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Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

July 31, 2026

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
Contact: Koichiro Tada, General Manager, Accounting and Finance Dept.
Phone: +81-87-840-0230
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, 2026 (April 1, 2026 - June 30, 2026)

(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, 2026	24,089	18.9	2,815	92.5	2,928	90.3	1,959	86.4
June 30, 2025	20,264	(13.0)	1,462	(18.3)	1,539	(16.5)	1,051	(13.5)

(Note) Comprehensive income: Three Months Ended June 30, 2026: ¥1,639 million [45.9%]
Three Months Ended June 30, 2025: ¥1,124 million [9.3%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	41.40	–
June 30, 2025	22.24	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	97,039	70,702	72.7
As of March 31, 2026	103,871	71,199	68.4

(Reference) Equity: As of June 30, 2026: ¥70,594 million
As of March 31, 2026: ¥71,092 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	32.00	–	45.00	77.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		42.00	–	42.00	84.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% 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	108,000	8.6	9,400	6.5	9,900	6.1	6,600	(12.0)	139.43

(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 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):
June 30, 2026: 48,766,410 shares
March 31, 2026: 48,766,410 shares

2) Total number of treasury shares at the end of the period:
June 30, 2026: 1,431,799 shares
March 31, 2026: 1,431,731 shares

3) Average number of shares outstanding during the period:
Three months ended June 30, 2026: 47,334,630 shares
Three months ended June 30, 2025: 47,278,527 shares

* 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 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 Three Months Ended June 30, 2026 (April 1, 2026 - June 30, 2026)

(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, 2026	20,054	22.8	1,529	94.4	1,808	70.3	1,243	66.1
June 30, 2025	16,331	(18.2)	786	(29.8)	1,061	(12.7)	748	(10.1)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	26.27	–
June 30, 2025	15.83	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	78,515	58,296	74.2
As of March 31, 2026	84,591	59,397	70.2

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	95,000	13.0	8,000	24.9	8,500	19.5	5,800	(5.2)	122.53

(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.

○ Table of Contents for the Attachments

1. Overview of Business Results

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

During the three months ended June 30, 2026, the Japanese economy continued to show a gradual recovery in personal consumption and employment conditions, and corporate earnings also showed signs of recovery; however, impacts were also felt from rising prices and turmoil in the Middle East. The Shikoku economy generally followed a similar trend, although to varying degrees.

In the construction industry, the order environment was favorable, particularly centered on urban areas, despite concerns about supply constraints, such as rising prices for materials and equipment as well as labor shortages.

In this environment, the consolidated financial results of YONDENKO CORPORATION (the "Company") and its subsidiaries (collectively, the "Group") for the period under review showed an increase in revenue and profit driven by efforts to ensure the steady progress of a substantial backlog of construction projects and improve profitability through rigorous process and cost management.

[Consolidated financial results]

(Million yen unless stated otherwise)

Classification	For the three months ended June 30, 2025	For the three months ended June 30, 2026	Change	Rate of change (%)
	Amount	Amount		
Orders received	30,442	33,673	3,231	10.6
Net sales	20,264	24,089	3,825	18.9
Operating profit	1,462	2,815	1,352	92.5
Ordinary profit	1,539	2,928	1,389	90.3
Profit attributable to owners of parent	1,051	1,959	908	86.4

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

Total assets decreased by ¥6,831 million from the end of the previous fiscal year to ¥97,039 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, despite increases in cash and deposits and electronically recorded monetary claims - operating.

Liabilities decreased by ¥6,335 million from the end of the previous fiscal year to ¥26,337 million due in part to decreases in accounts payable for construction contracts and other and income taxes payable.

Net assets decreased by ¥496 million from the end of the previous fiscal year to ¥70,702 million (equity ratio: 72.7%), due in part to the payment of year-end dividends for the fiscal year ended March 31, 2026 and a decrease in valuation difference on available-for-sale securities, 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 continued attention must be paid to factors such as rising prices of materials and equipment as well as labor shortages. There are also continued concerns regarding risks to resource supplies and rising prices due to prolonged turmoil in the Middle East.

Under these circumstances, the Group will strive to increase orders and improve profitability through strategic order acceptance decisions by strengthening collaboration between sales, construction, and cost management, while working to strengthen earnings power by thoroughly implementing cost management throughout the entire supply chain.

The full-year financial results forecast remains unchanged from the figures announced on April 30, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	13,266	16,916
Notes receivable, accounts receivable from completed construction contracts and other	27,458	20,139
Electronically recorded monetary claims - operating	1,537	3,275
Investments in leases	3,746	3,790
Costs on construction contracts in progress	2,873	3,543
Other inventories	2,353	2,367
Deposits paid to subsidiaries and associates	5,000	–
Other	2,221	1,439
Allowance for doubtful accounts	(58)	(58)
Total current assets	58,398	51,413
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,972	18,977
Machinery, vehicles, tools, furniture and fixtures	23,088	23,244
Land	11,392	11,392
Other	891	1,323
Accumulated depreciation	(29,841)	(30,111)
Total property, plant and equipment	24,504	24,826
Intangible assets		
Goodwill	254	230
Other	405	397
Total intangible assets	659	628
Investments and other assets		
Investment securities	13,010	12,700
Other	7,347	7,517
Allowance for doubtful accounts	(48)	(46)
Total investments and other assets	20,309	20,172
Total non-current assets	45,473	45,626
Total assets	103,871	97,039

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts and other	12,313	7,766
Electronically recorded obligations - operating	182	207
Short-term borrowings	500	600
Income taxes payable	2,514	1,074
Advances received on construction contracts in progress	2,471	2,963
Provision for loss on construction contracts	102	86
Other	6,589	6,001
Total current liabilities	24,674	18,700
Non-current liabilities		
Bonds payable	–	30
Long-term borrowings	4,653	4,409
Provision for retirement benefits for directors (and other officers)	208	212
Retirement benefit liability	2,482	2,492
Other	653	492
Total non-current liabilities	7,997	7,636
Total liabilities	32,672	26,337
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,359	4,359
Retained earnings	58,550	58,380
Treasury shares	(620)	(620)
Total shareholders' equity	65,740	65,570
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,615	3,403
Remeasurements of defined benefit plans	1,735	1,620
Total accumulated other comprehensive income	5,351	5,023
Non-controlling interests	106	108
Total net assets	71,199	70,702
Total liabilities and net assets	103,871	97,039

(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, 2025	For the three months ended June 30, 2026
Net sales		
Net sales of completed construction contracts	18,976	22,786
Sales in other businesses	1,287	1,302
Total net sales	20,264	24,089
Cost of sales		
Cost of sales of completed construction contracts	15,567	17,801
Cost of sales in other businesses	855	909
Total cost of sales	16,422	18,710
Gross profit		
Gross profit on completed construction contracts	3,409	4,985
Gross profit - other business	432	393
Total gross profit	3,841	5,379
Selling, general and administrative expenses	2,379	2,564
Operating profit	1,462	2,815
Non-operating income		
Interest income	16	22
Dividend income	29	47
Rental income from real estate	17	16
Other	23	44
Total non-operating income	86	131
Non-operating expenses		
Interest expenses	6	7
Condolence money	–	7
Other	3	2
Total non-operating expenses	10	18
Ordinary profit	1,539	2,928
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	1	2
Total extraordinary losses	1	2
Profit before income taxes	1,537	2,926
Income taxes	477	959
Profit	1,059	1,967
Profit attributable to non-controlling interests	8	7
Profit attributable to owners of parent	1,051	1,959

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	1,059	1,967
Other comprehensive income		
Valuation difference on available-for-sale securities	183	(212)
Remeasurements of defined benefit plans, net of tax	(119)	(115)
Total other comprehensive income	64	(327)
Comprehensive income	1,124	1,639
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,115	1,631
Comprehensive income attributable to non-controlling interests	8	7

(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, 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.

For the three months ended June 30, 2026

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	9,184	—	—	9,184	—	9,184	—	9,184
Revenue from other equipment installation work	13,602	—	—	13,602	—	13,602	—	13,602
Other	—	—	526	526	317	844	—	844
Revenue from contracts with customers	22,786	—	526	23,313	317	23,631	—	23,631
Revenue from other sources	—	458	—	458	—	458	—	458
Net sales to external customers	22,786	458	526	23,771	317	24,089	—	24,089
Inter-segment sales or transfers	471	319	—	790	1	791	(791)	—
Total	23,258	777	526	24,562	319	24,881	(791)	24,089
Segment profit	2,641	66	179	2,887	30	2,917	(102)	2,815

(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, 2025 and 2026 are as follows:

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Depreciation	480	476
Amortization of goodwill	23	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, 2025		For the three months ended June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	9,682	36.3	10,818	37.2	1,136	11.7
Power transmission and civil engineering work	1,755	6.6	3,131	10.8	1,376	78.4
Electrical and instrumentation work	10,107	37.9	9,324	32.0	(782)	(7.7)
Air conditioning and plumbing work	3,914	14.7	4,045	13.9	130	3.3
Information and communications work	895	3.4	1,452	5.0	557	62.2
Sideline businesses	298	1.1	332	1.1	34	11.7
Total	26,653	100.0	29,105	100.0	2,452	9.2

(2) Orders received by customer

(Million yen)

Classification	For the three months ended June 30, 2025		For the three months ended June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	11,745	44.1	14,391	49.5	2,646	22.5
Government offices	3,451	12.9	2,448	8.4	(1,003)	(29.1)
Private sector	11,455	43.0	12,265	42.1	809	7.1
Total	26,653	100.0	29,105	100.0	2,452	9.2

(3) Sales results by type of construction

(Million yen)

Classification	For the three months ended June 30, 2025		For the three months ended June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	8,829	54.1	9,394	46.8	564	6.4
Power transmission and civil engineering work	972	6.0	1,175	5.9	203	20.9
Electrical and instrumentation work	4,035	24.7	5,206	26.0	1,171	29.0
Air conditioning and plumbing work	1,422	8.7	3,275	16.3	1,853	130.3
Information and communications work	774	4.7	669	3.3	(104)	(13.5)
Sideline businesses	298	1.8	332	1.7	34	11.7
Total	16,331	100.0	20,054	100.0	3,723	22.8

(4) Sales results by customer

(Million yen)

Classification	For the three months ended June 30, 2025		For the three months ended June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	9,892	60.6	10,608	52.9	716	7.2
Government offices	871	5.3	1,236	6.2	364	41.8
Private sector	5,567	34.1	8,209	40.9	2,642	47.5
Total	16,331	100.0	20,054	100.0	3,723	22.8

(5) Construction contracts carried over by type of construction

(Million yen)

Classification	As of June 30, 2025		As of June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Power distribution work	6,120	10.6	7,459	11.3	1,338	21.9
Power transmission and civil engineering work	4,543	7.8	6,224	9.4	1,681	37.0
Electrical and instrumentation work	33,436	57.6	37,615	57.0	4,179	12.5
Air conditioning and plumbing work	10,816	18.6	11,074	16.8	258	2.4
Information and communications work	3,105	5.4	3,668	5.5	563	18.1
Sideline businesses	—	—	—	—	—	—
Total	58,022	100.0	66,043	100.0	8,021	13.8

(6) Construction contracts carried over by customer

(Million yen)

Classification	As of June 30, 2025		As of June 30, 2026		Change	Rate of change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)		
Shikoku Electric Power Group*	10,820	18.6	13,997	21.2	3,176	29.4
Government offices	10,837	18.7	9,512	14.4	(1,324)	(12.2)
Private sector	36,364	62.7	42,533	64.4	6,168	17.0
Total	58,022	100.0	66,043	100.0	8,021	13.8

*Shikoku Electric Power Group: Shikoku Electric Power Company, Incorporated, Shikoku Electric Power Transmission & Distribution Company, Incorporated and YONDEN T&D Service Company, Incorporated