Translation

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[Summary] Consolidated Financial Results for the Six Months Ended September 30, 2025 (Based on Japanese GAAP)

October 31, 2025

Company name:	Kandenko Co., Ltd.		
Stock exchange listing:	Tokyo		
Stock code:	1942 URL https://www.kandenko.co.jp/		
Representative:	President and Executive Officer	Hirofumi Tamogami	
Inquiries:	General Manager of IR and Public Relations Office	Takashi Nomoto	TEL (03)5476-2111
Scheduled date to file Semi-annual Securities Report:		November 14, 2025	
Scheduled date to commence dividend payments:		December 5, 2025	
Preparation of supplementary material on financial results:		Yes	
Holding of financial results meeting:		Yes	(for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	340,638	18.8	37,900	49.1	38,949	49.0	26,405	53.0
Six months ended September 30, 2024	286,740	9.5	25,427	61.5	26,144	57.0	17,263	55.5

Note: Comprehensive income For the six months ended September 30, 2025: ¥36,477 million [133.2%]
For the six months ended September 30, 2024: ¥15,639 million [(8.7)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	129.18	–
Six months ended September 30, 2024	84.47	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	596,287	405,770	65.7
As of March 31, 2025	603,220	380,949	61.0

Reference: Equity
As of September 30, 2025: ¥391,612 million
As of March 31, 2025: ¥367,861 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	26.00	–	56.00	82.00
Fiscal year ending March 31, 2026	–	45.00			
Fiscal year ending March 31, 2026 (Forecast)			–	45.00	90.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: The dividend of 26 yen at the end of 2nd quarter of the fiscal year ended March 31, 2025 includes an “80th anniversary commemorative dividend” of 2 yen.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	703,000	4.6	63,000	8.0	64,000	7.6	46,000	8.5	225.05

Note: Revisions to the earnings forecast most recently announced: None

4. Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No
Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	205,288,338 shares	As of March 31, 2025	205,288,338 shares

Number of treasury shares at the end of the period

As of September 30, 2025	881,486 shares	As of March 31, 2025	891,322 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	204,399,431 shares	Six months ended September 30, 2024	204,382,122 shares

[Reference] Forecast of non-consolidated financial results

Forecast of non-consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	607,000	4.1	53,200	9.0	54,700	8.9	41,500	11.2	203.03

Note: Revisions to the earnings forecast most recently announced: None

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ significantly from such statements due to a variety of factors.

Semi-annual consolidated financial statements

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	60,991	62,818
Notes receivable, accounts receivable from completed construction contracts and other	272,293	238,424
Securities	–	3,998
Costs on construction contracts in progress	24,142	23,350
Other	29,199	36,866
Allowance for doubtful accounts	(1,365)	(1,340)
Total current assets	385,262	364,118
Non-current assets		
Property, plant and equipment		
Land	66,342	66,621
Other, net	66,435	66,479
Total property, plant and equipment	132,777	133,101
Intangible assets	4,511	4,893
Investments and other assets		
Investment securities	67,429	81,327
Other	15,017	14,696
Allowance for doubtful accounts	(1,777)	(1,849)
Total investments and other assets	80,669	94,174
Total non-current assets	217,958	232,169
Total assets	603,220	596,287

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	102,059	69,962
Short-term borrowings	16,791	6,890
Income taxes payable	12,089	9,226
Advances received on construction contracts in progress	18,943	23,927
Provision for loss on construction contracts	7,692	5,948
Other provisions	1,439	1,103
Other	39,872	47,360
Total current liabilities	198,888	164,419
Non-current liabilities		
Long-term borrowings	4,174	3,873
Other provisions	193	148
Retirement benefit liability	4,876	4,972
Other	14,138	17,103
Total non-current liabilities	23,382	26,097
Total liabilities	222,271	190,517
Net assets		
Shareholders’ equity		
Share capital	10,264	10,264
Capital surplus	6,418	6,446
Retained earnings	326,335	341,296
Treasury shares	(510)	(505)
Total shareholders’ equity	342,508	357,501
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,480	35,950
Deferred gains or losses on hedges	(42)	(24)
Revaluation reserve for land	(6,368)	(6,370)
Remeasurements of defined benefit plans	5,283	4,555
Total accumulated other comprehensive income	25,352	34,111
Non-controlling interests	13,087	14,157
Total net assets	380,949	405,770
Total liabilities and net assets	603,220	596,287

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales of completed construction contracts	286,740	340,638
Cost of sales of completed construction contracts	246,936	286,554
Gross profit on completed construction contracts	39,804	54,084
Selling, general and administrative expenses	14,376	16,183
Operating profit	25,427	37,900
Non-operating income		
Dividend income	814	821
Other	186	413
Total non-operating income	1,000	1,234
Non-operating expenses		
Interest expenses	99	115
Foreign exchange losses	117	–
Other	67	71
Total non-operating expenses	283	186
Ordinary profit	26,144	38,949
Extraordinary income		
Gain on sale of non-current assets	–	483
Total extraordinary income	–	483
Extraordinary losses		
Loss on retirement of non-current assets	215	106
Other	41	13
Total extraordinary losses	256	119
Profit before income taxes	25,887	39,313
Income taxes	8,274	11,685
Profit	17,613	27,628
Profit attributable to non-controlling interests	350	1,223
Profit attributable to owners of parent	17,263	26,405

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	17,613	27,628
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,878)	9,557
Deferred gains or losses on hedges	15	17
Remeasurements of defined benefit plans, net of tax	(111)	(727)
Total other comprehensive income	(1,974)	8,848
Comprehensive income	15,639	36,477
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,302	35,165
Comprehensive income attributable to non-controlling interests	336	1,311

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	25,887	39,313
Depreciation	4,616	5,165
Increase (decrease) in allowance for doubtful accounts	(49)	48
Increase (decrease) in provision for loss on construction contracts	(1,981)	(1,744)
Increase/decrease in retirement benefit asset and liability	(70)	(849)
Interest and dividend income	(833)	(891)
Interest expenses	99	115
Decrease (increase) in trade receivables	59,498	33,787
Decrease (increase) in costs on construction contracts in progress	(1,230)	792
Increase (decrease) in trade payables	(28,439)	(32,060)
Increase (decrease) in advances received on construction contracts in progress	2,465	4,984
Other, net	(1,471)	(1,938)
Subtotal	58,490	46,720
Interest and dividends received	833	891
Interest paid	(99)	(115)
Income taxes refund (paid)	(12,710)	(13,689)
Net cash provided by (used in) operating activities	46,514	33,808
Cash flows from investing activities		
Net decrease (increase) in time deposits	350	(830)
Purchase of property, plant and equipment	(6,000)	(5,319)
Proceeds from sale of property, plant and equipment	56	1,248
Purchase of investment securities	(5)	(3)
Proceeds from sale and redemption of investment securities	0	26
Loan advances	(1,120)	(1,585)
Proceeds from collection of loans receivable	850	1,720
Other, net	(1,528)	(1,542)
Net cash provided by (used in) investing activities	(7,397)	(6,286)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,735)	(9,900)
Repayments of long-term borrowings	(205)	(301)
Dividends paid	(4,905)	(11,446)
Other, net	(704)	(937)
Net cash provided by (used in) financing activities	(15,550)	(22,585)
Effect of exchange rate change on cash and cash equivalents	(47)	59
Net increase (decrease) in cash and cash equivalents	23,519	4,995
Cash and cash equivalents at beginning of period	62,438	57,835
Cash and cash equivalents at end of period	85,958	62,831