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Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

July 29, 2026

Company name: KINDEN CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 1944
URL: https://www.kinden.co.jp/
Representative: Kenji Yoshimasu, President and Director
Inquiries: Shingo Yoshihara, Managing Executive Officer, General Manager of Finance & Accounting Department
TEL: +81-6-6375-6000
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	162,369	14.8	13,601	89.0	15,434	76.6	9,894	127.6
June 30, 2025	141,412	6.1	7,195	266.5	8,740	129.2	4,346	94.3

Note: Comprehensive income For the three months ended June 30, 2026: ¥9,081 million [67.0%]
For the three months ended June 30, 2025: ¥5,438 million [112.7%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	52.18	–
June 30, 2025	21.92	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	867,359	433,425	49.9
March 31, 2026	913,763	661,895	72.4

Reference: Equity
As of June 30, 2026: ¥432,889 million
As of March 31, 2026: ¥661,365 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	60.00	–	70.00	130.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		120.00	–	120.00	240.00

Notes: Revisions to the forecast of cash dividends most recently announced: None

The second quarter-end dividend and fiscal year-end dividend for the fiscal year ending March 31, 2027 each include a special dividend in connection with achieving the medium-term management plan and growth targets of ¥50.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	340,000	5.8	35,500	11.7	36,000	6.0	27,000	19.7	150.97
Fiscal year ending March 31, 2027	810,000	7.9	97,000	7.5	96,000	1.6	70,000	0.8	406.46

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to “(3) Notes to quarterly consolidated financial statements (Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements)” in “2. Quarterly consolidated financial statements and significant notes thereto” on page 9 of the attached document.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	166,454,180 shares
As of March 31, 2026	199,954,180 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	1,972,462 shares
As of March 31, 2026	1,966,478 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	189,609,594 shares
Three months ended June 30, 2025	198,342,613 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to KINDEN CORPORATION. Actual results may differ from the consolidated forecasts due to various future factors.

The Company finalized the provisional accounting treatment for the business combination at the end of the fiscal year ended March 31, 2026. As a result, figures for the three months ended June 30, 2025 reflect the finalization of the provisional accounting treatment.

[Reference] Non-consolidated earnings forecasts

Non-consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	285,000	6.6	35,000	18.4	37,000	10.5	28,000	15.1	156.56
Fiscal year ending March 31, 2027	670,000	9.4	89,000	12.5	90,000	10.4	67,000	5.4	389.04

Note: Revisions to the non-consolidated earnings forecasts most recently announced: None

Attached Materials

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1. Overview of operating results and others

(1) Overview of operating results for the period

The Group's results for the first three months of the current fiscal year were as follows:

Net sales of completed construction contracts	¥162,369 million	(up 14.8% year on year)
Operating profit	¥13,601 million	(up 89.0% year on year)
Ordinary profit	¥15,434 million	(up 76.6% year on year)
Profit attributable to owners of parent	¥9,894 million	(up 127.6% year on year)

Net sales of completed construction contracts and profits exceeded the results of the same period of the previous year.

Non-consolidated financial results were as follows:

Net sales of completed construction contracts	¥132,258 million	(up 12.8% year on year)
Operating profit	¥11,287 million	(up 56.6% year on year)
Ordinary profit	¥15,135 million	(up 50.2% year on year)
Profit	¥10,321 million	(up 41.7% year on year)

Net sales of completed construction contracts and profits exceeded the results of the same period of the previous year.

Non-consolidated net sales of completed construction contracts

Net sales of completed construction contracts increased by ¥14,967 million to ¥132,258 million (up 12.8% year on year).

Net sales of completed construction contracts by customers, The Kansai Electric Power Company, Incorporated (including Kansai Transmission and Distribution, Inc.) increased by ¥3,200 million to ¥25,069 million (up 14.6% year on year), The Kansai Electric Power Group decreased by ¥216 million to ¥3,640 million (down 5.6% year on year), and Others increased by ¥11,983 million to ¥103,549 million (up 13.1% year on year).

Net sales of completed construction contracts by construction sector, Power Distribution Lining increased by ¥2,942 million to ¥22,593 million (up 15.0% year on year), Electrical increased by ¥6,313 million to ¥79,622 million (up 8.6% year on year), Information & Communications Network increased by ¥1,407 million to ¥9,669 million (up 17.0% year on year), Environmental Management Facilities increased by ¥1,491 million to ¥13,104 million (up 12.8% year on year), and Electric Power & Others increased by ¥2,813 million to ¥7,269 million (up 63.1% year on year). The main factors contributing to the increase in Power Distribution Lining were increases in the volume of construction by Kansai Transmission and Distribution, Inc., while the main factors behind the increase in Electrical were increases in factories, etc. The main factors behind the increase in Information & Communications Network were increases in local area network, etc., while the main factors behind the increase in Environmental Management Facilities were increases in logistics facilities, etc. The main factors behind the increase in Electric Power & Others were increases in work on power plants and substations, etc.

Non-consolidated construction orders

Construction orders increased by ¥43,551 million to ¥310,176 million (up 16.3% year on year).

Construction orders by customers, The Kansai Electric Power Company, Incorporated (including Kansai Transmission and Distribution, Inc.) increased by ¥3,535 million to ¥27,595 million (up 14.7% year on year), The Kansai Electric Power Group decreased by ¥1,925 million to ¥4,680 million (down 29.1% year on year), and Others increased by ¥41,940 million to ¥277,901 million (up 17.8% year on year).

Construction orders by construction sector, Power Distribution Lining increased by ¥2,013 million to ¥23,788 million (up 9.2% year on year), Electrical increased by ¥46,678 million to ¥222,625 million (up 26.5% year on year), Information & Communications Network decreased by ¥113 million to ¥15,393 million (down 0.7% year on year), Environmental Management Facilities increased by

¥13,936 million to ¥36,801 million (up 60.9% year on year), and Electric Power & Others decreased by ¥18,963 million to ¥11,567 million (down 62.1% year on year). The main factors contributing to the increase in Power Distribution Lining were increases in the volume of construction by Kansai Transmission and Distribution, Inc., while the main factors behind the increase in Electrical were increases in office buildings, commercial and entertainment facilities, etc. The main factors behind the decrease in Information & Communications Network were decreases in CATV equipment, etc., while the main factors behind the increase in Environmental Management Facilities were increases in office buildings, etc. The main factors behind the decrease in Electric Power & Others were decreases in work on power plants and substations, etc.

(2) Overview of financial position for the period

Assets

Current assets decreased by ¥34,026 million from the end of the previous fiscal year to ¥463,721 million (down 6.8% from the end of the previous fiscal year). This was mainly due to a decrease in notes receivable, accounts receivable from completed construction contracts and other resulting from the collection of construction costs. Cash on hand (cash and cash equivalents) increased by ¥33,949 million to ¥216,258 million.

Non-current assets decreased by ¥12,376 million from the end of the previous fiscal year to ¥403,638 million (down 3.0% from the end of the previous fiscal year).

As a result, total assets decreased by ¥46,403 million from the end of the previous fiscal year to ¥867,359 million (down 5.1% from the end of the previous fiscal year).

Liabilities

Current liabilities increased by ¥182,617 million from the end of the previous fiscal year to ¥401,747 million (up 83.3% from the end of the previous fiscal year). This was mainly due to an increase in short-term borrowings resulting from the purchase of treasury shares, etc.

Non-current liabilities decreased by ¥551 million from the end of the previous fiscal year to ¥32,186 million (down 1.7% from the end of the previous fiscal year).

As a result, total liabilities increased by ¥182,066 million from the end of the previous fiscal year to ¥433,934 million (up 72.3% from the end of the previous fiscal year).

Net assets

Shareholders' equity decreased by ¥227,645 million from the end of the previous fiscal year to ¥344,481 million (down 39.8% from the end of the previous fiscal year), due to the recording of profit attributable to owners of parent, dividends of surplus and purchase and cancellation of treasury shares. Accumulated other comprehensive income decreased by ¥831 million from the end of the previous fiscal year to ¥88,407 million (down 0.9% from the end of the previous fiscal year).

Non-controlling interests were ¥536 million (up 1.3% from the end of the previous fiscal year).

As a result, net assets decreased by ¥228,470 million from the end of the previous fiscal year to ¥433,425 million (down 34.5% from the end of the previous fiscal year). Equity-to-asset ratio was 49.9%, a decrease of 22.5 percentage points from the end of the previous fiscal year.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts for the current fiscal year are unchanged from the forecast announced on April 27, 2026.

As announced in the "Announcement on the Commencement of Tender Offer for Shares of THE KODENSHA Co., Ltd. (Securities Code: 1948)" dated May 25, 2026, and in the "Announcement on the Results of the Tender Offer for Shares of THE KODENSHA Co., Ltd. (Securities Code: 1948) and Change in Affiliate" dated July 7, 2026, THE KODENSHA Co., Ltd. became an affiliate of the

Company on July 13, 2026. If the procedures for acquiring all shares of THE KODENSHA Co., Ltd. are carried out as planned, THE KODENSHA Co., Ltd. will become a consolidated subsidiary of the Company.

We are currently examining the impact of this matter on the consolidated earnings forecasts for the fiscal year ending March 31, 2027, and will promptly disclose any necessary revisions to the consolidated earnings forecasts.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	65,355	74,226
Notes receivable, accounts receivable from completed construction contracts and other	260,879	197,901
Securities	127,194	150,400
Costs on construction contracts in progress	23,429	29,343
Raw materials and supplies	3,761	4,233
Other	20,630	11,168
Allowance for doubtful accounts	(3,501)	(3,554)
Total current assets	497,748	463,721
Non-current assets		
Property, plant and equipment		
Buildings and structures	149,394	149,617
Machinery and vehicles	47,119	47,240
Tools, furniture and fixtures	16,017	16,032
Land	96,087	96,109
Construction in progress	19,709	19,684
Accumulated depreciation	(128,605)	(130,391)
Total property, plant and equipment	199,723	198,294
Intangible assets		
Goodwill	13,554	13,163
Other	7,442	7,505
Total intangible assets	20,997	20,669
Investments and other assets		
Investment securities	146,397	145,715
Retirement benefit asset	30,995	31,273
Deferred tax assets	1,117	1,163
Other	18,055	7,805
Allowance for doubtful accounts	(1,271)	(1,282)
Total investments and other assets	195,294	184,674
Total non-current assets	416,015	403,638
Total assets	913,763	867,359

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	71,238	47,206
Short-term borrowings	15,002	245,421
Income taxes payable	19,447	6,076
Advances received on construction contracts in progress	46,884	57,545
Provision for loss on construction contracts	8,317	7,620
Provision for warranties for completed construction	728	683
Provision for bonuses for directors (and other officers)	299	–
Other	57,211	37,192
Total current liabilities	219,129	401,747
Non-current liabilities		
Deferred tax liabilities	22,290	21,949
Provision for retirement benefits for directors (and other officers)	90	96
Retirement benefit liability	6,527	6,314
Asset retirement obligations	3,440	3,448
Other	388	377
Total non-current liabilities	32,738	32,186
Total liabilities	251,868	433,934
Net assets		
Shareholders' equity		
Share capital	26,411	26,411
Capital surplus	29,449	29,209
Retained earnings	524,359	301,748
Treasury shares	(8,093)	(12,888)
Total shareholders' equity	572,126	344,481
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68,365	67,909
Deferred gains or losses on hedges	–	2
Foreign currency translation adjustment	5,235	5,123
Remeasurements of defined benefit plans	15,637	15,371
Total accumulated other comprehensive income	89,239	88,407
Non-controlling interests	529	536
Total net assets	661,895	433,425
Total liabilities and net assets	913,763	867,359

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

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales of completed construction contracts	141,412	162,369
Cost of sales of completed construction contracts	113,563	125,522
Gross profit on completed construction contracts	27,848	36,847
Selling, general and administrative expenses	20,653	23,245
Operating profit	7,195	13,601
Non-operating income		
Interest income	233	306
Dividend income	1,378	1,559
Other	205	290
Total non-operating income	1,817	2,155
Non-operating expenses		
Interest expenses	57	183
Dismantlement cost	4	92
Other	210	46
Total non-operating expenses	271	322
Ordinary profit	8,740	15,434
Extraordinary income		
Gain on sale of non-current assets	1	3
Gain on sale of membership	–	5
Other	392	–
Total extraordinary income	393	8
Extraordinary losses		
Loss on sale of non-current assets	0	14
Loss on retirement of non-current assets	4	41
Other	942	4
Total extraordinary losses	946	60
Profit before income taxes	8,187	15,383
Income taxes	3,866	5,327
Profit	4,320	10,056
Profit (loss) attributable to non-controlling interests	(25)	161
Profit attributable to owners of parent	4,346	9,894

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	4,320	10,056
Other comprehensive income		
Valuation difference on available-for-sale securities	2,754	(456)
Deferred gains or losses on hedges	–	2
Foreign currency translation adjustment	(1,404)	(255)
Remeasurements of defined benefit plans, net of tax	(233)	(266)
Total other comprehensive income	1,117	(974)
Comprehensive income	5,438	9,081
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,501	9,063
Comprehensive income attributable to non-controlling interests	(63)	18

(3) Notes to quarterly consolidated financial statements

Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements

Method of calculating tax expenses

Regarding the calculation of tax expenses, we adopt the method of reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the first quarter under review, and multiplying profit before income taxes by this estimated effective tax rate.

Notes on segment information, etc.

I Three months ended June 30, 2025

The information is omitted because the Company has only one reporting segment, the Facility Construction Business.

II Three months ended June 30, 2026

The information is omitted because the Company has only one reporting segment, the Facility Construction Business.

Notes when there are significant changes in amounts of equity

Purchase and cancellation of treasury shares

Based on a resolution at the meeting of the Board of Directors held on April 27, 2026, the Company purchased and canceled 33,500,000 treasury shares during the first three months of the current fiscal year. As a result of the purchase of treasury shares, treasury shares increased by ¥223,679 million. Furthermore, the cancellation of treasury shares resulted in a decrease of ¥218,886 million in both capital surplus and treasury shares. Moreover, as a result of the cancellation of treasury shares, the balance of other capital surplus became negative. Therefore, other capital surplus was set to zero, and this negative value was deducted from other retained earnings.

As a result of these factors, as of June 30, 2026, capital surplus amounted to ¥29,209 million, retained earnings amounted to ¥301,748 million, and treasury shares amounted to ¥12,888 million.

Notes on premise of going concern

Not applicable.

Notes on quarterly consolidated statement of cash flows

The Company has not prepared quarterly consolidated statement of cash flows for the first three months of the current fiscal year. In addition, the amounts of depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first three months of the current and previous fiscal years are as stated below:

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	2,011	2,506
Amortization of goodwill	424	391

<u>Business combinations</u>

Significant revision of the initial allocation of acquisition costs in comparative information

The Company applied provisional accounting treatment for the business combination with KITA KOUDENSHA Corporation conducted on April 1, 2025, during the first quarter of the previous fiscal year, but finalized the provisional accounting treatment at the end of that fiscal year.

With the finalization of this provisional accounting treatment, a significant revision to the amount initially allocated to the acquisition costs have been reflected in the comparative information included in the quarterly consolidated financial statements for the three months ended June 30, 2026.

As a result, in the quarterly consolidated statement of income for the three months ended June 30, 2025, selling, general and administrative expenses increased by ¥48 million, leading to a decrease of ¥48 million each in operating profit, ordinary profit, and profit before income taxes. Additionally, income taxes decreased by ¥29 million, leading to a decrease of ¥19 million in both profit and profit attributable to owners of parent.

<u>Notes on significant events after the reporting period</u>

Implementation of tender offer, etc. for THE KODENSHA Co., Ltd.

On May 25, 2026, the Company decided by a written resolution adopted in lieu of a resolution of the board of directors pursuant to the provisions of Article 370 of the Companies Act and Article 24 of the Articles of Incorporation of the Company to acquire the common shares of THE KODENSHA Co., Ltd. (the "Target Company") through a tender offer (the "Tender Offer") pursuant to the Financial Instruments and Exchange Act, and commenced the Tender Offer on May 26, 2026. The Tender Offer concluded on July 6, 2026. As a result, the Target Company has become an affiliate of the Company. The details of the Tender Offer are as follows:

1. Purpose of the Tender Offer

   The Company recognizes that the overall environment in the electrical construction industry remains robust, supported by strong construction demand and capital investment, and that the industry as a whole continues to perform well as price pass-through progresses. Although geopolitical tensions are rising and uncertainty about the future remains, it is anticipated that the favorable environment will continue for the time being. However, in the medium to long term, a decline in the number of workers possessing superior technical capabilities is also expected. Consequently, even if demand for construction remains unchanged, the Company believes that it is highly likely that a supply-demand gap will emerge due to constraints on the supply side. Under these circumstances, the Company recognizes that striving to become a company with a construction foundation capable of meeting customer needs and bridging the supply-demand gap is essential for the sustainable growth of the Group in the future.

   The Company is working to further strengthen its business foundation, and anticipates that the Group can achieve synergies such as further strengthening of business foundation, further expansion of business areas, expansion of business with companies whose trade names include "Mitsubishi," including the Mitsubishi Electric Group, and strengthening of purchasing power through the transactions.

2. Overview of the Target Company

(1) Name	THE KODENSHA Co., Ltd.
(2) Location	5-11-10 Ginza, Chuo-ku, Tokyo
(3) Name and title of representative	Yuji Kajikawa, Representative Director, President and Executive Officer
(4) Descriptions of business	Electrical facilities construction business and trading business
(5) Capital	¥1,520 million (as of March 31, 2026)
(6) Date of incorporation	June 25, 1917

3. Overview of the Tender Offer

(1) Period of purchase, etc.	From May 26, 2026 to July 6, 2026 (30 business days)
(2) Price for purchase, etc.	¥11,501 per common share
(3) Number of shares, etc. to be purchased	Number of shares to be purchased: 4,247,980 shares Minimum number of shares to be purchased: 1,336,800 shares Maximum number of shares to be purchased: –shares
(4) Commencement date of settlement	July 13, 2026

4. Results of the Tender Offer

(1) Outcome of the Tender Offer	The Company set a condition that if the total number of shares, etc. tendered in the Tender Offer (the "Tendered Shares, Etc.") is less than the minimum number of shares to be purchased (1,336,800 shares), the Company will not purchase any of the Tendered Shares, Etc. Because the total number of the Tendered Shares, Etc. (3,714,499 shares) was equal to or more than the minimum number of shares to be purchased (1,336,800 shares), the Company has purchased all of the Tendered Shares, Etc. as described in the Public Notice of Commencement of the Tender Offer and the Tender Offer Registration Statement (including matters amended in the Amended Statement to the Tender Offer Registration Statement filed subsequently).
(2) Number of shares, etc. purchased in the Tender Offer	3,714,499 shares of common shares
(3) Voting rights ownership ratio as a result of the Tender Offer	42.53%
(4) Total purchase amount	¥42,720 million

Going forward, if the procedures aimed at acquiring all of the Target Company's shares are executed as planned, the Target Company will become a consolidated subsidiary of the Company.

3. [Reference] Non-consolidated financial statements

(1) Quarterly non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	18,808	25,205
Notes receivable - trade	71	31
Electronically recorded monetary claims - operating	23,451	25,701
Accounts receivable from completed construction contracts	179,710	128,898
Securities	127,194	150,400
Costs on construction contracts in progress	20,225	24,937
Raw materials and supplies	2,326	2,564
Short-term loans receivable from subsidiaries and associates	5,852	3,044
Other	18,098	8,850
Allowance for doubtful accounts	(580)	(601)
Total current assets	395,157	369,033
Non-current assets		
Property, plant and equipment		
Buildings and structures	135,174	135,268
Machinery and vehicles	28,546	28,565
Tools, furniture and fixtures	12,671	12,645
Land	91,519	91,492
Construction in progress	18,556	18,488
Accumulated depreciation	(99,895)	(101,173)
Total property, plant and equipment	186,572	185,287
Intangible assets		
Leasehold interests in land	116	116
Telephone subscription right	136	136
Software	3,679	3,901
Total intangible assets	3,932	4,154
Investments and other assets		
Investment securities	136,439	136,103
Shares of subsidiaries and associates	32,478	32,226
Investments in capital of subsidiaries and associates	3,151	3,151
Long-term loans receivable	103	603
Long-term loans receivable from subsidiaries and associates	3,787	3,797
Distressed receivables	–	16
Long-term prepaid expenses	2,295	1,877
Prepaid pension costs	8,247	8,915
Other	13,206	3,117
Allowance for doubtful accounts	(3,938)	(3,950)
Total investments and other assets	195,770	185,858
Total non-current assets	386,274	375,300
Total assets	781,432	744,334

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	53,965	36,375
Short-term borrowings	14,120	245,070
Accounts payable - other	11,552	9,549
Accrued expenses	24,014	11,993
Income taxes payable	16,889	5,098
Advances received on construction contracts in progress	32,670	41,128
Provision for loss on construction contracts	8,259	7,620
Provision for warranties for completed construction	397	390
Provision for bonuses for directors (and other officers)	191	–
Other	15,072	10,642
Total current liabilities	177,132	367,869
Non-current liabilities		
Deferred tax liabilities	14,326	14,144
Provision for retirement benefits	2,327	2,329
Other	1,193	1,155
Total non-current liabilities	17,848	17,628
Total liabilities	194,980	385,498
Net assets		
Shareholders' equity		
Share capital	26,411	26,411
Capital surplus		
Legal capital surplus	29,657	29,657
Other capital surplus	239	–
Total capital surplus	29,896	29,657
Retained earnings		
Legal retained earnings	6,602	6,602
Other retained earnings		
General reserve	313,400	93,400
Retained earnings brought forward	151,946	149,761
Total retained earnings	471,949	249,764
Treasury shares	(8,093)	(12,888)
Total shareholders' equity	520,163	292,945
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	66,288	65,887
Deferred gains or losses on hedges	–	2
Total valuation and translation adjustments	66,288	65,890
Total net assets	586,452	358,835
Total liabilities and net assets	781,432	744,334

(2) Quarterly non-consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales of completed construction contracts	117,290	132,258
Cost of sales of completed construction contracts	93,227	101,565
Gross profit on completed construction contracts	24,062	30,693
Selling, general and administrative expenses	16,853	19,406
Operating profit	7,209	11,287
Non-operating income		
Interest income	135	245
Dividend income	2,813	3,663
Other	143	218
Total non-operating income	3,092	4,127
Non-operating expenses		
Interest expenses	48	142
Other	175	136
Total non-operating expenses	223	279
Ordinary profit	10,078	15,135
Extraordinary income	386	8
Extraordinary losses	3	60
Profit before income taxes	10,461	15,083
Income taxes	3,176	4,762
Profit	7,284	10,321

4. [Reference] Overview of non-consolidated financial results

(1) Non-consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	132,258	12.8	11,287	56.6	15,135	50.2	10,321	41.7
June 30, 2025	117,290	3.3	7,209	249.1	10,078	73.9	7,284	69.5

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	54.43	–
June 30, 2025	36.73	–

2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	744,334	358,835	48.2	2,181.62
March 31, 2026	781,432	586,452	75.0	2,962.06

Reference: Equity

As of June 30, 2026: ¥358,835 million

As of March 31, 2026: ¥586,452 million

(2) Construction orders, net sales of completed construction contracts and contract backlog

(Millions of yen)

Category	Three months ended June 30, 2025	Three months ended June 30, 2026	Change
Contract backlog at the beginning of the fiscal year	472,105	581,797	109,692
Construction orders during the fiscal year	266,625	310,176	43,551
Total	738,730	891,974	153,243
Of which, net sales of completed construction contracts	117,290	132,258	14,967
Net contract backlog	621,440	759,715	138,275

(3) Construction orders and net sales of completed construction contracts by customers

1) Construction orders

(Millions of yen)

Customers	Three months ended June 30, 2025		Three months ended June 30, 2026		Change	
	Amount	%	Amount	%	Amount	%
The Kansai Electric Power Company, Incorporated	24,060	9.0	27,595	8.9	3,535	14.7
The Kansai Electric Power Group	6,605	2.5	4,680	1.5	(1,925)	(29.1)
Others	235,960	88.5	277,901	89.6	41,940	17.8
Total	266,625	100.0	310,176	100.0	43,551	16.3

2) Net sales of completed construction contracts

(Millions of yen)

Customers	Three months ended June 30, 2025		Three months ended June 30, 2026		Change	
	Amount	%	Amount	%	Amount	%
The Kansai Electric Power Company, Incorporated	21,868	18.6	25,069	19.0	3,200	14.6
The Kansai Electric Power Group	3,857	3.3	3,640	2.7	(216)	(5.6)
Others	91,565	78.1	103,549	78.3	11,983	13.1
Total	117,290	100.0	132,258	100.0	14,967	12.8

(4) Construction orders and net sales of completed construction contracts by construction sector

1) Construction orders

(Millions of yen)

Construction sector	Three months ended June 30, 2025		Three months ended June 30, 2026		Change	
	Amount	%	Amount	%	Amount	%
Power Distribution Lining	21,774	8.2	23,788	7.7	2,013	9.2
Electrical	175,947	66.0	222,625	71.8	46,678	26.5
Information & Communications Network	15,506	5.8	15,393	4.9	(113)	(0.7)
Environmental Management Facilities	22,865	8.6	36,801	11.9	13,936	60.9
Electric Power & Others	30,530	11.4	11,567	3.7	(18,963)	(62.1)
Total	266,625	100.0	310,176	100.0	43,551	16.3

2) Net sales of completed construction contracts

(Millions of yen)

Construction sector	Three months ended June 30, 2025		Three months ended June 30, 2026		Change	
	Amount	%	Amount	%	Amount	%
Power Distribution Lining	19,650	16.8	22,593	17.1	2,942	15.0
Electrical	73,308	62.5	79,622	60.2	6,313	8.6
Information & Communications Network	8,261	7.0	9,669	7.3	1,407	17.0
Environmental Management Facilities	11,613	9.9	13,104	9.9	1,491	12.8
Electric Power & Others	4,456	3.8	7,269	5.5	2,813	63.1
Total	117,290	100.0	132,258	100.0	14,967	12.8

(5) Contract backlog by construction sector

(Millions of yen)

Construction sector	As of June 30, 2025		As of June 30, 2026		Change	
	Amount	%	Amount	%	Amount	%
Power Distribution Lining	16,647	2.7	17,045	2.2	397	2.4
Electrical	454,845	73.2	570,246	75.1	115,400	25.4
Information & Communications Network	23,068	3.7	24,734	3.3	1,665	7.2
Environmental Management Facilities	61,873	9.9	75,876	10.0	14,002	22.6
Electric Power & Others	65,004	10.5	71,812	9.4	6,807	10.5
Total	621,440	100.0	759,715	100.0	138,275	22.3

(6) Forecasts of construction orders and net sales of completed construction contracts for the fiscal year ending March 31, 2027

1) By customers

(Millions of yen)

Customers	Construction orders		Net sales of completed construction contracts	
	Amount	%	Amount	%
The Kansai Electric Power Company, Incorporated	89,000	13.1	92,000	13.7
The Kansai Electric Power Group	18,000	2.6	20,000	3.0
Others	573,000	84.3	558,000	83.3
Total	680,000	100.0	670,000	100.0

2) By construction sector

(Millions of yen)

Construction sector	Construction orders		Net sales of completed construction contracts	
	Amount	%	Amount	%
Power Distribution Lining	84,000	12.4	84,000	12.5
Electrical	455,000	66.9	450,000	67.2
Information & Communications Network	53,000	7.8	50,000	7.5
Environmental Management Facilities	60,000	8.8	55,000	8.2
Electric Power & Others	28,000	4.1	31,000	4.6
Total	680,000	100.0	670,000	100.0

Notes:
1. Figures for The Kansai Electric Power Company, Incorporated in (3) and (6) include data for Kansai Transmission and Distribution, Inc.
2. The forecasts in (6) above are based on information currently available to the Company. Actual results may differ from forecasted values due to various factors in the future.