Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 3, 2026

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

Company name: TOA ROAD CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 1882
URL: https://www.toadoro.co.jp
Representative: Kyouichi Morishita, Representative Director, President
Inquiries: Katsuo Tokura, Executive Officer, General Manager of Accounting Department
Telephone: +81-3-3405-1812
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: None
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	23,564	1.3	(333)	–	(226)	–	(80)	–
June 30, 2025	23,267	(0.1)	(383)	–	(304)	–	(110)	–

Note: Comprehensive income For the three months ended June 30, 2026: ¥ (217) million [– %]
For the three months ended June 30, 2025: ¥(161) million [– %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	(1.74)	–
June 30, 2025	(2.38)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	77,446	52,720	66.3
March 31, 2026	88,501	55,059	60.6

Reference: Equity
As of June 30, 2026: ¥51,336 million
As of March 31, 2026: ¥53,640 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	–	45.00	–	45.00	90.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		45.00	–	45.00	90.00

Note: Revisions to the most recently announced cash dividends forecast: None

3. Consolidated financial result 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
First half	52,000	1.0	840	106.7	950	72.1	500	6.5	10.82
Full year	130,000	7.1	6,000	3.7	6,100	1.7	4,200	22.6	90.89

Note: Revisions to the most recently announced financial result forecast: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None
Newly included: - companies (Company name)
Excluded: - companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(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	50,394,730 shares
As of March 31, 2026	50,394,730 shares

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

As of June 30, 2026	4,187,162 shares
As of March 31, 2026	4,187,142 shares

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

Three months ended June 30, 2026	46,207,575 shares
Three months ended June 30, 2025	46,161,441 shares

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

* Proper use of earnings forecasts and other special matters

Financial results forecasts and other forward-looking statements contained herein are based on information that is currently available and certain assumptions that the Company deemed to be reasonable, and the Company does not guarantee their achievement. Actual results may differ significantly due to various factors.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

In the three months under review, the Japanese economy followed a gradual recovery trend, with personal consumption and corporate capital investment showing signs of picking up against a backdrop of improving employment and income environments. Meanwhile, the economic outlook remains uncertain due to the continued rise in prices, exchange rate movements, and concerns about the economic impact of crude oil and energy price fluctuations stemming from uncertainty over developments in the Middle East.

In the road construction industry where the Group operates its main business, public works investment aimed mainly at disaster prevention and reduction and at infrastructure maintenance and renewal remained solid. However, the business environment remains challenging due to intensifying competition for contracts, persistently high construction material prices and labor costs, worsening labor shortages, and the impact of exchange rate and crude oil price fluctuations on road construction material prices and manufacturing costs.

Under these circumstances, for the three months under review, the Group posted the orders received of ¥30,934 million (down 9.7% year on year) and net sales of ¥23,564 million (up 1.3% year on year).

With regard to profit or loss, operating loss was ¥333 million (operating loss of ¥383 million in the previous corresponding period), ordinary loss was ¥226 million (ordinary loss of ¥304 million in the previous corresponding period). Loss attributable to owners of parent was ¥80 million (loss attributable to owners of parent of ¥110 million in the previous corresponding period).

The operating results by segment are as follows.

1) Construction

The orders received for the three months under review amounted to ¥19,521 million (down 19.3% year on year). Net sales of completed construction contracts were ¥12,151 million (down 7.9% year on year) and the segment loss was ¥205 million (segment loss of ¥85 million in the previous corresponding period).

2) Manufacturing and sales of construction materials, environmental business, and other businesses

Net sales for the three months under review were ¥11,412 million (up 13.3% year on year) and the segment profit was ¥557 million (segment profit of ¥365 million in the previous corresponding period).

(2) Explanation of Financial Position

The total assets at the end of the three months under review amounted to ¥77,446 million, decreasing by ¥11,055 million from the end of the preceding fiscal year. This was due mainly to a decrease of ¥962 million in cash and deposits, a decrease of ¥12,456 million in notes receivable, accounts receivable from completed construction contracts and other, and an increase of ¥1,858 million in costs on construction contracts in progress.

Total liabilities amounted to ¥24,725 million, decreasing by ¥8,716 million from the end of the preceding fiscal year. This was due mainly to a decrease of ¥3,284 million in notes payable, accounts payable for construction contracts and other, a decrease of ¥4,112 million in short-term borrowings, and a decrease of ¥1,051 million in income taxes payable.

Total net assets amounted to ¥52,720 million, decreasing by ¥2,338 million from the end of the preceding fiscal year. This was due mainly to a recording of ¥80 million in loss attributable to owners of parent and the payment of ¥2,079 million for shareholder dividends.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

Regarding the financial results forecast for the fiscal year ending March 31, 2027, despite the uncertain trends in material prices, including asphalt, the financial results for the three months under review generally progressed as expected. As of now, there are no changes to the financial results forecast announced on May 11, 2026. If any revisions become necessary based on future business performance, the Company will make appropriate disclosures.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	13,909	12,947
Notes receivable, accounts receivable from completed construction contracts and other	30,305	17,848
Electronically recorded monetary claims - operating	3,223	3,593
Costs on construction contracts in progress	1,768	3,626
Merchandise and finished goods	1,144	1,355
Work in process	268	88
Raw materials and supplies	1,967	2,251
Other	3,799	3,704
Allowance for doubtful accounts	(90)	(115)
Total current assets	56,296	45,301
Non-current assets		
Property, plant and equipment		
Buildings and structures	14,540	14,620
Machinery, equipment and vehicles	31,096	31,208
Land	13,484	13,484
Leased assets	1,721	1,700
Construction in progress	316	367
Other	2,937	2,994
Accumulated depreciation	(40,584)	(40,975)
Total property, plant and equipment	23,511	23,400
Intangible assets	278	269
Investments and other assets		
Investment securities	4,860	4,696
Long-term loans receivable	311	301
Retirement benefit asset	2,613	2,615
Deferred tax assets	422	623
Other	291	323
Allowance for doubtful accounts	(86)	(86)
Total investments and other assets	8,414	8,475
Total non-current assets	32,204	32,144
Total assets	88,501	77,446

(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	13,972	11,287
Electronically recorded obligations - operating	3,700	3,147
Short-term borrowings	4,489	377
Income taxes payable	1,376	325
Advances received on construction contracts in progress	1,778	3,059
Provision for warranties for completed construction	29	29
Provision for loss on construction contracts	61	48
Other	4,404	3,160
Total current liabilities	29,812	21,434
Non-current liabilities		
Long-term borrowings	143	133
Deferred tax liabilities	1,278	973
Deferred tax liabilities for land revaluation	1,032	1,032
Retirement benefit liability	452	478
Asset retirement obligations	55	56
Other	666	616
Total non-current liabilities	3,628	3,290
Total liabilities	33,441	24,725
Net assets		
Shareholders' equity		
Share capital	7,584	7,584
Capital surplus	6,665	6,665
Retained earnings	37,876	35,717
Treasury shares	(2,907)	(2,907)
Total shareholders' equity	49,219	47,059
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,334	2,225
Revaluation reserve for land	886	886
Remeasurements of defined benefit plans	1,200	1,165
Total accumulated other comprehensive income	4,421	4,276
Non-controlling interests	1,419	1,384
Total net assets	55,059	52,720
Total liabilities and net assets	88,501	77,446

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	23,267	23,564
Cost of sales	21,400	21,464
Gross profit	1,867	2,099
Selling, general and administrative expenses	2,251	2,432
Operating loss	(383)	(333)
Non-operating income		
Interest income	1	1
Dividend income	70	80
Other	22	34
Total non-operating income	93	116
Non-operating expenses		
Interest expenses	10	9
Commission expenses	2	–
Other	2	0
Total non-operating expenses	15	9
Ordinary loss	(304)	(226)
Extraordinary income		
Gain on sale of non-current assets	17	7
Gain on sale of investment securities	120	0
Compensation income	–	17
Total extraordinary income	137	24
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	5	25
Total extraordinary losses	5	25
Loss before income taxes	(172)	(228)
Income taxes	(74)	(154)
Loss	(98)	(73)
Profit attributable to non-controlling interests	11	7
Loss attributable to owners of parent	(110)	(80)

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Loss	(98)	(73)
Other comprehensive income		
Valuation difference on available-for-sale securities	(50)	(109)
Remeasurements of defined benefit plans, net of tax	(12)	(35)
Total other comprehensive income	(62)	(144)
Comprehensive income	(161)	(217)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(172)	(224)
Comprehensive income attributable to non-controlling interests	11	7

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Segment information, etc.)

I. For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment		
	Construction	Asphalt Products, Environment and Other	Total
Net sales			
Net sales to outside customers	13,196	10,070	23,267
Inter-segment net sales or transfers	4	175	180
Total	13,201	10,246	23,448
Segment profit (loss)	(85)	365	279

2. Differences between the total amounts of profit (loss) for reportable segments and the amounts in the quarterly consolidated statements of income, and the main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	279
Elimination of inter-segment transactions	(3)
Corporate expenses (Note)	(660)
Operating loss in the quarterly consolidated statements of income	(383)

(Note) Corporate expenses are mainly general and administrative expenses that are not attributable to the reportable segments.

3. Information on impairment loss on non-current assets by reportable segment

Not applicable.

II. For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment		
	Construction	Asphalt Products, Environment and Other	Total
Net sales			
Net sales to outside customers	12,151	11,412	23,564
Inter-segment net sales or transfers	1	169	171
Total	12,153	11,582	23,735
Segment profit (loss)	(205)	557	351

2. Differences between the total amounts of profit (loss) for reportable segments and the amounts in the quarterly consolidated statements of income, and the main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	351
Elimination of inter-segment transactions	7
Corporate expenses (Note)	(692)
Operating loss in the quarterly consolidated statements of income	(333)

(Note) Corporate expenses are mainly general and administrative expenses that are not attributable to the reportable segments.

3. Information on impairment loss on non-current assets by reportable segment

Not applicable.

(Notes to statements of cash flows)

Quarterly consolidated statements of cash flows for the three months under review have not been prepared. Depreciation (including the amortization of intangible assets) for the period under review is as follows.

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Depreciation	¥529 million	¥512 million

3. Others

Overview of Production, Orders Received and Sales

Orders received, sales and balance of orders carried forward by business

Category			For the three months ended June 30, 2025		For the three months ended June 30, 2026	
			Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Balance of orders brought forward	Construction	Pavement construction	19,720	70.3	27,587	74.8
		Civil engineering	8,337	29.7	9,276	25.2
		Total	28,057	100.0	36,864	100.0
	Asphalt Products, Environment and Other		–	–	–	–
	Total		28,057	100.0	36,864	100.0
Orders received	Construction	Pavement construction	19,055	55.6	13,651	44.1
		Civil engineering	5,133	15.0	5,870	19.0
		Total	24,189	70.6	19,521	63.1
	Asphalt Products, Environment and Other		10,070	29.4	11,412	36.9
	Total		34,260	100.0	30,934	100.0
Net sales	Construction	Pavement construction	10,458	44.9	9,650	41.0
		Civil engineering	2,738	11.8	2,501	10.6
		Total	13,196	56.7	12,151	51.6
	Asphalt Products, Environment and Other		10,070	43.3	11,412	48.4
	Total		23,267	100.0	23,564	100.0
Balance of orders carried forward	Construction	Pavement construction	28,316	72.5	31,588	71.4
		Civil engineering	10,732	27.5	12,645	28.6
		Total	39,049	100.0	44,234	100.0
	Asphalt Products, Environment and Other		–	–	–	–
	Total		39,049	100.0	44,234	100.0