

Translation

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**Consolidated Financial Results
for the Nine Months Ended December 31, 2025
(Based on Japanese GAAP)**

January 29, 2026

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

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IR and Public Relations Office

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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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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	%
Nine months ended December 31, 2025	511,581	12.3	58,472	39.4	60,323	39.2	46,242	45.0
Nine months ended December 31, 2024	455,492	12.9	41,932	68.2	43,342	65.1	31,896	59.1

Note: Comprehensive income For the nine months ended December 31, 2025: ¥55,190 million [93.4%]
For the nine months ended December 31, 2024: ¥28,536 million [3.5%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	226.23	—
Nine months ended December 31, 2024	156.06	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2025	644,196	415,135	62.2
As of March 31, 2025	603,220	380,949	61.0

Reference: Equity

As of December 31, 2025: ¥400,575 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
Fiscal year ended March 31, 2025	Yen —	Yen 26.00	Yen —	Yen 56.00	Yen 82.00
Fiscal year ending March 31, 2026	—	45.00	—	—	—
Fiscal year ending March 31, 2026 (Forecast)				75.00	120.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

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.

Regarding the forecast of cash dividends, please refer to "Notice of Revision to Financial Results and Dividend Forecasts" announced today.

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
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	735,000	9.4	80,000	37.2	82,000	37.8	61,000	43.9	298.43

Note: Revisions to the earnings forecast most recently announced: Yes

Note: Regarding the earnings forecast, please refer to "Notice of Revision to Financial Results and Dividend Forecasts" announced today.

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 December 31, 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 December 31, 2025	881,622 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)

Nine months ended December 31, 2025	204,401,879 shares	Nine months ended December 31, 2024	204,387,116 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
Full year	630,000	8.0	67,800	38.9	70,000	39.4	54,600	46.3	267.12

Note: Revisions to the earnings forecast most recently announced: Yes

Note: Regarding the earnings forecast, please refer to "Notice of Revision to Financial Results and Dividend Forecasts" announced today.

* 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, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	60,991	72,482
Notes receivable, accounts receivable from completed construction contracts and other	272,293	265,299
Securities	—	4,999
Costs on construction contracts in progress	24,142	30,140
Other	29,199	41,906
Allowance for doubtful accounts	(1,365)	(1,385)
Total current assets	<u>385,262</u>	<u>413,442</u>
Non-current assets		
Property, plant and equipment		
Land	66,342	66,590
Other, net	66,435	69,858
Total property, plant and equipment	<u>132,777</u>	<u>136,449</u>
Intangible assets	4,511	5,447
Investments and other assets		
Investment securities	67,429	75,952
Other	15,017	14,792
Allowance for doubtful accounts	(1,777)	(1,887)
Total investments and other assets	<u>80,669</u>	<u>88,857</u>
Total non-current assets	<u>217,958</u>	<u>230,753</u>
Total assets	<u>603,220</u>	<u>644,196</u>

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	102,059	73,367
Short-term borrowings	16,791	30,797
Income taxes payable	12,089	6,349
Advances received on construction contracts in progress	18,943	38,813
Provision for loss on construction contracts	7,692	5,795
Other provisions	1,439	838
Other	39,872	47,663
Total current liabilities	<u>198,888</u>	<u>203,625</u>
Non-current liabilities		
Long-term borrowings	4,174	3,766
Other provisions	193	156
Retirement benefit liability	4,876	4,974
Other	14,138	16,538
Total non-current liabilities	<u>23,382</u>	<u>25,436</u>
Total liabilities	<u>222,271</u>	<u>229,061</u>
Net assets		
Shareholders' equity		
Share capital	10,264	10,264
Capital surplus	6,418	6,446
Retained earnings	326,335	351,936
Treasury shares	(510)	(506)
Total shareholders' equity	<u>342,508</u>	<u>368,140</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,480	34,620
Deferred gains or losses on hedges	(42)	(7)
Revaluation reserve for land	(6,368)	(6,370)
Remeasurements of defined benefit plans	5,283	4,191
Total accumulated other comprehensive income	<u>25,352</u>	<u>32,434</u>
Non-controlling interests	<u>13,087</u>	<u>14,560</u>
Total net assets	<u>380,949</u>	<u>415,135</u>
Total liabilities and net assets	<u>603,220</u>	<u>644,196</u>

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

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales of completed construction contracts	455,492	511,581
Cost of sales of completed construction contracts	391,367	428,580
Gross profit on completed construction contracts	64,124	83,001
Selling, general and administrative expenses	22,192	24,528
Operating profit	41,932	58,472
Non-operating income		
Dividend income	1,393	1,432
Other	279	727
Total non-operating income	1,673	2,159
Non-operating expenses		
Interest expenses	163	197
Other	100	111
Total non-operating expenses	263	308
Ordinary profit	43,342	60,323
Extraordinary income		
Gain on sale of investment securities	4,689	7,793
Other	—	511
Total extraordinary income	4,689	8,305
Extraordinary losses		
Loss on retirement of non-current assets	241	116
Other	59	13
Total extraordinary losses	300	129
Profit before income taxes	47,730	68,499
Income taxes	15,254	20,476
Profit	32,476	48,022
Profit attributable to non-controlling interests	579	1,780
Profit attributable to owners of parent	31,896	46,242

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	32,476	48,022
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,799)	8,223
Deferred gains or losses on hedges	26	35
Remeasurements of defined benefit plans, net of tax	(167)	(1,090)
Total other comprehensive income	(3,939)	7,167
Comprehensive income	28,536	55,190
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	27,937	53,326
Comprehensive income attributable to non-controlling interests	598	1,863