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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]



October 31, 2023

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: Tadakazu Takata, Senior Executive Officer, General Manager, Accounting and Finance Dept.
 Phone: +81-87-840-0230
 Scheduled date of filing quarterly securities report: November 6, 2023
 Scheduled date of commencing dividend payments: November 29, 2023
 Availability of supplementary explanatory materials on quarterly financial results: Available
 Schedule of quarterly 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, 2023 (April 1, 2023 - September 30, 2023)

(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, 2023	41,024	5.7	3,005	110.1	3,238	91.7	2,138	101.5
Six months ended September 30, 2022	38,809	(14.7)	1,430	(51.0)	1,689	(47.9)	1,061	(46.3)

(Note) Comprehensive income: Six months ended September 30, 2023: ¥3,070 million [283.9%]
 Six months ended September 30, 2022: ¥799 million [(60.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2023	Yen 135.76	Yen —
Six months ended September 30, 2022	67.49	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2023	93,327	58,278	62.4
As of March 31, 2023	97,069	55,908	57.5

(Reference) Equity: As of September 30, 2023: ¥58,233 million
 As of March 31, 2023: ¥55,851 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, 2023	—	45.00	—	45.00	90.00
Fiscal year ending March 31, 2024	—	60.00			
Fiscal year ending March 31, 2024 (Forecast)			—	60.00	120.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% 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	97,000	8.8	5,500	10.6	6,000	7.8	3,900	3.6	247.56

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

- (1) Changes in significant subsidiaries 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 7 of the attached documents (available only in Japanese) 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, 2023:	16,255,470 shares
March 31, 2023:	16,255,470 shares
 - 2) Total number of treasury shares at the end of the period:

September 30, 2023:	488,629 shares
March 31, 2023:	510,615 shares
 - 3) Average number of shares outstanding during the period:

Six months ended September 30, 2023:	15,753,555 shares
Six months ended September 30, 2022:	15,729,165 shares

* These quarterly consolidated financial results are outside the scope of quarterly review 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 2 of the attached document (available only in Japanese) 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, 2023 (April 1, 2023 - September 30, 2023)**

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2023	33,534	6.2	1,660	349.1	1,999	120.4	1,392	119.0
September 30, 2022	31,567	(13.8)	369	(77.3)	907	(60.3)	635	(55.9)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	88.38	—
September 30, 2022	40.43	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2023	75,294	50,268	66.8
As of March 31, 2023	79,108	48,611	61.4

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% 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	82,000	10.2	3,400	8.7	4,100	1.3	2,800	(8.4)	177.74

(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 2 of the attached document (available only in Japanese) for the assumptions and other matters related to the above forecasts.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	7,603	8,148
Notes receivable, accounts receivable from completed construction contracts and other	24,049	20,860
Investments in leases	3,434	3,277
Costs on construction contracts in progress	2,022	3,070
Other inventories	1,845	1,874
Deposits paid to subsidiaries and associates	13,000	10,500
Other	1,776	2,058
Allowance for doubtful accounts	(87)	(101)
Total current assets	53,644	49,688
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,154	19,162
Machinery, vehicles, tools, furniture and fixtures	21,807	22,176
Land	11,876	11,567
Other	–	5
Accumulated depreciation	(26,425)	(27,104)
Total property, plant and equipment	26,413	25,807
Intangible assets		
Goodwill	1,235	1,051
Other	509	497
Total intangible assets	1,745	1,549
Investments and other assets		
Investment securities	9,360	10,646
Other	5,978	5,742
Allowance for doubtful accounts	(72)	(108)
Total investments and other assets	15,267	16,281
Total non-current assets	43,425	43,639
Total assets	97,069	93,327

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	14,924	9,961
Short-term borrowings	400	700
Accounts payable - other	4,645	4,453
Income taxes payable	1,462	1,213
Advances received on construction contracts in progress	2,230	2,556
Provision for loss on construction contracts	163	243
Other	5,679	5,064
Total current liabilities	29,506	24,192
Non-current liabilities		
Bonds payable	81	103
Long-term borrowings	8,205	7,369
Provision for retirement benefits for directors (and other officers)	316	318
Retirement benefit liability	2,882	2,875
Other	168	188
Total non-current liabilities	11,654	10,855
Total liabilities	41,160	35,048
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,249	4,272
Retained earnings	48,819	50,236
Treasury shares	(592)	(568)
Total shareholders' equity	55,927	57,392
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(261)	668
Remeasurements of defined benefit plans	186	172
Total accumulated other comprehensive income	(75)	840
Non-controlling interests	56	45
Total net assets	55,908	58,278
Total liabilities and net assets	97,069	93,327

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales		
Net sales of completed construction contracts	36,075	38,280
Sales in other businesses	2,734	2,743
Total net sales	38,809	41,024
Cost of sales		
Cost of sales of completed construction contracts	31,111	31,569
Cost of sales in other businesses	1,771	1,806
Total cost of sales	32,883	33,376
Gross profit		
Gross profit on completed construction contracts	4,963	6,711
Gross profit - other business	962	936
Total gross profit	5,926	7,647
Selling, general and administrative expenses	4,496	4,642
Operating profit	1,430	3,005
Non-operating income		
Interest income	8	9
Dividend income	108	104
Gain on sale of securities	4	47
Rental income from real estate	30	31
Other	148	68
Total non-operating income	302	260
Non-operating expenses		
Interest expenses	21	16
Condolence money	15	-
Other	6	10
Total non-operating expenses	43	27
Ordinary profit	1,689	3,238
Extraordinary income		
Gain on sale of non-current assets	2	7
Total extraordinary income	2	7
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	0	3
Loss on valuation of investment securities	3	15
Total extraordinary losses	4	20
Profit before income taxes	1,687	3,225
Income taxes	605	1,072
Profit	1,082	2,153
Profit attributable to non-controlling interests	20	14
Profit attributable to owners of parent	1,061	2,138

Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	1,082	2,153
Other comprehensive income		
Valuation difference on available-for-sale securities	(271)	930
Remeasurements of defined benefit plans, net of tax	(11)	(13)
Total other comprehensive income	(282)	916
Comprehensive income	799	3,070
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	779	3,055
Comprehensive income attributable to non-controlling interests	20	14