

Earnings Announcement for the First Quarter of Fiscal Year ending March 31, 2026

August 7, 2025

Thank you for participating in our financial results briefing.

Agenda

- 1 Results of FY25Q1 ended June 2025
- 2 Forecasts for FY25 full year ending March 2026
- 3 Statuses of Segments
- 4 Topics in businesses

I will proceed according to this table of contents.

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FY2025Q1 Results

1 Summary of FY25Q1 Results

Orders Received well over the forecast, made the first Q1 OP in 2 yrs and achieved Net Profit

		progress rate ¹	YoY	Factors
Net Sales	40.0 bln yen	20 %	+ 6.2 bln yen + 19 %	YoY <ul style="list-style-type: none"> Net Sales increased significantly. Building Construction domestic and Civil Engineering domestic made significant contributions□ Operating profit turned into a surplus. Building Construction domestic was a major contributor Net profit increased by +0.6 billion yen mainly thanks to operating profit increase Civil Engineering domestic contributed significantly to the increase in Orders Received vs May Forecast □ <ul style="list-style-type: none"> Net Sales fell slightly short. Civil Engineering domestic met the forecast but Civil Engineering overseas, Building Construction both domestic and overseas did not due to delays in construction progresses Operating profit forecast achieved. Building Construction domestic contributed and Offshore Wind Power Engineering had delays of some expense items incurred Gains from the sale of some listed companys' stock and fixed assets contributed to Profit attributable to owners of parent Building Construction domestic and Civil Engineering domestic contributed to the significant increase in Orders Received
Operating Profit	0.6 bln yen	5 %	+ 0.9 bln yen back to profit	
Profit attributable to owners of parent	0.5 bln yen	6 %	+ 0.6 bln yen back to profit	
Orders Received	68.0 bln yen	32 %	15.4 bln yen + 29 %	

¹ against the annual forecasts announced in May

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This is a summary of the first quarter results. Following figures are all consolidated ones.

Orders Received was significantly higher than May forecast, we achieved the first quarter

Operating Profit for the first time in two years and secured a surplus in net profit.

Net Sales was 40 billion yen. On the right side of each indicator, the progress rate against the full-year forecast and the year-on-year comparison are shown in terms of amount and ratio.

Net sales progressed up to 20% of the full-year forecast announced in May, and sales increased by 6.2 billion yen compared to the same period of last year. This revenue increase was realized by progresses and contributions of affluent construction balance carried over of domestic Civil Engineering and Building Construction.

Operating profit was 0.6 billion yen. Domestic Building Construction, domestic Civil Engineering and overseas Building Construction increased their operating profit year-on-year.

Net income attributable to owners of parent was 0.5 billion yen. As to explain later and in highlighting ROIC (return on invested capital), we are promoting the sale of non-essential assets. During this quarter, the sale of listed stocks and fixed assets contributed gross 0.3 billion yen for the extraordinary profit.

Orders Received was 68.0 billion yen, which is 15.4 billion yen higher than the previous year.

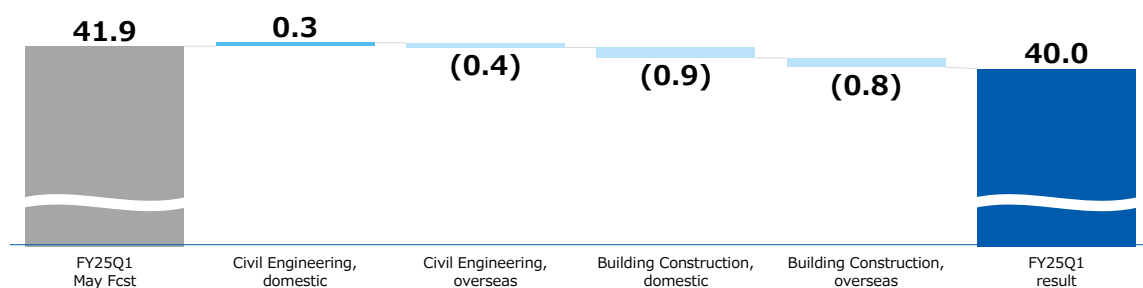
Domestic Civil Engineering made a significant contribution.

1

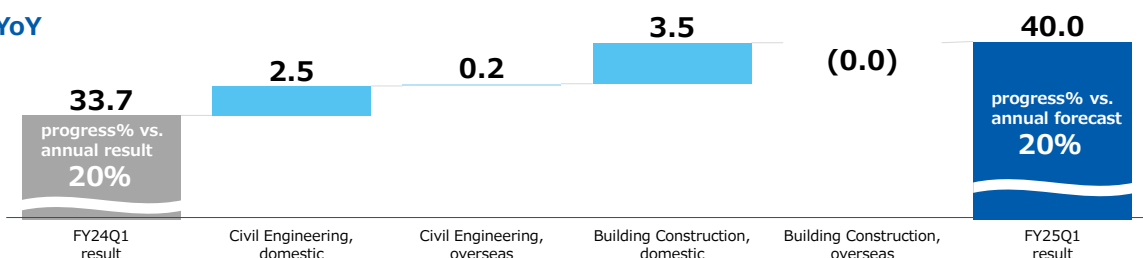
Net Sales in FY25Q1 - variances in Segments

(billion yen)

vs May Forecast



YoY



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I take the segments as moving parts for the net sales in YoY and compared to prior forecasts. The upper row shows the comparison with the forecasts as of May and the lower row shows year-on-year.

Compared to the forecast, it fell short of 1.9 billion yen. This is mainly due to the domestic and overseas Building Construction. I'll explain later more about each segment.

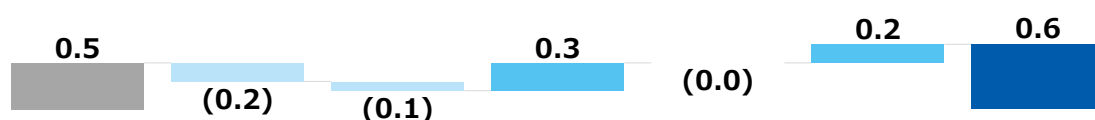
In YoY, net sales increased significantly by 6.3 billion yen. This is attributable to the contributions of domestic Building Construction and Civil Engineering.

1

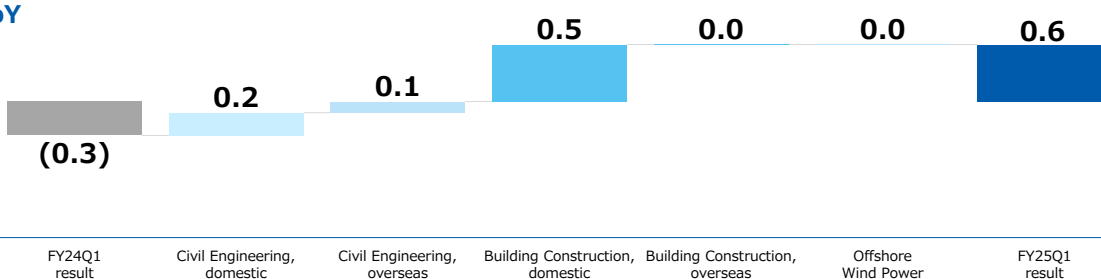
Operating Profit in FY25Q1 - variances in Segments

vs May Forecast

(billion yen)



YoY



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Next, I would like to talk about changes in Operating Profit.

The result was 0.6 billion yen positive and surpassed the forecast. Comparing with the prior forecasts and among the principal businesses, domestic Building Construction was in upward while domestic Civil Engineering, overseas Civil Engineering and overseas Building Construction were in slight downward. Offshore Wind Power Engineering was increased by 0.2 billion yen due to delays of some expenses incurred. In YoY, we turned into a profit from last year's loss.

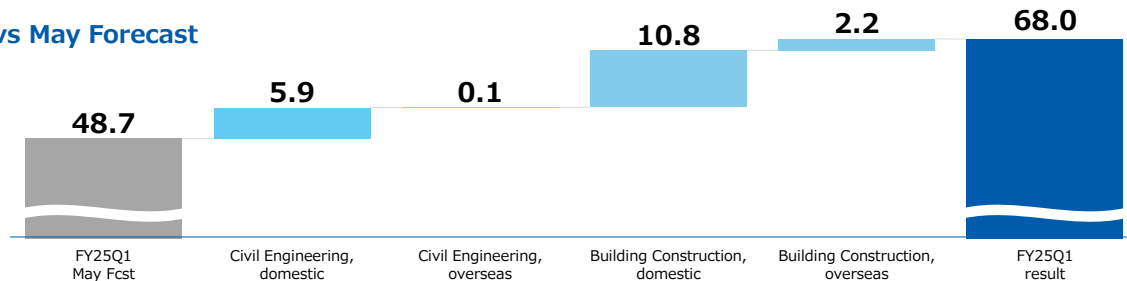
Domestic Building Construction increased significantly, and domestic Civil Engineering and overseas Building Construction were modestly uplifted.

1

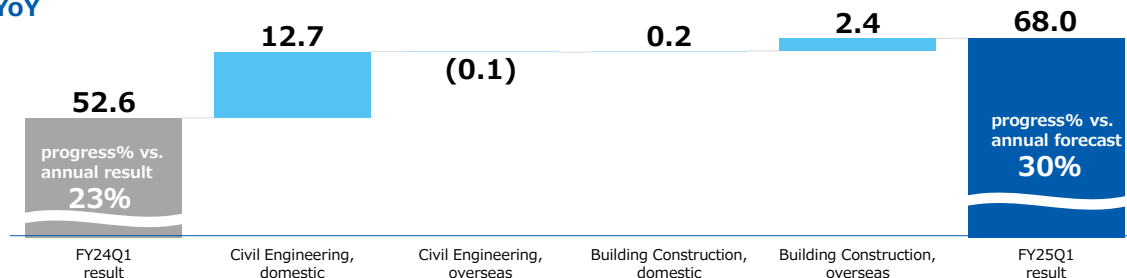
Orders Received - variances in Segments

(billion yen)

vs May Forecast



YoY



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Next is regarding the moves in Orders Received.

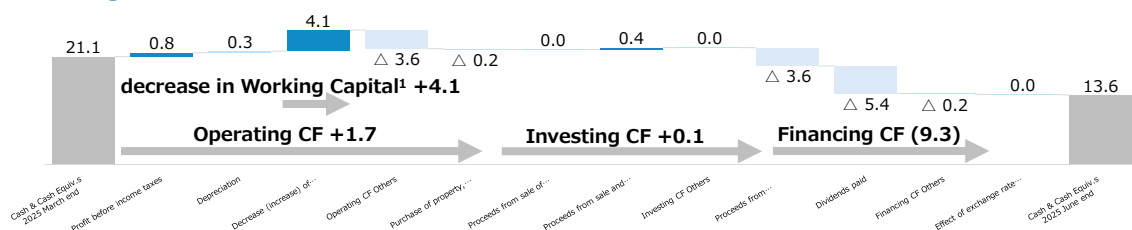
In the upper row as comparison with the forecasts as of May, we have got an increase of 19.3 billion yen. This is due to a significant increase in domestic Building Construction. Domestic Civil Engineering and overseas Building Construction fairly enlarged theirs, too.

The lower row is a comparison with the previous year, which was an increase of 15.4 billion yen. Domestic Civil Engineering grew significantly.

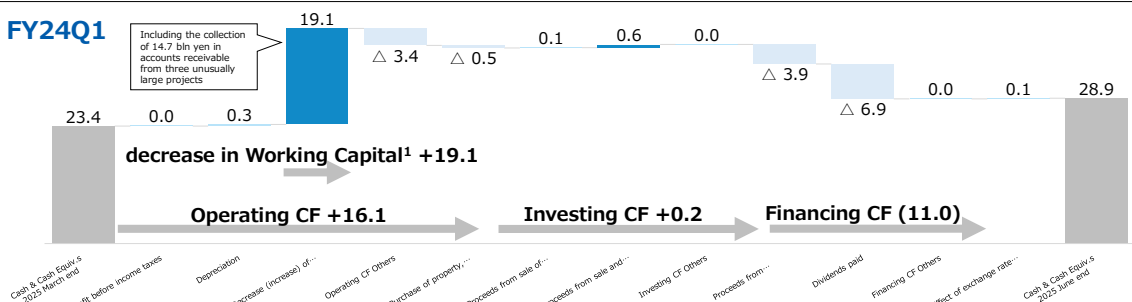
1 Cashflow

FY25Q1

(billion yen)



FY24Q1



¹ Increase or decrease in working capital arises from changes in accounts receivable, accounts payable, construction work in progress, accounts receivable in joint ventures, advances received for construction in progress, allowance for doubtful accounts, provision for losses on construction contracts, real estate business expenditures, real estate for sale, advances paid, and deposits received. For more details, please refer to the statement of cash flows

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Next, let me talk about cash flow. The upper row shows the moves in Q1 of this fiscal year, and the lower shows the last year quarter.

In this quarter, operating cash flow was plus 1.7 billion yen and investment cash flow was plus 0.1 billion yen. In terms of financial cash flow, there was a repayment of borrowings and the payment of dividends, resulting in an outflow of 9.3 billion yen.

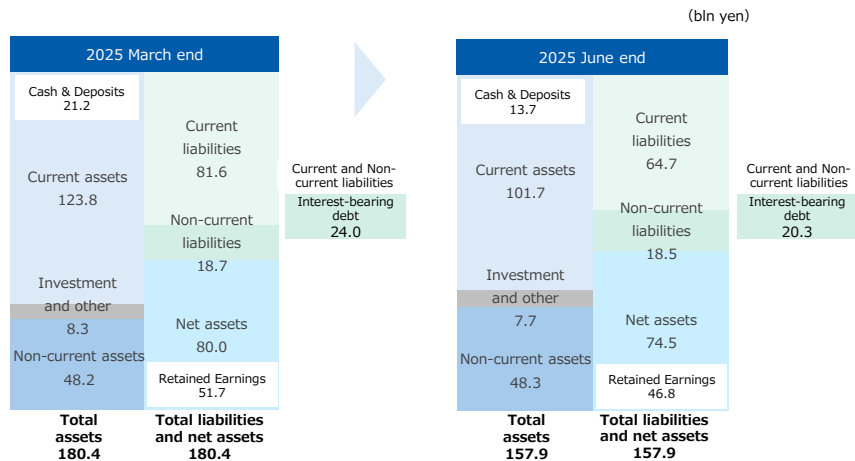
Working capital decreased by 4.1 billion yen. This is mainly due to a decrease in accounts receivable. Last year, there was a significant decrease in working capital due to collections from a few unusually large projects.

1

Balance Sheet

- Current assets decreased by 22.0 billion yen mainly due to 17.6 billion yen decrease in accounts receivable from completed construction contracts
- Interest-bearing debt (mainly short-term borrowings) decreased by 3.6 billion yen
- Cash and Deposits decreased by 7.5 billion yen
- Net assets decreased by 5.4 billion yen primarily due to the payment of dividends

▶ The initial signs of effects from the Company's focus on ROIC



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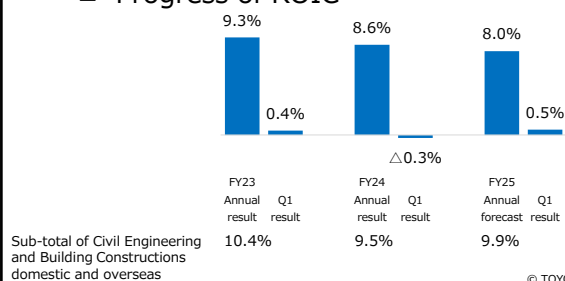
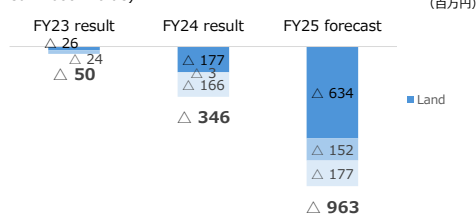
Next is the balance sheet. As shown on the screen, the amounts of each item have been reduced. The decrease in net worth is mainly due to dividend payments. We believe that the reduction in the other items is an early effect of management that focuses ROIC improvement.

1

Progress of ROIC improvement initiatives

ROIC Tree Items		Measures	Implementation in FY25Q1
Improvement of operating profit		<ul style="list-style-type: none"> Maintaining profit hurdle rates when receiving orders Formulation of operating profit of each construction profit 	<ul style="list-style-type: none"> Taking the forecasted indirect costs of the headquarters and branch offices into account
Pursuit of optimal invested capital	Reduction of fixed assets	<ul style="list-style-type: none"> Sale of idle or inefficient assets 	<ul style="list-style-type: none"> Sale of land (1 case, book value of 10 million yen)
	Reduction of investment securities	<ul style="list-style-type: none"> Sale of investment purposes shares 	<ul style="list-style-type: none"> Sale of listed company shares (5 cases, book value of 140 million yen)
	Reduction of working capital	<ul style="list-style-type: none"> Improvement of payment terms Reduction of short-term borrowing 	<ul style="list-style-type: none"> Working capital decreased due to progress in the collection of accounts receivable (4.1 billion yen) Repayment of short-term loans (3.4 billion yen)

■ Progress of ROIC

■ Reduction of invested capital by asset sales
(measured in book value)

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Next is ROIC.

Each 'ROIC tree item' shows the status of our measures and implementations.

For improving operating profit, we have made it possible for each construction project to see its operating profit. It reflects indirect costs, mainly allocated head office and branch offices expenses, to each construction's financial results.

In order to optimize the size of Invested Capital, we are actively dealing with sale of land and listed stocks, reducing working capital and accelerating repayment of short-term borrowings.

2 FY2025 Annual Forecasts

2 FY2025 Full Year Forecasts

Orders Received revised upward

vs May Fcst

Factors

Net Sales	200.0	bln yen	unchanged
Operating Profit	12.0	bln yen	unchanged
Profit attributable to owners of parent	8.5	bln yen	unchanged
PER	90.50	yen	unchanged
Dividend (annual plan)	Dividend will not be paid for the current fiscal year as the timely disclosure document posted on August 8, 2025 titled "Notice regarding the Revision of the Forecasts for Interim and Year-end Dividends for the Fiscal Year Ending March 2026 (No Dividend)" explains. <Correction on August 8>		
Orders Received	224.6	bln yen	+ 13.0 bln yen + 6 %

Change from May forecast

- Orders Received increased by 13.0 bln yen solely by Building Constuction's upward revision

<Correction on August 8>

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Next is the forecasts for the full year of FY25.

Regarding Orders Received we revised it upward by 13 billion yen from the May forecast. This is thanks to the increase in orders for domestic Building Construction.

Other than this, there isn't any change at this time around.

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Statutes of Segments

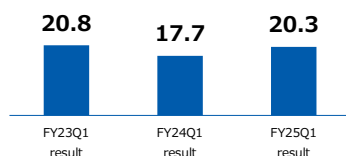
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Following is an overview of statuses of business Segments.

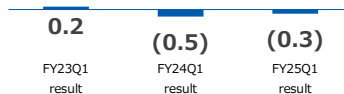
3 Civil Engineering, domestic

Net Sales of Completed Construction Contracts



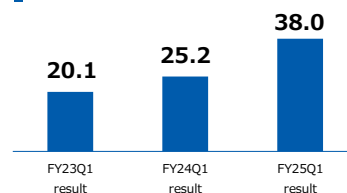
FY25Q1 | progress: **20%** vs May fcst: **+0.3** bln yen

Operating Profit



FY25Q1 | progress: **~%** vs May fcst: **(0.2)** bln yen

Orders Received



FY25Q1 | progress: **35%** vs May fcst: **+5.9** bln yen

YoY

- Sales of completed construction increased thanks to progress of balance carried forward
- Operating loss marked but shrank thanks to increased sales
- Orders Received is steadily growing

vs May forecast

- Sales of completed construction was almost in line with the forecast
- Operating profit is slightly short of the forecast due to delays of expected new orders and design changes
- Orders Received exceeded the forecast thanks to new orders in private sector



FY2023 Yokkaichi Port Kasumigaura North Wharf Area Quay (-14m)
Main Construction (Phase 2)

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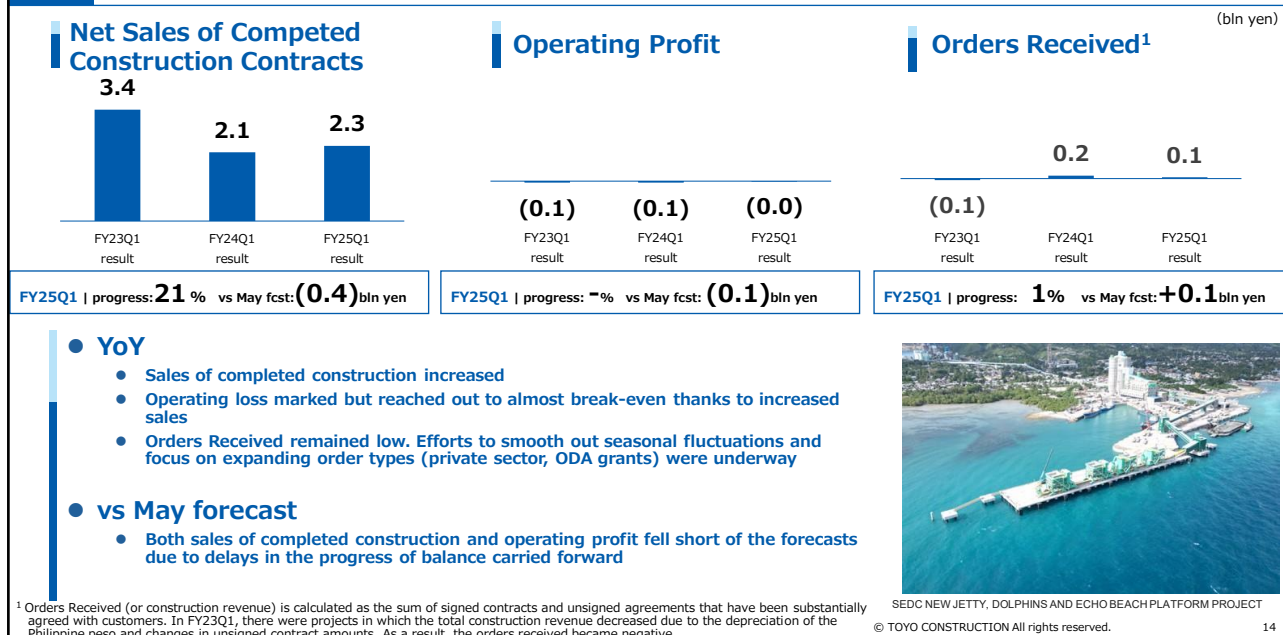
The slides for businesses show their over the past three years net sales of completed construction, operating profit and orders received of the first quarter of each fiscal year. Underneath the graph it shows the changes in the FY25 first quarter compared to the previous year and the forecast as of May.

Now we're on domestic Civil Engineering.

On a year-on-year basis, net sales of completed construction increased thanks to the progress of constructions balance carried forward. Operating profit improved in accordance with the increased sales. Orders Received expanded significantly.

Compared to the forecasts, net sales of completed construction and operating profit were almost as planned, and Orders Received was higher thanks to some unplanned orders.

3 Civil Engineering, overseas



Next is overseas Civil Engineering.

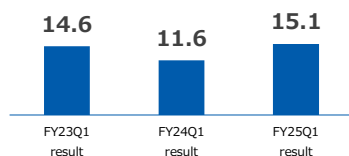
First is on year-on-year. Net sales of completed construction increased thanks to the progress of constructions balance carried forward. Operating loss shrank and it almost reached out to breakeven as sales increase flowed through.

Orders Received was at a low level. We are aware of the issue of leveling out the timing of order receiving. For this, we will work on expanding the types of work and go beyond the conventional ones.

In terms of net sales of completed construction and operating losses, the results did not meet the forecasts due to the delay in the progress of some constructions.

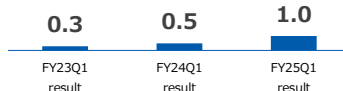
3 Building Construction, domestic

Net Sales of Completed Construction Contracts



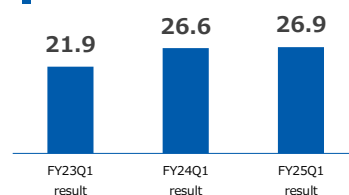
FY25Q1 | progress: **22%** vs May fcst: **(0.9)** bln yen

Operating Profit



FY25Q1 | progress: **24%** vs May fcst: **+0.3** bln yen

Orders Received



FY25Q1 | progress: **35%** vs May fcst: **+10.8** bln yen

YoY

- Sales of completed construction increased significantly
- Operating profit grew thanks to the positive impact of increased sales and contributions from additional orders raised in modifying construction

vs May forecast

- Sales of completed construction fell short of the forecast due to delays in some projects' breaking-ground timing
- Operating profit exceeded the forecast as gains from modification work and large-scale project completion
- Orders Received significantly outperformed the forecasts thanks to the early acquisition of projects formerly expected in Q2 as well as the acquisition of new projects



ITEC CORPORATION Kitakami Plant

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Now we are on domestic Building Construction.

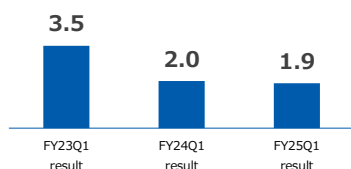
On a year-on-year basis, net sales of completed construction increased significantly because of the start of constructions balance carried forward constructions. Operating profit increased thanks to good net sales and the acquisition of additional construction changes.

Compared to the forecast, the completed construction volume was not reached out because progress was delayed in some constructions. Operating profit increased as gains from additional construction changes and a settlement at the completion of construction. Orders Received was significantly higher as advancement of projects expected in the second quarter back in May, and the acquisition of new projects were realized.

3 Building Construction, overseas¹

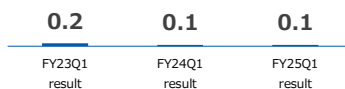
(bln yen)

Net Sales of Completed Construction Contracts



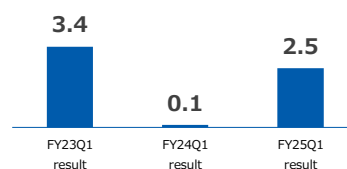
FY25Q1 | progress: **14%** vs May fcst: **(0.8)** bln yen

Operating Profit



FY25Q1 | progress: **15%** vs May fcst: **(0.0)** bln yen

Orders Received



FY25Q1 | progress: **24%** vs May fcst: **+2.2** bln yen

YoY

- Both sales of completed construction and operating profit remained almost flat
- Orders Received increased thanks to acquisition of projects of Philippine and Asian companies

vs May forecast

- Sales of completed construction fell short of the forecast due to changes in ground-breaking time and progress of works
- Operating profit was slightly below the forecast
- Orders Received increased as some projects originally expected in Q2 were acquired earlier



TAMIYA Philippines, Inc. New Factory Building

¹ All overseas construction business is operated by CCT CONSTRUCTORS CORPORATION, a consolidated subsidiary. Its fiscal year differs from the consolidated one, thus CCT results for January to March are recorded in the first quarter of consolidated results.

Next is overseas Building Construction.

Compared to the previous year, both net sales of completed construction and operating profit were almost flat. Orders Received increased thanks to acquisition of projects ordered from local and foreign companies based in the Philippines.

Compared to the forecast, net sales of completed construction was not reached out to it due to changes in the start timing and progress of some projects. As a result, operating profit also slightly fell short. The Order Received increased as advancement of projects used to be scheduled in the second quarter was realized.

3

Summary of Earnings and Orders Received

(bln yen)

	FY23Q1 results	progress rate vs. FY23 annual results	FY24Q1 results	progress rate vs. FY24 annual results	YoY	YoY%	FY25Q1 results	progress rate vs. annual forecasts	FY25 annual forecasts
Net Sales	42.6	23%	33.7	20%	+ 6.2	19%	40.0	20%	200.0
Net Sales of Completed Construction Contracts	42.5	23%	33.5	20%	+ 6.2	19%	39.8	20%	199.3
Civil Engineering, domestic	20.8	22%	17.7	19%	+ 2.5	14%	20.3	20%	104.0
Civil Engineering, overseas	3.4	26%	2.1	20%	+ 0.2	11%	2.3	21%	11.3
Building Construction, domestic	14.6	23%	11.6	19%	+ 3.5	31%	15.1	22%	70.0
Building Construction, overseas	3.5	25%	2.0	28%	+ 0.0	(4)%	1.9	14%	14.0
Offshore Wind Power Engineering	-	-	-	-	-	-	-	-	-
Others	0.1	22%	0.1	24%	+ 0.0	0%	0.1	26%	0.7
Operating Profit	0.4	4%	(0.3)	-	+ 0.9	-	0.6	5%	12.0
Civil Engineering, domestic	0.2	3%	(0.5)	-	+ 0.2	-	(0.3)	-	8.2
Civil Engineering, overseas	(0.1)	-	(0.1)	-	+ 0.1	-	(0.0)	-	0.6
Building Construction, domestic	0.3	12%	0.5	11%	+ 0.5	115%	1.0	24%	4.4
Building Construction, overseas	0.2	34%	0.1	20%	+ 0.0	16%	0.1	15%	0.8
Offshore Wind Power Engineering	(0.2)	-	(0.2)	-	+ 0.0	-	(0.2)	-	(2.3)
Others	0.0	6%	0.0	23%	(0.0)	(8)%	0.0	24%	0.2
Profit attributable owners of parent	(0.1)	-	(0.0)	-	+ 0.6	-	0.5	6%	8.5
Orders Received	45.4	27%	52.6	+23%	+ 15.4	29%	68.0	31%	224.6
Civil Engineering, domestic	20.1	21%	25.2	+23%	+ 12.7	51%	38.0	35%	110.0
Civil Engineering, overseas	(0.1)	-	0.2	+1%	(0.1)	-	0.1	1%	13.0
Building Construction, domestic	21.9	35%	26.6	+31%	+ 0.2	1%	26.9	30%	90.0
Building Construction, overseas	3.4	41%	0.1	+1%	+ 2.4	1579%	2.5	24%	11.0
Offshore Wind Power Engineering	-	-	-	-	-	-	-	-	-
Others	0.1	21%	0.2	+24%	+ 0.0	28%	0.2	44%	0.6

As numbers less than JPY millions are rounded down, a calculated total may not accord with a displayed total

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Please take a look at this page for a summary of our business results.

4

Topics in businesses

Finally, I will touch on three topics related to business operations.

The Company’s participation to Government plans

Defense Capability Development Plan

National Resilience Basic Plan

Scale of the plan :

- Facility Resilience Budget for 2023–2027: approx. 4 trillion yen
- Of which, budget for 2025 and beyond: approx. 3 trillion yen

Importance to the Company:

FY25 MOD related

Civil Engineering domestic Received Order : 18%

A Company’s
completed construction



Ishigaki (5) Construction Work (2)

Scale of the plan :

- 5-Year Emergency Measures (FY2021–2025): 15.6 trillion yen
- Of which, FY2025 budget for the Port and Harbor Bureau of MLIT : 0.2456 trillion yen
- First National Resilience Medium-term Implementation Plan (FY2026–2030): over 20 trillion yen
- Of which, budget of Port and Harbor Bureau of MLIT: undecided

Importance to the Company:

FY25 the related

Civil Engineering domestic Received Order ¹ : 15%

A Company’s
completed construction



Caisson Installation Using Japan’s Largest Crane Vessel at Shimoda Port Breakwater (West) E District Construction Project in FY2023

¹ The estimated amount calculated by applying the ratio of the budget for national resilience-related projects within that for the Ports and Harbors Bureau of MLIT to the Company’s ratio of orders from the Ports and Harbors Bureau respectively.

The first is the impact of the government's Defense Capability Development Plan and the Basic Plan for National Resilience on our business performance. The proportion of the expected order volume is 18% for defense-related and 15% for national resilience, indicating that we can expect very large sales.

4 Credit Rating Upgrade

- Rating & Investment Information, Inc. (R&I) has changed the Company's credit rating as of May 28, 2025

<Subjects and Ratings>

	After	Before
Issuer Ratings	B B B +	B B B
Direction of Rating	Stable	Stable

- Having improved creditworthiness that may allow the Company to go for direct financing such as straight bond, we are now able to accommodate flexible financing strategies as below which accord with the market conditions
 - Diversifying financing methods
 - Responding to changes in the interest rate environment

Next is the improvement of credit ratings.

On May 28, the Rating and Investment Information Center (R&I) upgraded the Company's issuer rating to BBB+ (Triple B Plus). Improvement of creditworthiness helps us to strengthen financial stability and utilize direct finance such as ordinary corporate bonds. We keep seeking opportunities for diversifying our financing methods.

Major Orders Received from April to June 2025

	Client	Construction Name
Civil Engineering	JFE Steel Corporation	Kurashiki Electric Furnace Civil Engineering Area 6
	Tokyo Metropolitan Government	Tokyo Odaiba Seaside Park Fountain Facility (7)
	Yokohama Port Wharf Co., Ltd	(Honmoku) D-5 Terminal Gate Area Improvement Work
	Chubu Regional Development Bureau of MILT	Reiwa 7 Nagoya Port new sediment disposal site revetment foundation work
	Tohoku Regional Development Bureau of MILT	Sakata Port Outer Harbor Area Wharf (-12m) Ground improvement work
Building Construction	Tokyo Tatemono Co., Ltd	T-LOGI Funabashi Nankai Shrine New Construction Project
	Mitsubishi Estate Residence Co., Ltd.	Funabashi City Miyamoto 1-chome plan new construction work
	Hinode Corporation	(tentative name) Hinoide Co., Ltd. Shin-Chikushino Center Phase II new construction work
	The Japan Cargo Tally Corporation	(tentative name) Tsukiji 1-chome plan new construction work
	Senko Group Holdings Co., Ltd	(tentative name) Senko Group new Fuji warehouse construction

The third is the main construction order we received from April to June.

Historical Data FY23~FY25

The following quarter and annual data for FY23~FY25 are available on our website

- Consolidated Balance Sheet
- Income Statement
- Cash Flow Statement
- Segment Information
- By construction type Orders Received, Net Sales and Balance Carried Forward¹
- By client type Orders Received, Net Sales and Balance Carried Forward¹
- Indicators

https://www.toyo-const.co.jp/doc/ir/irnews/20250807_FY25Q1_historicaldata.xlsx

Finally, I have placed the link where you can find the data collection. Hope it will be useful.



This document contains forward-looking statements, including forecasts, targets, plans and strategies of the Company including its consolidated subsidiaries. These forward-looking statements are based on judgments and assumptions made in light of the information currently available to the company and are not guarantees or assurances of future performance or developments. In reading this document, please note that actual results may differ from expectations and forward-looking statements.

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That's all for the explanation.