

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (Based on Japanese GAAP)

July 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
 General Manager of
 Inquiries: 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, 2025 (from April 1, 2025 to June 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	%
Three months ended June 30, 2025	165,567	28.5	17,476	68.8	18,261	65.2	12,653	71.4
Three months ended June 30, 2024	128,864	8.5	10,353	53.0	11,053	45.6	7,382	45.6

Note: Comprehensive income For the three months ended June 30, 2025: ¥17,516 million [189.3%]
 For the three months ended June 30, 2024: ¥6,053 million [(33.8)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	61.91	–
Three months ended June 30, 2024	36.12	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	578,875	386,777	64.5
As of March 31, 2025	603,220	380,949	61.0

Reference: Equity
 As of June 30, 2025: ¥373,260 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	–				
Fiscal year ending March 31, 2026 (Forecast)		45.00	–	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
Six months ending September 30, 2025	333,000	16.1	31,500	23.9	32,000	22.4	21,800	26.3	106.66
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 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, 2025	205,288,338 shares	As of March 31, 2025	205,288,338 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	891,462 shares	As of March 31, 2025	891,322 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	204,396,977 shares	Three months ended June 30, 2024	204,377,113 shares
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[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
Six months ending September 30, 2025	292,000	17.9	28,000	29.6	28,700	27.9	20,100	32.0	98.34
Full year	607,000	4.1	53,200	9.0	54,700	8.9	41,500	11.2	203.04

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

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* 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, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	60,991	66,138
Notes receivable, accounts receivable from completed construction contracts and other	272,293	225,223
Securities	–	2,999
Costs on construction contracts in progress	24,142	25,980
Other	29,199	37,238
Allowance for doubtful accounts	(1,365)	(1,289)
Total current assets	385,262	356,291
Non-current assets		
Property, plant and equipment		
Land	66,342	66,621
Other, net	66,435	66,175
Total property, plant and equipment	132,777	132,797
Intangible assets	4,511	4,484
Investments and other assets		
Investment securities	67,429	73,364
Other	15,017	13,724
Allowance for doubtful accounts	(1,777)	(1,787)
Total investments and other assets	80,669	85,301
Total non-current assets	217,958	222,583
Total assets	603,220	578,875

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	102,059	69,975
Short-term borrowings	16,791	9,241
Income taxes payable	12,089	2,976
Advances received on construction contracts in progress	18,943	30,822
Provision for loss on construction contracts	7,692	6,784
Other provisions	1,439	501
Other	39,872	48,066
Total current liabilities	198,888	168,368
Non-current liabilities		
Long-term borrowings	4,174	4,066
Other provisions	193	183
Retirement benefit liability	4,876	4,944
Other	14,138	14,535
Total non-current liabilities	23,382	23,729
Total liabilities	222,271	192,098
Net assets		
Shareholders' equity		
Share capital	10,264	10,264
Capital surplus	6,418	6,418
Retained earnings	326,335	327,544
Treasury shares	(510)	(510)
Total shareholders' equity	342,508	343,717
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,480	30,535
Deferred gains or losses on hedges	(42)	(47)
Revaluation reserve for land	(6,368)	(6,370)
Remeasurements of defined benefit plans	5,283	5,424
Total accumulated other comprehensive income	25,352	29,542
Non-controlling interests	13,087	13,517
Total net assets	380,949	386,777
Total liabilities and net assets	603,220	578,875

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

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales of completed construction contracts	128,864	165,567
Cost of sales of completed construction contracts	111,385	140,444
Gross profit on completed construction contracts	17,479	25,123
Selling, general and administrative expenses	7,126	7,647
Operating profit	10,353	17,476
Non-operating income		
Dividend income	688	708
Other	103	187
Total non-operating income	792	896
Non-operating expenses		
Interest expenses	57	69
Other	34	41
Total non-operating expenses	92	110
Ordinary profit	11,053	18,261
Extraordinary income		
Gain on sale of non-current assets	—	483
Total extraordinary income	—	483
Extraordinary losses		
Loss on retirement of non-current assets	—	22
Total extraordinary losses	—	22
Profit before income taxes	11,053	18,722
Income taxes	3,592	5,431
Profit	7,460	13,290
Profit attributable to non-controlling interests	77	636
Profit attributable to owners of parent	7,382	12,653

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	7,460	13,290
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,363)	4,089
Deferred gains or losses on hedges	12	(4)
Remeasurements of defined benefit plans, net of tax	(55)	141
Total other comprehensive income	(1,406)	4,226
Comprehensive income	6,053	17,516
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,984	16,845
Comprehensive income attributable to non-controlling interests	69	671