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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



July 31, 2025

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

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Scheduled date of commencing dividend payments: -

Availability of supplementary explanatory materials on financial results: Available

Schedule of 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, 2025 (April 1, 2025 - June 30, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	20,264	(13.0)	1,462	(18.3)	1,539	(16.5)	1,051	(13.5)
June 30, 2024	23,280	14.8	1,790	55.8	1,843	48.7	1,215	51.3

(Note) Comprehensive income: Three Months Ended June 30, 2025: ¥1,124 million [9.3%]

Three Months Ended June 30, 2024: ¥1,028 million [(33.5)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	22.24	—
June 30, 2024	25.74	—

(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.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	90,575	64,357	71.0
As of March 31, 2025	99,630	64,890	65.1

(Reference) Equity: As of June 30, 2025: ¥64,273 million

As of March 31, 2025: ¥64,812 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen —	Yen 90.00	Yen —	Yen 35.00	Yen —
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		32.00	—	33.00	65.00

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

(Note) The Company conducted a stock split on October 1, 2024, at a ratio of 3 shares for 1 common share. The actual dividend before the stock split is stated for the dividend for the 2nd quarter of the fiscal year ended March 31, 2025. On a post-stock split basis, the annual dividend per share for the fiscal year ended March 31, 2025 would be ¥65.00.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% 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	100,000	(5.6)	7,000	(13.3)	7,500	(12.1)	5,000	(3.4)	105.76

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

* Notes:

(1) Significant changes in scope of consolidation 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 10 of the attached documents 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, 2025: 48,766,410 shares

March 31, 2025: 48,766,410 shares

2) Total number of treasury shares at the end of the period:

June 30, 2025: 1,487,929 shares

March 31, 2025: 1,487,869 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 47,278,527 shares

Three months ended June 30, 2024: 47,231,416 shares

(Note) The Company conducted a stock split on October 1, 2024, at a ratio of 3 shares for 1 common share. The average number of shares outstanding during the period is calculated, assuming that the stock split had taken place at the beginning of the previous consolidated fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: 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 5 of the attached document 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, 2025 (April 1, 2025 - June 30, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2025	16,331	(18.2)	786	(29.8)	1,061	(12.7)	748	(10.1)
June 30, 2024	19,968	21.9	1,120	112.0	1,216	60.2	832	57.9

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	15.83	—
June 30, 2024	17.62	—

(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 fiscal year.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	72,823	53,817	73.9
As of March 31, 2025	82,510	54,534	66.1

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	84,000	(10.7)	5,000	(26.3)	5,700	(21.4)	4,000	(16.0)	84.61

(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 5 of the attached document for the assumptions and other matters related to the above forecasts.

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1. Overview of Business Results

(1) Overview of Business Results for the Period Under Review

During the three months ended June 30, 2025, the Japanese economy showed a gradual recovery in personal consumption and employment conditions, and corporate earnings also showed signs of recovery, reflecting favorable business performance. The Shikoku economy generally followed a similar trend, although to varying degrees.

In the construction industry, the order environment was generally favorable, with continued recovery in capital investment. However, it was 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.

In this environment, the consolidated financial results of YONDENKO CORPORATION (the “Company”) and its subsidiaries (collectively, the “Group”) for the period under review showed a decrease in revenue and profit, due to a reactionary decline from large-scale construction work in the same period of the previous year.

[Consolidated financial results]

(Million yen unless stated otherwise)

Classification	For the three months ended June 30, 2024	For the three months ended June 30, 2025	Change	Rate of change (%)
	Amount	Amount		
Orders received	25,844	30,442	4,597	17.8
Net sales	23,280	20,264	(3,016)	(13.0)
Operating profit	1,790	1,462	(328)	(18.3)
Ordinary profit	1,843	1,539	(304)	(16.5)
Profit attributable to owners of parent	1,215	1,051	(164)	(13.5)

(2) Overview of Financial Position for the Period Under Review

Total assets decreased by ¥9,055 million from the end of the previous fiscal year to ¥90,575 million due in part to a decrease in notes receivable, accounts receivable from completed construction contracts and other.

Liabilities decreased by ¥8,521 million from the end of the previous fiscal year to ¥26,217 million due in part to decreases in notes payable, accounts payable for construction contracts and other, and income taxes payable.

Net assets decreased by ¥533 million from the end of the previous fiscal year to ¥64,357 million (equity ratio: 71.0%), due to the payment of year-end dividend for the fiscal year ended March 31, 2025, despite the recording of profit attributable to owners of parent.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

In the construction industry, construction demand remains strong mainly in major metropolitan areas, but attention must be paid to rising prices of materials and equipment as well as labor shortages. There are also concerns about conditions such as the impact of U.S. tariff policies on capital investment.

Under these circumstances, the Group will secure orders through strategic sales activities based on construction market conditions, while striving to enhance profitability and achieve sustainable improvement in corporate value through thorough cost management and an improved on-site support system.

The full-year financial results forecast remains unchanged from the figures announced on April 30, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	9,457	10,589
Notes receivable, accounts receivable from completed construction contracts and other	29,267	19,743
Investments in leases	3,554	3,651
Costs on construction contracts in progress	2,074	3,090
Other inventories	2,227	2,588
Deposits paid to subsidiaries and associates	7,500	5,000
Other	1,272	1,397
Allowance for doubtful accounts	(83)	(90)
Total current assets	55,270	45,970
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,954	18,965
Machinery, vehicles, tools, furniture and fixtures	22,665	22,858
Land	11,168	11,168
Other	102	105
Accumulated depreciation	(28,566)	(28,818)
Total property, plant and equipment	24,325	24,278
Intangible assets		
Goodwill	349	325
Other	453	431
Total intangible assets	803	757
Investments and other assets		
Investment securities	12,133	12,516
Other	7,194	7,135
Allowance for doubtful accounts	(97)	(83)
Total investments and other assets	19,231	19,568
Total non-current assets	44,359	44,604
Total assets	99,630	90,575

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	13,772	7,089
Short-term borrowings	80	430
Income taxes payable	2,105	580
Advances received on construction contracts in progress	2,020	2,604
Provision for loss on construction contracts	151	114
Other	8,062	6,901
Total current liabilities	26,191	17,720
Non-current liabilities		
Bonds payable	80	30
Long-term borrowings	5,561	5,697
Provision for retirement benefits for directors (and other officers)	341	198
Retirement benefit liability	2,395	2,398
Other	168	173
Total non-current liabilities	8,548	8,497
Total liabilities	34,739	26,217
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,311	4,311
Retained earnings	54,219	53,616
Treasury shares	(644)	(644)
Total shareholders' equity	61,337	60,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,745	1,928
Remeasurements of defined benefit plans	1,730	1,610
Total accumulated other comprehensive income	3,475	3,539
Non-controlling interests	77	83
Total net assets	64,890	64,357
Total liabilities and net assets	99,630	90,575

(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, 2024	For the three months ended June 30, 2025
Net sales		
Net sales of completed construction contracts	22,041	18,976
Sales in other businesses	1,239	1,287
Total net sales	23,280	20,264
Cost of sales		
Cost of sales of completed construction contracts	18,258	15,567
Cost of sales in other businesses	798	855
Total cost of sales	19,056	16,422
Gross profit		
Gross profit on completed construction contracts	3,782	3,409
Gross profit - other business	441	432
Total gross profit	4,224	3,841
Selling, general and administrative expenses	2,433	2,379
Operating profit	1,790	1,462
Non-operating income		
Interest income	5	16
Dividend income	29	29
Rental income from real estate	16	17
Other	13	23
Total non-operating income	65	86
Non-operating expenses		
Interest expenses	7	6
Other	6	3
Total non-operating expenses	13	10
Ordinary profit	1,843	1,539
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	4	1
Total extraordinary losses	4	1
Profit before income taxes	1,839	1,537
Income taxes	616	477
Profit	1,223	1,059
Profit attributable to non-controlling interests	8	8
Profit attributable to owners of parent	1,215	1,051

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	1,223	1,059
Other comprehensive income		
Valuation difference on available-for-sale securities	(136)	183
Remeasurements of defined benefit plans, net of tax	(58)	(119)
Total other comprehensive income	(195)	64
Comprehensive income	1,028	1,124
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,020	1,115
Comprehensive income attributable to non-controlling interests	8	8

(3) Notes to Quarterly Consolidated Financial Statements

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expense)

Tax expense is calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year, including the period under review, and multiplying the profit before income taxes by that estimated effective tax rate. However, if using this estimated effective tax rate results in a significantly unreasonable calculation of tax expense, the statutory effective tax rate is used.

(Notes to segment information, etc.)

For the three months ended June 30, 2024

Financial indicators by reportable segment and disaggregation of revenue

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Equipment installation business	Leasing business	Solar power business	Total				
Net sales								
Revenue from power distribution work contracts	8,236	—	—	8,236	—	8,236	—	8,236
Revenue from other equipment installation work	13,804	—	—	13,804	—	13,804	—	13,804
Other	—	—	549	549	306	855	—	855
Revenue from contracts with customers	22,041	—	549	22,590	306	22,896	—	22,896
Revenue from other sources	—	383	—	383	—	383	—	383
Net sales to external customers	22,041	383	549	22,974	306	23,280	—	23,280
Inter-segment sales or transfers	10	313	—	324	0	324	(324)	—
Total	22,051	697	549	23,298	306	23,605	(324)	23,280
Segment profit	1,450	68	220	1,739	53	1,792	(1)	1,790

(Notes) 1. “Other” represents business segments outside of reportable segments, including CAD software sales and designated administrator projects.

2. Adjustments to net sales and segment profit mainly comprise the elimination of inter-segment transactions.

3. Segment profit has been adjusted to match operating profit in the quarterly consolidated statements of income.

For the three months ended June 30, 2025

Financial indicators by reportable segment and disaggregation of revenue

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Equipment installation business	Leasing business	Solar power business	Total				
Net sales								
Revenue from power distribution work contracts	8,745	—	—	8,745	—	8,745	—	8,745
Revenue from other equipment installation work	10,231	—	—	10,231	—	10,231	—	10,231
Other	—	—	555	555	284	839	—	839
Revenue from contracts with customers	18,976	—	555	19,532	284	19,816	—	19,816
Revenue from other sources	—	447	—	447	—	447	—	447
Net sales to external customers	18,976	447	555	19,980	284	20,264	—	20,264
Inter-segment sales or transfers	16	321	—	337	0	338	(338)	—
Total	18,993	769	555	20,317	285	20,602	(338)	20,264
Segment profit	1,133	66	223	1,424	39	1,463	(1)	1,462

(Notes) 1. “Other” represents business segments outside of reportable segments, including CAD software sales and designated administrator projects.

2. Adjustments to net sales and segment profit mainly comprise the elimination of inter-segment transactions.

3. Segment profit has been adjusted to match operating profit in the quarterly consolidated statements of income.

(Notes to significant changes in shareholders’ equity)

Not applicable.

(Going concern)

Not applicable.

(Notes on the statements of cash flows)

The Company has not prepared quarterly consolidated statements of cash flows for the period under review. However, depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2024 and 2025 are as follows:

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	479	480
Amortization of goodwill	91	23

3. Breakdown of Non-consolidated Financial Results by Construction Work and Customer

(1) Orders received by type of construction

(Million yen)

Classification	For the three months ended June 30, 2024		For the three months ended June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	9,317	41.3	9,682	36.3	364	3.9
Power transmission and civil engineering work	2,586	11.4	1,755	6.6	(831)	(32.1)
Electrical and instrumentation work	7,153	31.7	10,107	37.9	2,953	41.3
Air conditioning and plumbing work	2,244	9.9	3,914	14.7	1,669	74.4
Information and communications work	968	4.3	895	3.4	(73)	(7.6)
Sideline businesses	317	1.4	298	1.1	(19)	(6.0)
Total	22,588	100.0	26,653	100.0	4,064	18.0

(2) Orders received by customer

(Million yen)

Classification	For the three months ended June 30, 2024		For the three months ended June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	11,985	53.1	11,745	44.1	(240)	(2.0)
Government offices	955	4.2	3,451	12.9	2,496	261.4
Private sector	9,647	42.7	11,455	43.0	1,807	18.7
Total	22,588	100.0	26,653	100.0	4,064	18.0

(3) Sales results by type of construction

(Million yen)

Classification	For the three months ended June 30, 2024		For the three months ended June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	8,427	42.2	8,829	54.1	402	4.8
Power transmission and civil engineering work	892	4.5	972	6.0	79	9.0
Electrical and instrumentation work	6,850	34.3	4,035	24.7	(2,815)	(41.1)
Air conditioning and plumbing work	2,790	14.0	1,422	8.7	(1,368)	(49.0)
Information and communications work	691	3.4	774	4.7	83	12.0
Sideline businesses	317	1.6	298	1.8	(19)	(6.0)
Total	19,968	100.0	16,331	100.0	(3,636)	(18.2)

(4) Sales results by customer

(Million yen)

Classification	For the three months ended June 30, 2024		For the three months ended June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	9,436	47.3	9,892	60.6	456	4.8
Government offices	1,159	5.8	871	5.3	(288)	(24.8)
Private sector	9,371	46.9	5,567	34.1	(3,804)	(40.6)
Total	19,968	100.0	16,331	100.0	(3,636)	(18.2)

(5) Construction contracts carried over by type of construction

(Million yen)

Classification	As of June 30, 2024		As of June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	6,291	11.1	6,120	10.6	(170)	(2.7)
Power transmission and civil engineering work	4,608	8.1	4,543	7.8	(64)	(1.4)
Electrical and instrumentation work	33,893	59.7	33,436	57.6	(457)	(1.3)
Air conditioning and plumbing work	6,942	12.2	10,816	18.6	3,873	55.8
Information and communications work	5,066	8.9	3,105	5.4	(1,961)	(38.7)
Sideline businesses	—	—	—	—	—	—
Total	56,802	100.0	58,022	100.0	1,219	2.1

(6) Construction contracts carried over by customer

(Million yen)

Classification	As of June 30, 2024		As of June 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	11,143	19.6	10,820	18.6	(323)	(2.9)
Government offices	9,731	17.1	10,837	18.7	1,105	11.4
Private sector	35,927	63.3	36,364	62.7	437	1.2
Total	56,802	100.0	58,022	100.0	1,219	2.1

*Shikoku Electric Power Group: Shikoku Electric Power Company, Incorporated and Shikoku Electric Power Transmission & Distribution Company, Incorporated