Translation

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Consolidated Financial Results for the Three Months Ended June 30, 2026 (Based on Japanese GAAP)

July 31, 2026

Company name: Kandenko Co., Ltd.
Stock exchange listing: Tokyo
Stock code: 1942 URL https://www.kandenko.co.jp/
Representative: President and Representative Director Hirofumi Tamogami
Inquiries: General Manager of IR and Public Relations Office Takashi Nomoto TEL (03)5476-2111
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(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	%
Three months ended June 30, 2026	158,043	(4.5)	19,719	12.8	20,537	12.5	13,185	4.2
Three months ended June 30, 2025	165,567	28.5	17,476	68.8	18,261	65.2	12,653	71.4

Note: Comprehensive income For the three months ended June 30, 2026: ¥11,561 million [(34.0)%]
For the three months ended June 30, 2025: ¥17,516 million [189.3%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2026	66.25	–
Three months ended June 30, 2025	61.91	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	597,708	401,097	64.5
As of March 31, 2026	635,618	405,687	61.4

Reference: Equity
As of June 30, 2026: ¥385,476 million
As of March 31, 2026: ¥390,270 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, 2026	–	45.00	–	79.00	124.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		65.00	–	65.00	130.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

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
Six months ending September 30, 2026	361,000	6.0	43,200	14.0	43,500	11.7	28,300	7.2	142.20
Full year	780,000	5.1	90,000	8.3	90,500	6.5	65,000	2.3	326.61

Note: Revisions to the earnings forecast most recently announced: No

4. Notes

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

(2) Application of special accounting methods for preparing quarterly 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 June 30, 2026	205,288,338 shares	As of March 31, 2026	205,288,338 shares

Number of treasury shares at the end of the period

As of June 30, 2026	6,274,583 shares	As of March 31, 2026	6,274,418 shares

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

Three months ended June 30, 2026	199,013,915 shares	Three months ended June 30, 2025	204,396,977 shares

[Reference] Forecast of non-consolidated financial results

Forecast of non-consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

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
Six months ending September 30, 2026	307,000	5.5	36,500	19.0	37,100	16.3	25,100	11.3	126.12
Full year	674,000	5.7	76,700	10.1	77,800	8.3	58,700	3.9	294.95

Note: Revisions to the earnings forecast most recently announced: No

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* 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.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	77,938	81,298
Notes receivable, accounts receivable from completed construction contracts and other	266,551	202,992
Securities	1,999	17,944
Costs on construction contracts in progress	20,341	23,634
Other	32,289	35,772
Allowance for doubtful accounts	(1,247)	(1,169)
Total current assets	397,872	360,473
Non-current assets		
Property, plant and equipment		
Land	66,370	66,398
Other, net	74,296	72,401
Total property, plant and equipment	140,666	138,799
Intangible assets	4,439	4,563
Investments and other assets		
Investment securities	77,397	78,793
Other	16,821	16,663
Allowance for doubtful accounts	(1,579)	(1,583)
Total investments and other assets	92,639	93,872
Total non-current assets	237,745	237,235
Total assets	635,618	597,708

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	83,130	48,975
Short-term borrowings	6,097	9,773
Income taxes payable	14,321	7,445
Advances received on construction contracts in progress	35,992	48,438
Provision for loss on construction contracts	7,348	6,706
Other provisions	1,704	648
Other	58,505	53,199
Total current liabilities	207,100	175,187
Non-current liabilities		
Long-term borrowings	2,009	1,933
Other provisions	119	123
Retirement benefit liability	4,896	4,554
Other	15,805	14,811
Total non-current liabilities	22,830	21,423
Total liabilities	229,931	196,611
Net assets		
Shareholders' equity		
Share capital	10,264	10,264
Capital surplus	6,446	6,446
Retained earnings	369,349	366,812
Treasury shares	(30,506)	(30,507)
Total shareholders' equity	355,553	353,016
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,978	33,987
Revaluation reserve for land	(6,509)	(6,509)
Remeasurements of defined benefit plans	5,247	4,981
Total accumulated other comprehensive income	34,716	32,459
Non-controlling interests	15,416	15,621
Total net assets	405,687	401,097
Total liabilities and net assets	635,618	597,708

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales of completed construction contracts	165,567	158,043
Cost of sales of completed construction contracts	140,444	129,442
Gross profit on completed construction contracts	25,123	28,601
Selling, general and administrative expenses	7,647	8,881
Operating profit	17,476	19,719
Non-operating income		
Dividend income	708	737
Other	187	188
Total non-operating income	896	925
Non-operating expenses		
Interest expenses	69	67
Other	41	40
Total non-operating expenses	110	107
Ordinary profit	18,261	20,537
Extraordinary income		
Gain on sale of investment securities	–	24
Gain on sale of non-current assets	483	–
Total extraordinary income	483	24
Extraordinary losses		
Loss on retirement of non-current assets	22	14
Total extraordinary losses	22	14
Profit before income taxes	18,722	20,547
Income taxes	5,431	6,742
Profit	13,290	13,805
Profit attributable to non-controlling interests	636	619
Profit attributable to owners of parent	12,653	13,185

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	13,290	13,805
Other comprehensive income		
Valuation difference on available-for-sale securities	4,089	(1,975)
Deferred gains or losses on hedges	(4)	–
Remeasurements of defined benefit plans, net of tax	141	(268)
Total other comprehensive income	4,226	(2,243)
Comprehensive income	17,516	11,561
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,845	10,929
Comprehensive income attributable to non-controlling interests	671	632