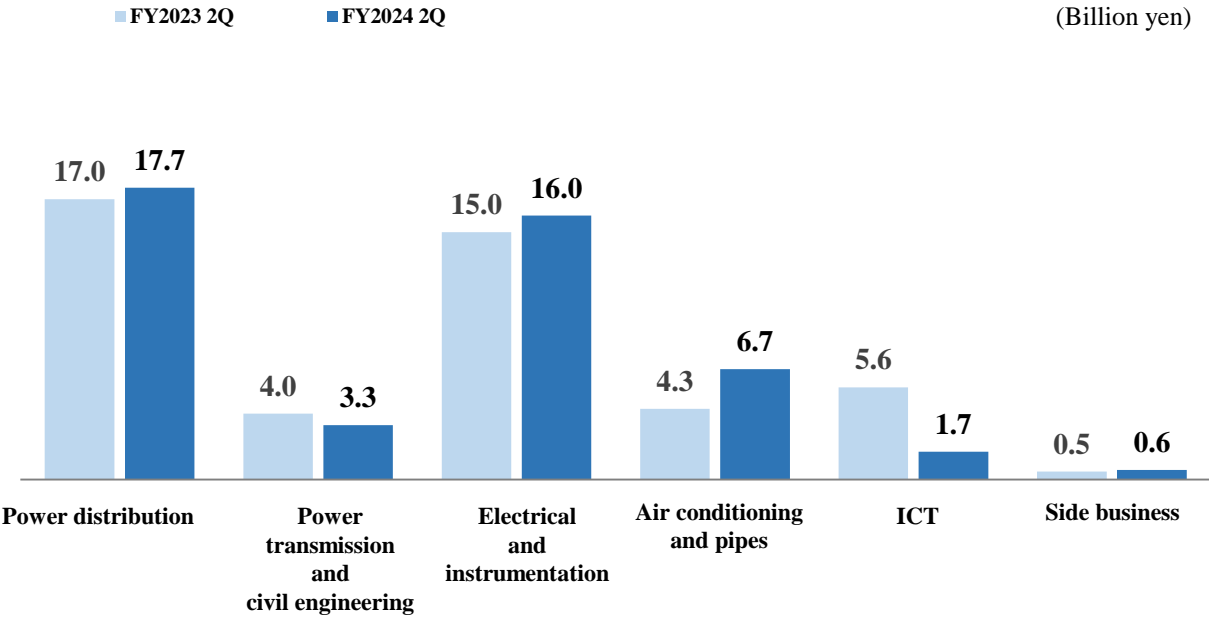


Orders received were ¥46.2 billion, down ¥500 million year on year.

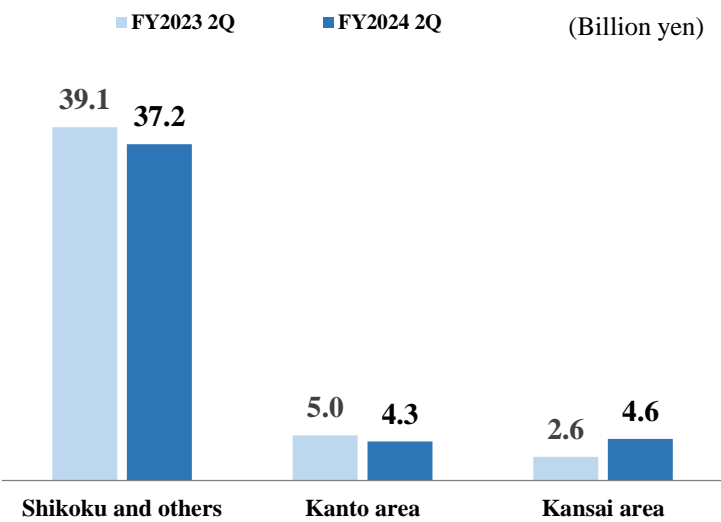
➤ Due to a reactionary decline following orders for several large-scale properties in the same period of the previous fiscal year, but remained at a high level.

| (Billion yen) | FY2023 2Q | FY2024 2Q | YoY change |
|-----------------|--------------|--------------|---------------|
| Orders received | 46.8 | 46.2 | (0.5) |

Orders Received by Type of Construction



Orders Received by region

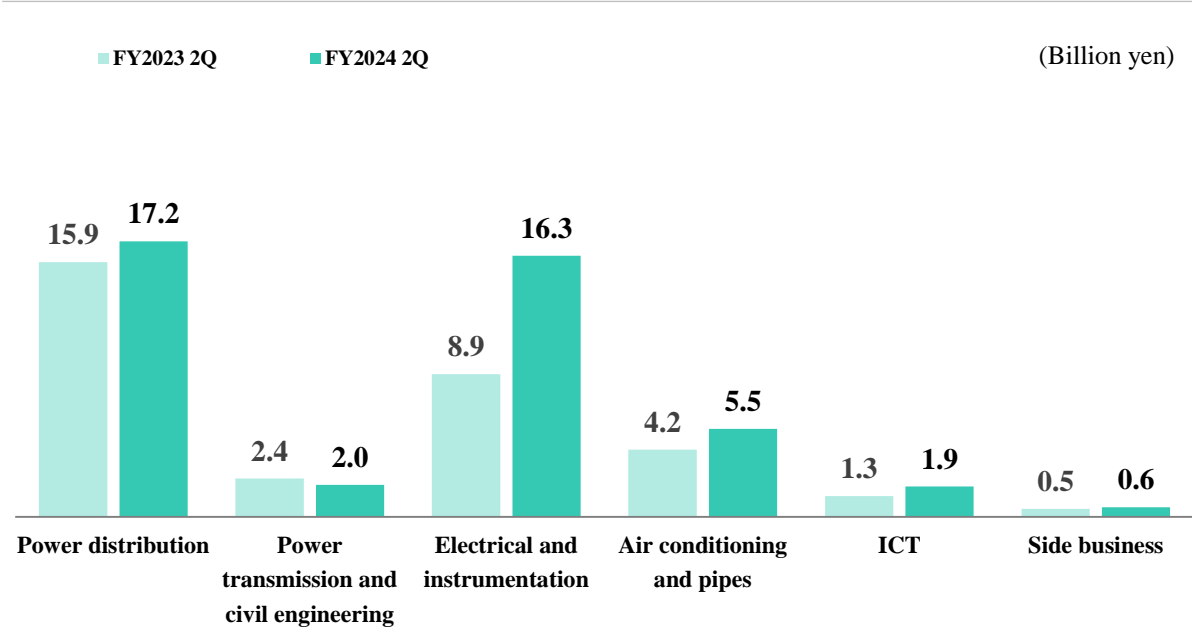


Net Sales were ¥43.7 billion, up ¥10.2 billion year on year.

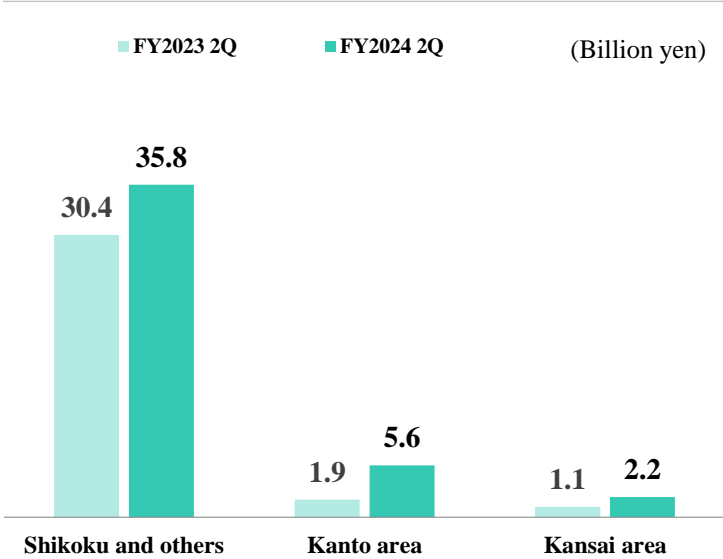
► Steady progress in large-scale construction projects due to stable procurement of materials and equipment and detailed process control

| (Billion yen) | FY2023 2Q | FY2024 2Q | YoY change |
|---------------|--------------|--------------|---------------|
| Net sales | 33.5 | 43.7 | +10.2 |

Net Sales by Type of Construction



Net Sales by Region

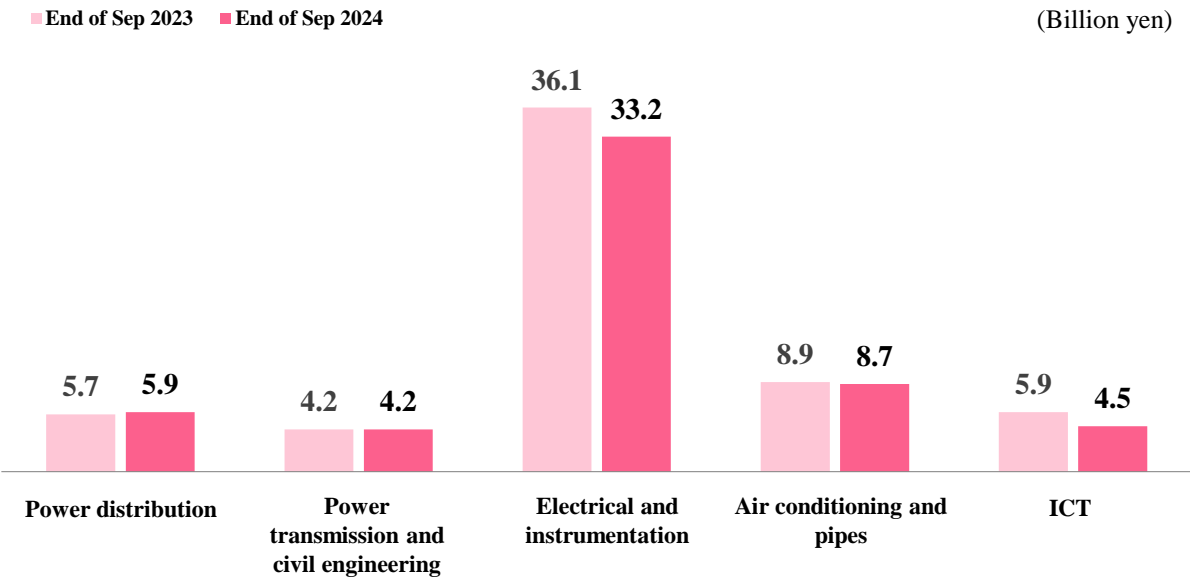


Net sales of construction contracts carried forward were ¥56.6 billion, down ¥4.4 billion year on year.

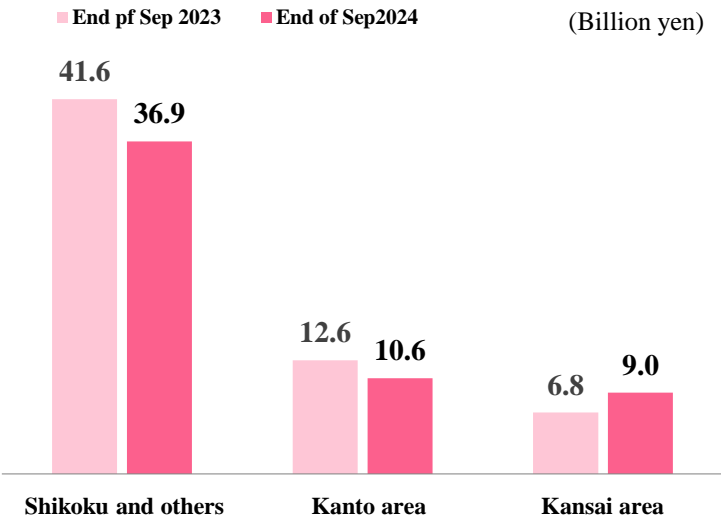
➤ Although the decline was due to a reactionary decline after receiving orders for multiple large properties in the same period of the previous year and the steady progress of construction in this period, we have maintained a high level.

| (Billion yen) | End of September 2023 | End of September 2024 | YoY change |
|---------------------|-----------------------|-----------------------|------------|
| Orders Carried Over | 61.1 | 56.6 | (4.4) |

Orders Carried over by Type of construction



Orders Carried over by Region



| (Billion yen) | | End of March 2024 | End of September 2024 | Change | Main change factors |
|----------------------------------|-------------------------|----------------------|--------------------------|--------|---|
| | Current assets | 58.1 | 47.4 | (10.7) | Deposits paid to subsidiaries and associates (10.3) Cash and deposits (2.4) |
| | Non-Current assets | 45.0 | 44.3 | (0.6) | |
| Total assets | | 103.2 | 91.8 | (11.3) | |
| | Current liabilities | 31.4 | 19.3 | (12.0) | Accounts payable – other (4.8) Notes payable, accounts payable for construction contracts and other (4.4) |
| | Non-current liabilities | 9.9 | 9.6 | (0.3) | |
| Total liabilities | | 41.4 | 28.9 | (12.4) | |
| Net assets* | | 61.7 | 62.9 | +1.1 | Profit +2.7 Dividends paid (1.2) |
| Total liabilities and net assets | | 103.2 | 91.8 | (11.3) | |
| Equity Ratio | | 59.8% | 68.4% | +8.6 | |

* Net assets include "Non-controlling interests."

Major completed properties

| Construction project | Building use, etc. | Construction type | Region |
|---|-------------------------------------|---|-----------|
| Renovation and existing renovation of the main building of Saiseikai Saijo Hospital | General hospital | Electrical and instrumentation, Air conditioning and pipes | Ehime |
| Akasaka Green Cross New Construction | Redevelopment building | Electrical and instrumentation | Tokyo |
| Construction of Aqura Home Head Office Building | Office building | Air conditioning and pipes | Saitama |
| Kotohira Grand Hotel Pet Hotel Expansion and Koumetei Renovation | Hotel | Electrical and instrumentation, Air conditioning and pipes | Kagawa |
| Solar Facility Installation Project at Awa Bank Kamojima Center | Renewable energy | Electrical and instrumentation | Tokushima |
| Construction of new conduit line for Sakaide Biomass Line | Renewable energy interconnection | Power transmission and civil engineering | Kagawa |



Akasaka Green Cross



Aqura Home Head Office Building



Kotohira Grand Hotel Pet Hotel



Sakaide Biomass Line

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■ We upwardly revised our full-year consolidated business forecasts for both sales and profits, taking into account the steady progress of construction up to the interim period and the current status of construction work in hand.

| (Billion yen) | Consolidated | | | | | |
|---|--------------------|-----------|-----------|----------|---------------|--------------------------|
| | FY2024 Forecast | | Change | Change % | FY2023 Actual | From the previous year % |
| | April 26 announced | Revised | | | | |
| Net sales | 100.0 | 105.0 | 5.0 | 5.0% | 92.1 | 114.0% |
| Operating profit | 6.0 | 7.0 | 1.0 | 16.7% | 6.4 | 108.6% |
| Ordinary profit | 6.5 | 7.5 | 1.0 | 15.4% | 7.0 | 107.0% |
| Profit attributable to owners of parent | 4.0 | 4.6 | 0.6 | 15.0% | 4.5 | 100.6% |
| Basic earnings per share* | 84.66 yen | 97.35 yen | 12.69 yen | — | 96.71 yen | — |

* We conducted a three-for-one stock split of common stock on October 1, 2024. Basic earnings per share is calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

■ We upwardly revised our full-year non-consolidated forecasts for both sales and profits.

| (Billion yen) | Non-consolidated | | | | | |
|---------------------------|--------------------|-----------|-----------|----------|---------------|--------------------------|
| | FY2024 Forecast | | Change | Change % | FY2023 Actual | From the previous year % |
| | April 26 announced | Revised | | | | |
| Net sales | 86.0 | 92.0 | 6.0 | 7.0% | 77.2 | 119.2% |
| Operating profit | 4.3 | 5.6 | 1.3 | 30.2% | 4.1 | 136.2% |
| Ordinary profit | 4.9 | 6.1 | 1.2 | 24.5% | 4.9 | 122.2% |
| Profit | 3.1 | 3.7 | 0.6 | 19.4% | 3.5 | 105.6% |
| Basic earnings per share* | 65.61 yen | 78.31 yen | 12.70 yen | — | 74.13 yen | — |

* We conducted a three-for-one stock split of common stock on October 1, 2024. Basic earnings per share is calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

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Revision of Dividend Forecast (Dividend Increase)

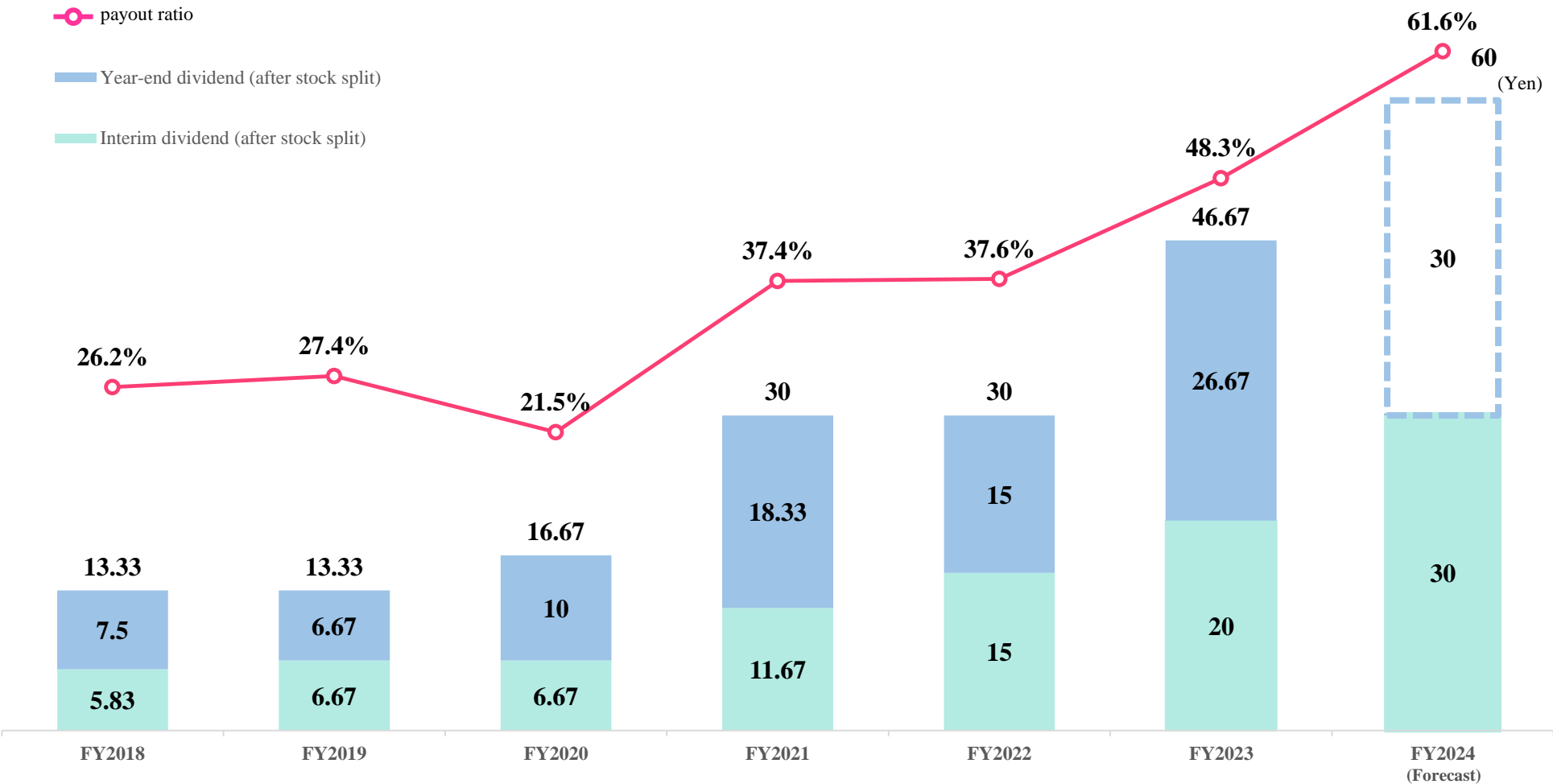
- In light of this upward revision to our business forecast for the current fiscal year, we increased the interim dividend from the most recent dividend forecast, and also revised (increased) the forecast for the year-end dividend.
- Converted to the annual dividend per share before the split, it is ¥180, up ¥40 from ¥140 in the previous fiscal year.
(A three-for-one stock split was conducted on October 1, 2024.)

| | Dividend per share | | |
|---|--------------------|--|---|
| | Second quarter-end | Fiscal Year-end | Total |
| Previous forecast (July 31, 2024) | 75.00 yen | 25.00 yen [Conversion before split: 75.00 yen] | - [Conversion before split: 150.00 yen] |
| Revised forecast | — | 30.00 yen [Conversion before split: 90.00 yen] | - [Conversion before split: 180.00 yen] |
| Results for the fiscal year under review | 90.00 yen | — | — |
| Results for the previous fiscal year (FY2023) | 60.00 yen | 80.00 yen | 140.00 yen |

Notes: 1. The year-end dividend forecast is the amount of dividends after the stock split. The annual dividend per share forecast is not presented because a simple calculation cannot be made due to the stock split. The amount of dividends before the split is shown in parentheses for reference.
2. Interim dividends and previous period dividend amounts are shown as the actual dividend amount before the stock split.

Dividends and Dividend Payout Ratio (Converted after Split)

III Revision of dividend forecast (dividend increase)



※ We conducted a stock split on October 1, 2021 at a ratio of 1 share to 2 shares of common stock. Additionally, we conducted a stock split on October 1, 2024 at a ratio of 3 shares for 1 common stock. The dividend per share is the amount converted to the number of shares as of October 1, 2024.

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Publication of "Yondenko Integrated Report 2024."

We issued the Integrated Report in September 2024. In addition to presenting new information on opportunities, risks, and creation value, we have also devised formats to make it easier to view on Web.



Composition and main contents

I. Introduction

Business Overview

Message from the President

II. strategy/creating value

Creation of values

Opportunities and Risk NEW!!

Business Activities

Major Achievements/Created Value **NEW!!**

Progress of Medium-Term Management Guidelines

Financial Strategic NEW!!

III. sustainability

Action plan for implementing ESG management

ESG Initiatives

IV. database



It can be accessed from our Web website.

<https://www.yondenko.co.jp/ir/integrated-report.php>



DX ・ Research and Development



Presentation of state-of-the-art exhibits at JECA FAIR

For three days from May 29, we exhibited at JECA FAIR 2024 -72nd Densetsu Kogyo Exhibition, one of the largest general exhibitions in the electric facilities industry, held at Tokyo Big Sight.

Our booths were comprised of two zones. In the Building Facilities Zone, we conducted PR of the latest CAD software and estimation software. In the Technology Development and Business Development Zone, we introduced to visitors the Independent Flight drones for solar panel inspections and a field agent man-hour forecasting system using AI, etc.



Full-scale operation of MORIHI (MORITO) 25, a large-scale drone

In 2016, the Power Transmission & Engineering Division introduced drones, which have been used to transport some goods, extension ropes, and aerial photography. In April 2023, we deployed MORIHI (MORITO) 25, a large-scale drone capable of transporting the largest 25kg, which has been in full-fledged operation after acquiring qualifications for second-tier unmanned aircraft pilot skills certification and preparing for operational training.

At power transmission work sites, although we are sometimes forced to take on materials and transport them by steeply steepening mountains, the burden of transportation work has been greatly reduced through the use of drones, and we are considering further enlargement of the system.



Human capital management



"Master Line Man" awarded for skill

At the 2024 Head Office Award of the Transmission Line Construction Technology Study Group, Daisuke Hamazaki (photograph left) of the Central Construction Office of the Construction Department was selected as a skill commendator and awarded the honorable "Master Line Man" name, which has only about 60 person.

This title is given to "persons who possess outstanding technology, skills and insight related to high-place work and serve as other models." His steady achievements, such as the technological capabilities he has cultivated and the training and development of junior leadership, were recognized in recognition of his achievements.



Visits to business sites by the president

In order to enhance empathy toward the company and its business and to share a common direction toward growth, we are working to expand opportunities for dialogue, such as visits to workplaces by senior management.

As part of these efforts, President Sekiya visited business sites for three months starting in July. We visited a total of 29 business sites and exchanged opinions on workplace issues, the impact of the overtime limit regulations applied to the construction industry from this fiscal year, and initiatives to improve productivity.



Women's Meeting

As part of our measures to strengthen human capital, we are strengthening our efforts to promote the active participation of women, such as expanding the recruitment of women and increasing the ratio of women in managerial positions.

Last year, we held the Round Table Conference between Outside Directors and Female Employees. Following this, in August of this year we held the Advisory Conference for Female managers. At the meeting, in addition to training female leaders and the appointment of human resources to serve as role models, participants actively exchanged opinions on various issues that they are currently facing, and this also served as a valuable forum for participants to interact.



Meeting between outside directors and female employees (held last year)



Advisory Conference for Female managers



Contact Information

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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.