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April 28, 2026

Company name: CHUDENKO CORPORATION  
Representative: Takafumi Shigeto  
Representative Director and President  
(Securities code: 1941; Prime Market,  
Tokyo Stock Exchange)  
Inquiries: Hirokazu Miyasako  
General Manager of Corporate Planning  
Department, Planning Division  
Telephone: +81-82-291-9730

### **Updates on Initiatives Towards Realizing Management That Is Conscious of Capital Costs and Stock Price**

CHUDENKO CORPORATION hereby announces that based on the decisions made at a meeting of its Board of Directors held today, it has updated its initiatives towards realizing management that is conscious of capital costs and the stock price.

For details, please refer to the attachment, “Initiatives Towards Realizing Management That Is Conscious of Capital Costs and Stock Price.”

Attachment: Initiatives Towards Realizing Management That Is Conscious of Capital Costs and Stock Price

Reference: Notice Concerning Revision of Numerical Targets for Medium-Term Management Plan 2027 (FY2025–2027) and CHUDENKO Group 2030 Vision  
[https://www.chudenko.co.jp/en/press\\_release/images/pe20260428\\_02.pdf](https://www.chudenko.co.jp/en/press_release/images/pe20260428_02.pdf)

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# Initiatives Towards Realizing Management That Is Conscious of Capital Costs and Stock Price

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This is an updated version of the information released on April 28, 2025.

## 1 Current State Analysis

## 2. Initiatives for Improving PBR

- (1) Improving Earning Power
- (2) Strengthening & Enhancing Capital Policy
- (3) Strengthening IR Activities

CHUDENKO CORPORATION

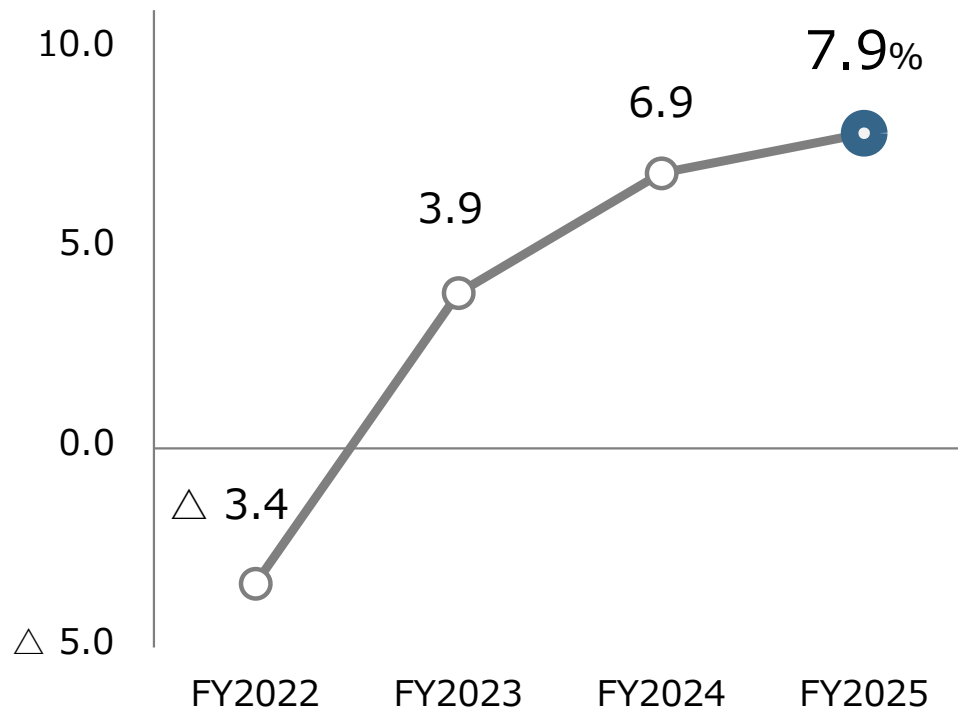
April 28, 2026



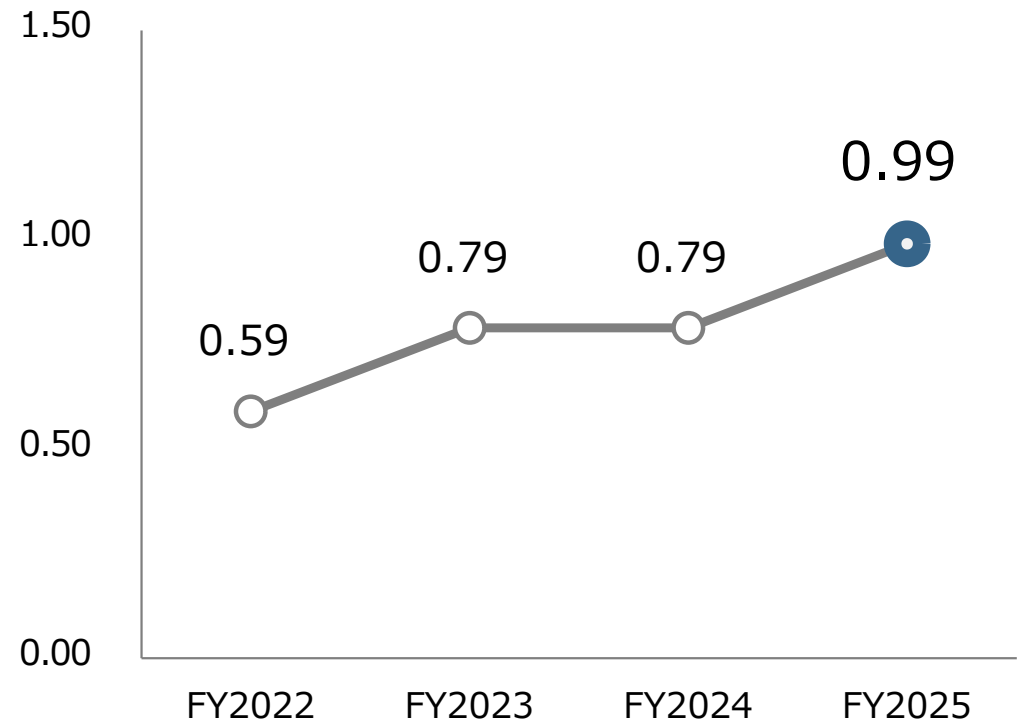
# 1. Current State Analysis

- ROE improved to 7.9% in FY2025 due to improved earning power, exceeding the cost of equity of approximately 5% for the most recent fiscal year (based on the CAPM).
- PBR has remained at a level of around 1 since the end of October 2025, supported by a rise in the stock price.
- The results of our initiatives—such as improving earning power, enhancing shareholder returns, and strengthening IR activities—have begun to materialize in market valuations, supported by an improved stock market environment, and we will continue to further advance these efforts.

**ROE (%)**



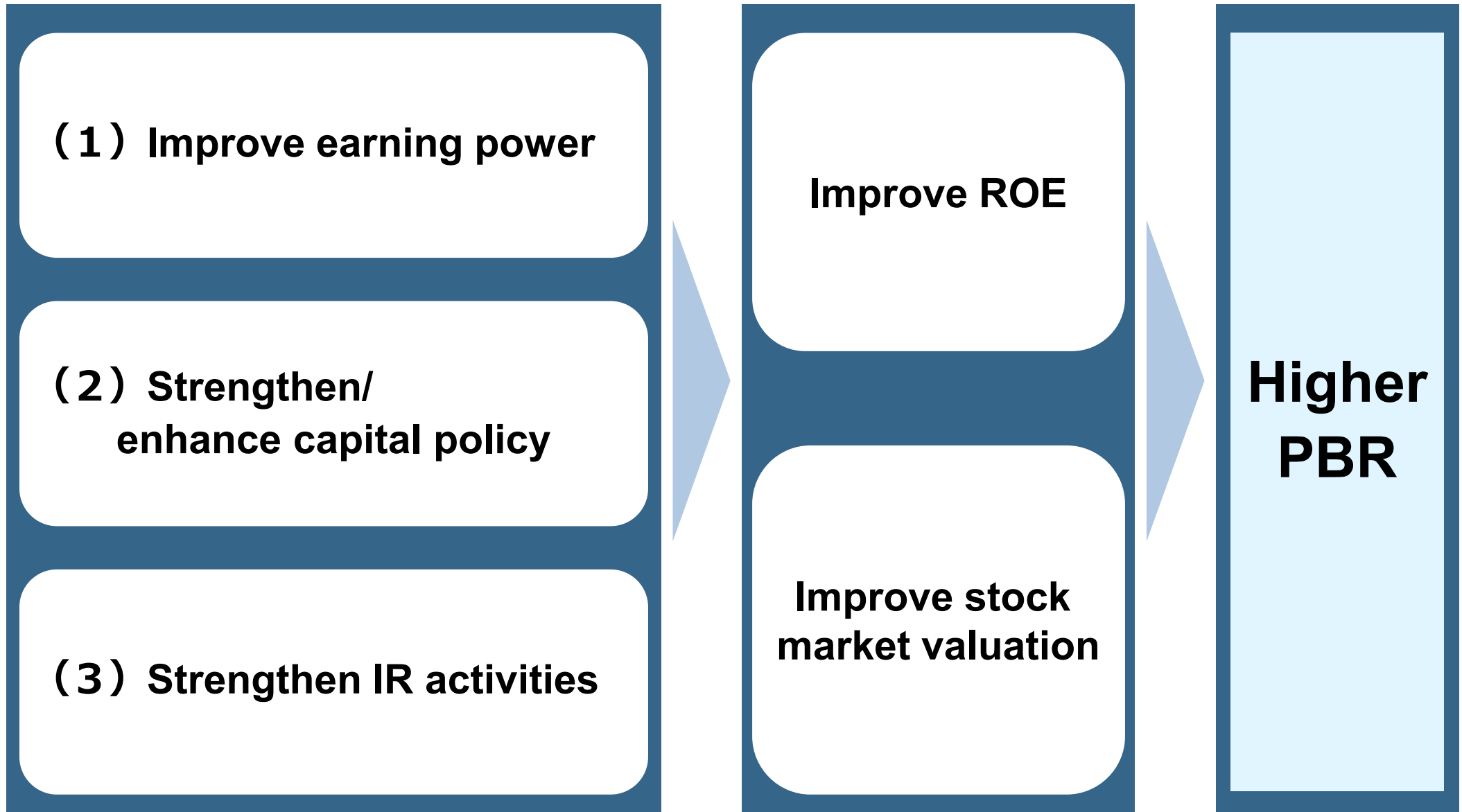
**PBR (Times)**



Note: ROE for FY2024 represents our calculated value after excluding the effect of a decrease in corporate taxes, etc. (special factor), from the actual financial result figure of 9.1%, due to the inclusion of past investment losses in deductible expenses.

## 2. Initiatives for Improving PBR

- We will strive to increase PBR by improving our ROE and stock market valuation. To do this, we will improve our earning power, strengthen and enhance our capital policy, and strengthen our IR activities.

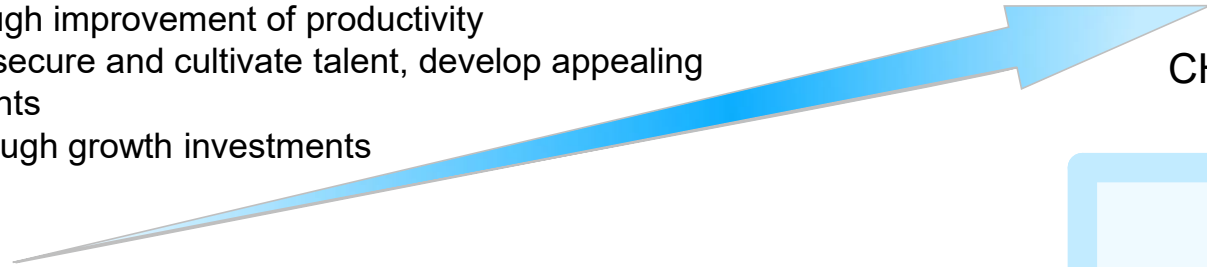


# ( 1 ) Improving Earning Power

■ Generate further profits by steadily executing the actions in our Medium-Term Management Plan 2027 (FY2025–2027) to achieve the performance targets for FY2027, and thus pave the way for realizing CHUDENKO Group 2030 Vision

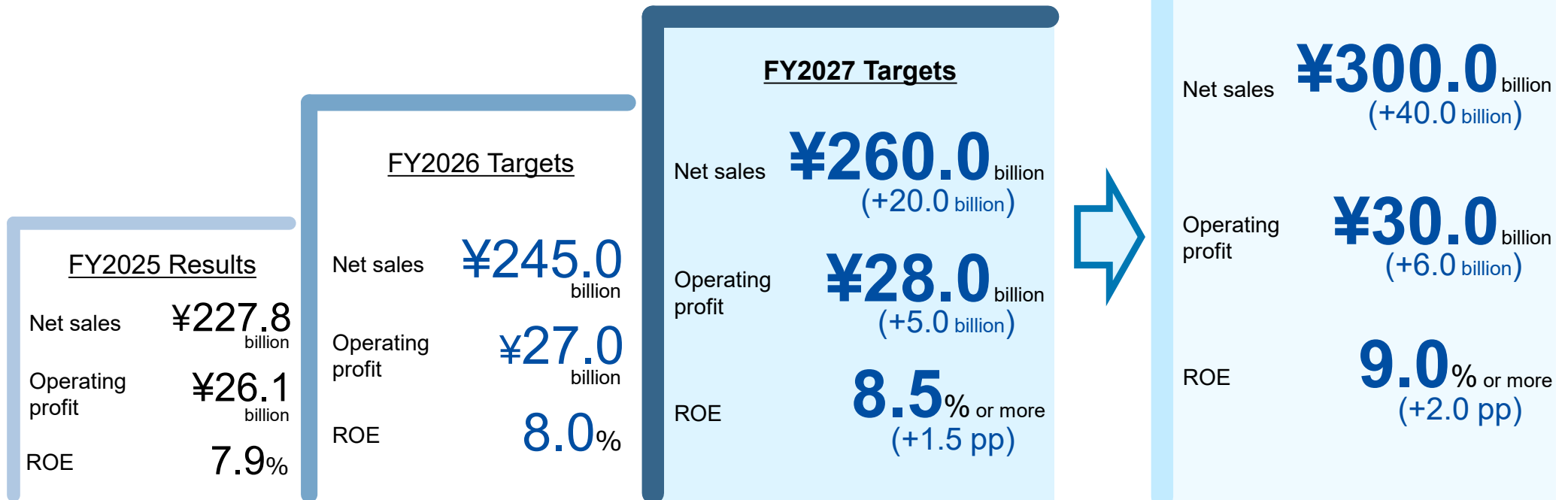
## [Medium-Term Management Plan 2027 Core Actions]

- Thoroughly practice safety and compliance, improve quality
- Further strengthen sales and construction capabilities, expand orders
- Generate profits through improvement of productivity
- Strengthen efforts to secure and cultivate talent, develop appealing workplace environments
- Expand business through growth investments



## CHUDENKO Group 2030 Vision

### Medium-Term Management Plan 2027 (FY2025–2027)



Note: Figures in parentheses indicate the change from the figures announced on April 28, 2025.

## (2) Strengthening & Enhancing Capital Policy

- During three years of the Medium-Term Management Plan 2027, we will fund growth investments and shareholder returns with around ¥100.0 billion raised from our business activities, the sale of cross-shareholdings, and other sources.
  - We will expand growth investments by ¥60.0 billion, investing ¥30.0 billion in DX and other initiatives for strengthening our business foundation, and ¥30.0 billion in business expansion, including environment-related businesses.
  - To enhance shareholder returns, we will revise our target DOE to around 3.0% and pay dividends totaling around ¥22.0 billion during the three-year period, and we will set a share buyback quota of approx. ¥18.0 billion.

<p><b>Expand growth investments</b></p> <p><b>¥60.0</b> billion (approx.)</p>	<p>Investment for strengthening business foundation</p> <p><b>¥30.0</b> billion (approx.)</p>	<ul style="list-style-type: none"> <li>▪ DX promotion</li> <li>▪ Expanded capital investment, including for developing the work environment</li> <li>▪ Securing and cultivating talent</li> <li>▪ Technical R&amp;D and others</li> </ul>
	<p>Investment for business expansion</p> <p><b>¥30.0</b> billion (approx.)</p>	<ul style="list-style-type: none"> <li>▪ Environmental-related businesses</li> <li>▪ Strengthening and expansion of equipment construction business</li> <li>▪ Strengthening and expanding Group companies' businesses</li> <li>▪ New businesses and others</li> </ul>
<p><b>Enhance shareholder returns</b></p> <p><b>¥40.0</b> billion (approx.) (+¥5.0 billion)</p>	<p>Sustainable, stable dividends</p> <p><b>¥22.0</b> billion (approx.) (+¥2.0 billion)</p>	<ul style="list-style-type: none"> <li>▪ DOE target of 3.0%</li> <li>▪ Dividend forecast for FY2026: ¥140/share per annum (+¥10 from the forecast for FY2025)</li> </ul>
	<p>Share buybacks</p> <p><b>¥18.0</b> billion (approx.) (+¥3.0 billion)</p>	<ul style="list-style-type: none"> <li>▪ Set share buyback quota</li> </ul>

Note: Figures in parentheses indicate the change from the figures announced on April 28, 2025.

### (3) Strengthening IR Activities

- We will seek to improve our stock market valuation by promoting dialogue with our shareholders and investors, including through financial results briefings and timely and appropriate information disclosures.

#### Enhance dialogue with shareholders & investors

- Hold financial results meetings
- Hold briefings about the Company for individual investors
- Hold individual meetings with institutional investors as needed

#### Enhance provision of information

- Post financial results meeting materials on the corporate website
- Publish CHUDENKO Integrated Report
- Disseminate appropriate information as needed

**Higher  
stock  
market  
valuation**



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## Cautionary Note on Forward-looking Statements

The data and forward-looking statements pertaining to earnings forecasts and other matters in this document are based on information available to and certain assumptions judged reasonable by the Company at the time of publication. As such, actual earnings and other outcomes may differ materially from the content of this document due to a variety of factors.