

Translation

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Consolidated Financial Results for the Six Months Ended September 30, 2026 (Based on Japanese GAAP)

October 30, 2026

Company name: Kanden Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 1942 URL <https://www.kanden.co.jp/>
 Representative: President and Representative Director Hirofumi Tamogami
 General Manager of
 Inquiries: IR and Public Relations Office Takashi Nomoto TEL (03)5476-2111
 Scheduled date to file Semi-annual Securities Report: November 12, 2026
 Scheduled date to commence dividend payments: December 4, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2026	351,534	3.2	43,920	15.9	45,043	15.6	29,090	10.2
Six months ended September 30, 2025	340,638	18.8	37,900	49.1	38,949	49.0	26,405	53.0

Note: Comprehensive income For the six months ended September 30, 2026: ¥27,204 million [(25.4)%]
 For the six months ended September 30, 2025: ¥36,477 million [133.2%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2026	146.17	—
Six months ended September 30, 2025	129.18	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	617,751	416,773	64.8
As of March 31, 2026	635,618	405,687	61.4

Reference: Equity
 As of September 30, 2026: ¥400,465 million
 As of March 31, 2026: ¥390,270 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	45.00	—	79.00	124.00
Fiscal year ending March 31, 2027	—	65.00			
Fiscal year ending March 31, 2027 (Forecast)			—	65.00	130.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	780,000	5.1	90,000	8.3	90,500	6.5	65,000	2.3	326.61

Note: Revisions to the earnings forecast most recently announced: No

4. Notes

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Application of special accounting methods for preparing semi-annual 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 September 30, 2026	205,288,338 shares	As of March 31, 2026	205,288,338 shares
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Number of treasury shares at the end of the period

As of September 30, 2026	6,269,523 shares	As of March 31, 2026	6,274,418 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	199,015,093 shares	Six months ended September 30, 2025	204,399,431 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, 2027 (from April 1, 2026 to March 31, 2027)

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	674,000	5.7	76,700	10.1	77,800	8.3	58,700	3.9	294.95

Note: Revisions to the earnings forecast most recently announced: No

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* 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.

Semi-annual consolidated financial statements

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	77,938	81,517
Notes receivable, accounts receivable from completed construction contracts and other	266,551	227,672
Securities	1,999	20,489
Costs on construction contracts in progress	20,341	17,112
Other	32,289	34,040
Allowance for doubtful accounts	(1,247)	(1,262)
Total current assets	397,872	379,570
Non-current assets		
Property, plant and equipment		
Land	66,370	66,890
Other, net	74,296	72,975
Total property, plant and equipment	140,666	139,865
Intangible assets	4,439	5,476
Investments and other assets		
Investment securities	77,397	77,725
Other	16,821	16,632
Allowance for doubtful accounts	(1,579)	(1,518)
Total investments and other assets	92,639	92,839
Total non-current assets	237,745	238,181
Total assets	635,618	617,751

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	83,130	55,941
Short-term borrowings	6,097	6,821
Income taxes payable	14,321	15,520
Advances received on construction contracts in progress	35,992	43,191
Provision for loss on construction contracts	7,348	5,861
Other provisions	1,704	1,224
Other	58,505	50,893
Total current liabilities	207,100	179,454
Non-current liabilities		
Long-term borrowings	2,009	1,885
Other provisions	119	70
Retirement benefit liability	4,896	4,618
Other	15,805	14,949
Total non-current liabilities	22,830	21,523
Total liabilities	229,931	200,978
Net assets		
Shareholders' equity		
Share capital	10,264	10,264
Capital surplus	6,446	6,454
Retained earnings	369,349	382,717
Treasury shares	(30,506)	(30,482)
Total shareholders' equity	355,553	368,953
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,978	33,305
Revaluation reserve for land	(6,509)	(6,509)
Remeasurements of defined benefit plans	5,247	4,716
Total accumulated other comprehensive income	34,716	31,511
Non-controlling interests	15,416	16,308
Total net assets	405,687	416,773
Total liabilities and net assets	635,618	617,751

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income
Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales of completed construction contracts	340,638	351,534
Cost of sales of completed construction contracts	286,554	287,866
Gross profit on completed construction contracts	54,084	63,668
Selling, general and administrative expenses	16,183	19,747
Operating profit	37,900	43,920
Non-operating income		
Dividend income	821	845
Other	413	464
Total non-operating income	1,234	1,310
Non-operating expenses		
Interest expenses	115	109
Other	71	78
Total non-operating expenses	186	188
Ordinary profit	38,949	45,043
Extraordinary income		
Gain on sale of investment securities	–	24
Gain on sale of non-current assets	483	–
Total extraordinary income	483	24
Extraordinary losses		
Loss on retirement of non-current assets	106	61
Other	13	–
Total extraordinary losses	119	61
Profit before income taxes	39,313	45,006
Income taxes	11,685	14,566
Profit	27,628	30,440
Profit attributable to non-controlling interests	1,223	1,349
Profit attributable to owners of parent	26,405	29,090

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	27,628	30,440
Other comprehensive income		
Valuation difference on available-for-sale securities	9,557	(2,699)
Deferred gains or losses on hedges	17	—
Remeasurements of defined benefit plans, net of tax	(727)	(536)
Total other comprehensive income	8,848	(3,235)
Comprehensive income	36,477	27,204
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	35,165	25,886
Comprehensive income attributable to non-controlling interests	1,311	1,318

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	39,313	45,006
Depreciation	5,165	6,211
Increase (decrease) in allowance for doubtful accounts	48	(46)
Increase (decrease) in provision for loss on construction contracts	(1,744)	(1,487)
Increase/decrease in retirement benefit asset and liability	(849)	(947)
Interest and dividend income	(891)	(1,035)
Interest expenses	115	109
Loss (gain) on sale of investment securities	–	(24)
Decrease (increase) in trade receivables	33,787	38,878
Decrease (increase) in costs on construction contracts in progress	792	3,229
Increase (decrease) in trade payables	(32,060)	(27,154)
Increase (decrease) in advances received on construction contracts in progress	4,984	7,198
Other, net	(1,938)	(6,132)
Subtotal	46,720	63,805
Interest and dividends received	891	1,034
Interest paid	(115)	(109)
Income taxes refund (paid)	(13,689)	(13,296)
Net cash provided by (used in) operating activities	33,808	51,433
Cash flows from investing activities		
Net decrease (increase) in time deposits	(830)	(2,100)
Purchase of property, plant and equipment	(5,319)	(6,817)
Proceeds from sale of property, plant and equipment	1,248	6
Purchase of investment securities	(3)	(4,286)
Proceeds from sale and redemption of investment securities	26	25
Loan advances	(1,585)	(1,325)
Proceeds from collection of loans receivable	1,720	850
Other, net	(1,542)	(1,388)
Net cash provided by (used in) investing activities	(6,286)	(15,036)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,900)	600
Repayments of long-term borrowings	(301)	–
Dividends paid	(11,446)	(15,722)
Other, net	(937)	(1,276)
Net cash provided by (used in) financing activities	(22,585)	(16,398)
Effect of exchange rate change on cash and cash equivalents	59	(29)
Net increase (decrease) in cash and cash equivalents	4,995	19,969
Cash and cash equivalents at beginning of period	57,835	77,151
Cash and cash equivalents at end of period	62,831	97,120