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Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]



October 31, 2025

Company name: YONDENKO CORPORATION

Stock exchange listing: Tokyo Stock Exchange

Code number: 1939

URL: <https://www.yondenko.co.jp/en/>

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Scheduled date of filing semi-annual securities report: November 6, 2025

Scheduled date of commencing dividend payments: November 28, 2025

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Scheduled (Video streaming is scheduled.)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 - September 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2025	43,603	(12.1)	3,635	(20.0)	3,901	(18.2)	2,659	(3.1)
September 30, 2024	49,618	20.9	4,545	51.3	4,768	47.2	2,745	28.4

(Note) Comprehensive income: Six Months Ended September 30, 2025: ¥3,447 million [49.1%]

Six Months Ended September 30, 2024: ¥2,312 million [(24.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	56.23	—
September 30, 2024	58.10	—

(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 took place at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2025	92,597	66,753	72.0
As of March 31, 2025	99,630	64,890	65.1

(Reference) Equity: As of September 30, 2025: ¥66,658 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	—	32.00			
Fiscal year ending March 31, 2026 (Forecast)			—	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)	105.70

(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 semi-annual consolidated financial statements: Yes
(Note) See “2. (3) Notes to Semi-annual Consolidated Financial Statements” on page 11 of the attached document 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):

September 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:

September 30, 2025: 1,431,449 shares

March 31, 2025: 1,487,869 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2025: 47,301,685 shares

Six months ended September 30, 2024: 47,250,549 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 took place at the beginning of the previous fiscal year.

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

* 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 6 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 Six Months Ended September 30, 2025 (April 1, 2025 - September 30, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	35,691	(18.5)	2,029	(43.2)	2,447	(35.6)	1,717	(20.6)
September 30, 2024	43,772	30.5	3,575	115.4	3,801	90.1	2,163	55.4

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	36.31	—
September 30, 2024	45.79	—

(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 took 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 September 30, 2025	75,013	55,673	74.2
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)	84.56

(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 6 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 six months ended September 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. However, we were able to secure record-high orders and maintain a high level of results for a first half by thoroughly managing construction progress and costs.

[Consolidated financial results]

(Million yen unless stated otherwise)

Classification	For the six months ended September 30, 2024	For the six months ended September 30, 2025	Change	Rate of change (%)
	Amount	Amount		
Orders received	52,138	55,753	3,615	6.9
Net sales	49,618	43,603	(6,014)	(12.1)
Operating profit	4,545	3,635	(910)	(20.0)
Ordinary profit	4,768	3,901	(866)	(18.2)
Profit attributable to owners of parent	2,745	2,659	(85)	(3.1)

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

Total assets decreased by ¥7,032 million from the end of the previous fiscal year to ¥92,597 million due in part to decreases in notes receivable, accounts receivable from completed construction contracts and other, as well as deposits paid to subsidiaries and associates.

Liabilities decreased by ¥8,896 million from the end of the previous fiscal year to ¥25,843 million due in part to decreases in notes payable, accounts payable for construction contracts and other, and income taxes payable.

Net assets increased by ¥1,863 million from the end of the previous fiscal year to ¥66,753 million (equity ratio: 72.0%), due in part to the recording of profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities, despite the payment of year-end dividend for the fiscal year ended March 31, 2025.

(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 future economic trends 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 effective allocation of construction capacity and thorough cost management.

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

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	9,457	9,483
Notes receivable, accounts receivable from completed construction contracts and other	29,267	22,660
Investments in leases	3,554	3,681
Costs on construction contracts in progress	2,074	3,432
Other inventories	2,227	2,389
Deposits paid to subsidiaries and associates	7,500	4,000
Other	1,272	1,628
Allowance for doubtful accounts	(83)	(93)
Total current assets	55,270	47,182
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,954	18,975
Machinery, vehicles, tools, furniture and fixtures	22,665	22,960
Land	11,168	11,188
Other	102	202
Accumulated depreciation	(28,566)	(29,135)
Total property, plant and equipment	24,325	24,192
Intangible assets		
Goodwill	349	301
Other	453	418
Total intangible assets	803	720
Investments and other assets		
Investment securities	12,133	13,716
Other	7,194	6,869
Allowance for doubtful accounts	(97)	(83)
Total investments and other assets	19,231	20,501
Total non-current assets	44,359	45,414
Total assets	99,630	92,597

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	13,772	7,870
Short-term borrowings	80	210
Income taxes payable	2,105	1,376
Advances received on construction contracts in progress	2,020	2,424
Provision for loss on construction contracts	151	63
Other	8,062	5,704
Total current liabilities	26,191	17,649
Non-current liabilities		
Bonds payable	80	30
Long-term borrowings	5,561	5,347
Provision for retirement benefits for directors (and other officers)	341	201
Retirement benefit liability	2,395	2,435
Other	168	179
Total non-current liabilities	8,548	8,193
Total liabilities	34,739	25,843
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,311	4,359
Retained earnings	54,219	55,224
Treasury shares	(644)	(620)
Total shareholders' equity	61,337	62,415
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,745	2,750
Remeasurements of defined benefit plans	1,730	1,491
Total accumulated other comprehensive income	3,475	4,242
Non-controlling interests	77	95
Total net assets	64,890	66,753
Total liabilities and net assets	99,630	92,597

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales		
Net sales of completed construction contracts	46,951	40,807
Sales in other businesses	2,666	2,796
Total net sales	49,618	43,603
Cost of sales		
Cost of sales of completed construction contracts	38,591	33,519
Cost of sales in other businesses	1,640	1,732
Total cost of sales	40,231	35,252
Gross profit		
Gross profit on completed construction contracts	8,360	7,287
Gross profit - other business	1,026	1,064
Total gross profit	9,386	8,351
Selling, general and administrative expenses	4,840	4,716
Operating profit	4,545	3,635
Non-operating income		
Interest income	8	32
Dividend income	129	169
Rental income from real estate	30	31
Other	77	59
Total non-operating income	245	292
Non-operating expenses		
Interest expenses	13	13
Other	9	13
Total non-operating expenses	23	26
Ordinary profit	4,768	3,901
Extraordinary income		
Gain on sale of non-current assets	2	1
Total extraordinary income	2	1
Extraordinary losses		
Loss on sale of non-current assets	-	0
Impairment losses	358	-
Loss on retirement of non-current assets	6	7
Provision of allowance for compensation for damage	340	-
Total extraordinary losses	705	7
Profit before income taxes	4,065	3,895
Income taxes	1,298	1,214
Profit	2,766	2,680
Profit attributable to non-controlling interests	21	20
Profit attributable to owners of parent	2,745	2,659

Semi-annual Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	2,766	2,680
Other comprehensive income		
Valuation difference on available-for-sale securities	(336)	1,005
Remeasurements of defined benefit plans, net of tax	(117)	(238)
Total other comprehensive income	(454)	767
Comprehensive income	2,312	3,447
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,290	3,427
Comprehensive income attributable to non-controlling interests	21	20

(3) Notes to Semi-annual Consolidated Financial Statements

(Accounting methods adopted particularly for the preparation of semi-annual 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 six months ended September 30, 2024

1. Financial indicators by reportable segment and disaggregation of revenue

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount recorded in semi-annual consolidated statements of income (Note 3)
	Equipment installation business	Leasing business	Solar power business	Total				
Net sales								
Revenue from power distribution work contracts	16,799	—	—	16,799	—	16,799	—	16,799
Revenue from other equipment installation work	30,152	—	—	30,152	—	30,152	—	30,152
Other	—	—	1,261	1,261	617	1,879	—	1,879
Revenue from contracts with customers	46,951	—	1,261	48,213	617	48,831	—	48,831
Revenue from other sources	—	786	—	786	—	786	—	786
Net sales to external customers	46,951	786	1,261	49,000	617	49,618	—	49,618
Inter-segment sales or transfers	32	618	—	651	0	651	(651)	—
Total	46,984	1,405	1,261	49,651	617	50,269	(651)	49,618
Segment profit	3,704	137	599	4,441	107	4,548	(3)	4,545

(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 semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant impairment losses relating to non-current assets)

In the “Other” segment, the carrying amount of land, buildings, and other assets of company housing and dormitories, which we decided to sell as they were no longer needed for their intended purpose, was reduced to the recoverable amount, with the decrease recorded under extraordinary losses as impairment losses.

The amount of impairment losses recorded for the period under review was ¥358 million.

For the six months ended September 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 semi-annual consolidated statements of income (Note 3)
	Equipment installation business	Leasing business	Solar power business	Total				
Net sales								
Revenue from power distribution work contracts	17,679	—	—	17,679	—	17,679	—	17,679
Revenue from other equipment installation work	23,127	—	—	23,127	—	23,127	—	23,127
Other	—	—	1,280	1,280	642	1,922	—	1,922
Revenue from contracts with customers	40,807	—	1,280	42,087	642	42,730	—	42,730
Revenue from other sources	—	873	—	873	—	873	—	873
Net sales to external customers	40,807	873	1,280	42,961	642	43,603	—	43,603
Inter-segment sales or transfers	41	630	—	672	0	672	(672)	—
Total	40,848	1,504	1,280	43,633	643	44,276	(672)	43,603
Segment profit	2,771	132	619	3,523	113	3,637	(2)	3,635

(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 semi-annual consolidated statements of income.

(Notes to significant changes in shareholders’ equity)

Not applicable.

(Going concern)

Not applicable.

(Notes on the statements of cash flows)

Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the six months ended September 30, 2024 and 2025 are as follows:

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Depreciation	960	963
Amortization of goodwill	183	47

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

(1) Orders received by type of construction

(Million yen)

Classification	For the six months ended September 30, 2024		For the six months ended September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	17,769	38.4	19,384	39.9	1,615	9.1
Power transmission and civil engineering work	3,304	7.1	3,369	6.9	64	2.0
Electrical and instrumentation work	16,038	34.7	16,396	33.7	358	2.2
Air conditioning and plumbing work	6,739	14.6	7,020	14.4	281	4.2
Information and communications work	1,745	3.8	1,800	3.7	55	3.2
Sideline businesses	654	1.4	688	1.4	34	5.2
Total	46,251	100.0	48,660	100.0	2,409	5.2

(2) Orders received by customer

(Million yen)

Classification	For the six months ended September 30, 2024		For the six months ended September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	21,413	46.3	23,240	47.8	1,826	8.5
Government offices	2,584	5.6	5,320	10.9	2,736	105.9
Private sector	22,253	48.1	20,099	41.3	(2,153)	(9.7)
Total	46,251	100.0	48,660	100.0	2,409	5.2

(3) Sales results by type of construction

(Million yen)

Classification	For the six months ended September 30, 2024		For the six months ended September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	17,264	39.4	18,102	50.7	838	4.9
Power transmission and civil engineering work	2,004	4.6	2,038	5.7	34	1.7
Electrical and instrumentation work	16,362	37.4	9,693	27.2	(6,668)	(40.8)
Air conditioning and plumbing work	5,526	12.6	3,472	9.7	(2,053)	(37.2)
Information and communications work	1,960	4.5	1,694	4.8	(266)	(13.6)
Sideline businesses	654	1.5	688	1.9	34	5.2
Total	43,772	100.0	35,691	100.0	(8,080)	(18.5)

(4) Sales results by customer

(Million yen)

Classification	For the six months ended September 30, 2024		For the six months ended September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	19,553	44.7	20,401	57.2	848	4.3
Government offices	3,359	7.7	2,853	8.0	(505)	(15.1)
Private sector	20,859	47.6	12,435	34.8	(8,423)	(40.4)
Total	43,772	100.0	35,691	100.0	(8,080)	(18.5)

(5) Construction contracts carried over by type of construction

(Million yen)

Classification	As of September 30, 2024		As of September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	5,905	10.4	6,549	10.8	643	10.9
Power transmission and civil engineering work	4,213	7.4	5,090	8.4	876	20.8
Electrical and instrumentation work	33,266	58.7	34,067	56.1	800	2.4
Air conditioning and plumbing work	8,701	15.4	11,871	19.6	3,170	36.4
Information and communications work	4,573	8.1	3,091	5.1	(1,482)	(32.4)
Sideline businesses	—	—	—	—	—	—
Total	56,661	100.0	60,670	100.0	4,008	7.1

(6) Construction contracts carried over by customer

(Million yen)

Classification	As of September 30, 2024		As of September 30, 2025		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	10,454	18.4	11,805	19.4	1,350	12.9
Government offices	9,161	16.2	10,724	17.7	1,563	17.1
Private sector	37,045	65.4	38,139	62.9	1,094	3.0
Total	56,661	100.0	60,670	100.0	4,008	7.1

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