




September 8, 2025

Company name:  NIPPON DENSETSU KOGYO CO., LTD.
Name of Representative: Kazushige Yasuda, President & CEO
(Securities code: 1950; TSE Prime Market)
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Notice Concerning Establishment of Subsidiary by Company Split (Simplified Incorporation-Type Company Split)

NIPPON DENSETSU KOGYO CO., LTD. (the “Company”) hereby announces that it has resolved at its Board of Directors meeting held today to transfer the rights and obligations arising from its telecommunications business to JCroc Co., Ltd., a new company to be established (hereinafter, the “successor company”), through an incorporation-type company split (hereinafter, the “Company Split”), with October 1, 2025 as effective date (planned).

As the Company Split is a simplified incorporation-type company split involving only the Company, some disclosure items and contents are omitted from this announcement.

1. Purpose of the Company Split

The Company Split will be implemented to promote agile and flexible business strategy for the purpose of developing and expanding the telecommunications business (hereinafter, the “Business”).

2. Outline of the Company Split

(1) Schedule for the Company Split

Board of Directors resolution on the Company Split plan: September 8, 2025

Planned date of the Company Split (effective date): October 1, 2025 (planned)

*As the Company Split meets the requirements for a simplified incorporation-type company split in accordance with the provisions of Article 805 of the Companies Act of Japan, the Company does not require approval at its General Meeting of Shareholders.

(2) Method of the Company Split

The Company Split is a simplified company split in which the Company is the splitting company and the company to be newly established is the successor company, and the newly established company will be a wholly owned subsidiary of the Company.

(3) Allocation of shares upon the Company Split

The successor company will issue 4,000 shares of common stock upon the Company Split, and all the shares will be allocated to the Company.

(4) Treatment of stock acquisition rights or bonds with stock acquisition rights upon the Company Split

There are no items falling under this treatment.

(5) Increase or decrease in capital due to the Company Split

There will be no increase or decrease in capital due to the Company Split.

(6) Rights and obligations to be assumed by the successor company

The successor company will assume the assets, liabilities, contractual status, and other rights and obligations with respect to the Business prescribed in the Company Split plan to be established on September 8, 2025.

(7) Prospects for fulfilling financial obligations

It is expected that the amount of assets of the successor company after the effective date of the Company Split will exceed that of liabilities. As of today, it is not anticipated that any event that is likely to hinder fulfillment of financial obligations to be borne by the successor company will occur on or after the effective date of the Company Split. Thus, we have judged that the obligations of the successor company are expected to be fulfilled on and after the effective date of the Company Split.

3. Outline of parties involved in the Company Split

	Splitting company (As of March 31, 2025)	Successor company (October 1, 2025; planned)
Company name	NIPPON DENSETSU KOGYO CO., LTD.	JCroc Co., Ltd.
Location of head office	1-2-23 Ikenohata, Taito-ku, Tokyo	1-2-11 Ikenohata, Taito-ku, Tokyo
Name of representative	President & CEO Kazushige Yasuda	President & CEO Seiichi Noguchi
Businesses	Electrical work, construction of information and communication systems, etc.	Telecommunications business
Capital	8,494 million yen	50 million yen
Date of establishment	December 15, 1942	October 1, 2025
Number of shares issued	61,537,219	4,000
Accounting period	March 31	March 31
Major shareholders and shareholding ratio	East Japan Railway Company: 19.26% The Master Trust Bank of Japan, Ltd. (Trust account): 8.98% NIPPON DENSETSU KOGYO Mutual Aid Organization: 5.10% NIPPON CONCRETE INDUSTRIES CO., LTD.: 5.05% Employee shareholding association of NDK Group: 3.79%	NIPPON DENSETSU KOGYO CO., LTD.: 100.00%

Note: The shareholding ratio has been calculated after excluding treasury stocks.

4. Consolidated financial position and operating results of the splitting company for the latest fiscal year

Year ended March 31, 2025 (consolidated)	
Net assets	209,649 million yen
Total assets	296,388 million yen
Net assets per share	3,335.76 yen
Net sales	216,922 million yen
Operating profit	17,934 million yen
Ordinary profit	19,400 million yen
Profit attributable to owners of parent	13,192 million yen
Basic earnings per share	223.84 yen

5. Overview of the business to be split

(1) Business to be split

Telecommunications business

(2) Operating results of the Business to be split (year ended March 31, 2025)

The Business is a new business and has not contributed to the Company for the latest fiscal year.

(3) Amount of assets and liabilities to be split (as of March 31, 2025)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	200 million yen	Current liabilities	-
Noncurrent assets	-	Noncurrent liabilities	-
Total	200 million yen	Total	-

Note: The actual amount of the assets and liabilities to be split may vary from the amounts stated above after reflecting any increase or decrease of the assets and liabilities occurring prior to the effective date of the Company Split.

6. Status of the Company after the Company Split

The company name, location of head office, title and name of representative, businesses, capital, and accounting period of the Company will not change after the Company Split.

7. Financial outlook

The impact of the Company Split on the business performance of the Company is expected to be minor. However, we will make an announcement as quickly as possible if any matter requiring disclosure occurs in the future.