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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]



January 31, 2024

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: February 6, 2024
 Scheduled date of commencing dividend payments: -
 Availability of supplementary explanatory materials on quarterly financial results: Not available
 Schedule of quarterly financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 - December 31, 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	%
Nine months ended December 31, 2023	63,061	5.3	4,352	103.6	4,654	78.6	3,062	64.8
December 31, 2022	59,890	(9.6)	2,138	(45.5)	2,606	(40.0)	1,857	(31.1)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥4,207 million [185.8%]

Nine months ended December 31, 2022: ¥1,472 million [(40.0)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	194.35	—
December 31, 2022	118.07	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2023	95,029	58,469	61.5
As of March 31, 2023	97,069	55,908	57.5

(Reference) Equity: As of December 31, 2023: ¥58,420 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)				80.00	140.00

(Note) Revision to the forecast for dividends announced most recently: Yes

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	91,000	2.1	6,000	20.7	6,500	16.7	4,200	11.6	266.53

(Note) Revision to the financial results forecast announced most recently: Yes

* 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):

December 31, 2023:	16,255,470 shares
March 31, 2023:	16,255,470 shares
 - 2) Total number of treasury shares at the end of the period:

December 31, 2023:	488,913 shares
March 31, 2023:	510,615 shares
 - 3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023:	15,757,970 shares
Nine months ended December 31, 2022:	15,734,424 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 Nine Months Ended December 31, 2023 (April 1, 2023 - December 31, 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	%
Nine months ended December 31, 2023	52,003	5.7	2,415	210.8	2,801	86.2	1,947	55.1
December 31, 2022	49,219	(10.8)	777	(68.6)	1,504	(53.3)	1,255	(39.8)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	123.58	—
December 31, 2022	79.78	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2023	77,328	50,088	64.8
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	76,000	2.2	3,700	18.3	4,500	11.1	3,200	4.7	203.07

(Note) Revision to the financial results forecast announced most recently: Yes

*** 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 December 31, 2023
Assets		
Current assets		
Cash and deposits	7,603	10,220
Notes receivable, accounts receivable from completed construction contracts and other	24,049	20,831
Investments in leases	3,434	3,242
Costs on construction contracts in progress	2,022	3,928
Other inventories	1,845	1,874
Deposits paid to subsidiaries and associates	13,000	9,800
Other	1,776	1,823
Allowance for doubtful accounts	(87)	(118)
Total current assets	53,644	51,602
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,154	19,173
Machinery, vehicles, tools, furniture and fixtures	21,807	22,151
Land	11,876	11,567
Other	–	30
Accumulated depreciation	(26,425)	(27,447)
Total property, plant and equipment	26,413	25,475
Intangible assets		
Goodwill	1,235	960
Other	509	494
Total intangible assets	1,745	1,454
Investments and other assets		
Investment securities	9,360	10,952
Other	5,978	5,645
Allowance for doubtful accounts	(72)	(101)
Total investments and other assets	15,267	16,496
Total non-current assets	43,425	43,426
Total assets	97,069	95,029

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	14,924	10,787
Short-term borrowings	400	700
Accounts payable - other	4,645	4,903
Income taxes payable	1,462	1,244
Advances received on construction contracts in progress	2,230	2,403
Provision for loss on construction contracts	163	240
Other	5,679	5,664
Total current liabilities	29,506	25,944
Non-current liabilities		
Bonds payable	81	98
Long-term borrowings	8,205	7,126
Provision for retirement benefits for directors (and other officers)	316	324
Retirement benefit liability	2,882	2,885
Other	168	181
Total non-current liabilities	11,654	10,614
Total liabilities	41,160	36,559
Net assets		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,249	4,272
Retained earnings	48,819	50,214
Treasury shares	(592)	(568)
Total shareholders' equity	55,927	57,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(261)	885
Remeasurements of defined benefit plans	186	165
Total accumulated other comprehensive income	(75)	1,050
Non-controlling interests	56	49
Total net assets	55,908	58,469
Total liabilities and net assets	97,069	95,029

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales		
Net sales of completed construction contracts	55,975	59,076
Sales in other businesses	3,915	3,984
Total net sales	59,890	63,061
Cost of sales		
Cost of sales of completed construction contracts	48,261	48,881
Cost of sales in other businesses	2,679	2,721
Total cost of sales	50,940	51,603
Gross profit		
Gross profit on completed construction contracts	7,713	10,194
Gross profit - other business	1,236	1,263
Total gross profit	8,950	11,458
Selling, general and administrative expenses	6,811	7,105
Operating profit	2,138	4,352
Non-operating income		
Interest income	13	13
Dividend income	132	140
Gain on sale of securities	114	49
Rental income from real estate	48	47
Other	214	112
Total non-operating income	523	365
Non-operating expenses		
Interest expenses	31	24
Condolence money	15	22
Other	9	16
Total non-operating expenses	55	63
Ordinary profit	2,606	4,654
Extraordinary income		
Gain on sale of non-current assets	5	9
Gain on sale of investment securities	268	-
Total extraordinary income	274	9
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	1	11
Loss on valuation of investment securities	3	15
Total extraordinary losses	6	29
Profit before income taxes	2,874	4,635
Income taxes	992	1,554
Profit	1,881	3,081
Profit attributable to non-controlling interests	23	18
Profit attributable to owners of parent	1,857	3,062

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	1,881	3,081
Other comprehensive income		
Valuation difference on available-for-sale securities	(392)	1,147
Remeasurements of defined benefit plans, net of tax	(16)	(20)
Total other comprehensive income	(409)	1,126
Comprehensive income	1,472	4,207
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,448	4,188
Comprehensive income attributable to non-controlling interests	23	18