NON-CONSOLIDATED BALANCE SHEET

TOA CORPORATION
As of 31 March 2025 and 2026

ASSETS	Millions of Japanese Yen 31 March 2025	Millions of Japanese Yen 31 March 2026	Thousands of U.S. Dollars 31 March 2026
Current assets:			
Cash and bank deposits	¥ 37,594	¥ **44,688**	$ **281,058**
Notes receivable (Note 6)	190	**110**	**695**
Accounts receivable-trade (Note 6)	162,784	**148,521**	**934,100**
Accounts receivable-other (Note 6)	4,132	**4,349**	**27,354**
Cost on construction contracts in progress	4,545	**2,560**	**16,104**
Cost on other contracts	187	**218**	**1,373**
Real estate for sale	2,232	**2,168**	**13,635**
Advanced money	14,145	**18,854**	**118,583**
Other (Note 6)	6,726	**8,505**	**53,493**
Allowance for doubtful accounts	(3)	**(1)**	**(10)**
Total current assets	232,536	**229,975**	**1,446,389**
Fixed assets:			
Property, plant and equipment:			
Buildings	6,965	**7,241**	**45,546**
Structures	1,991	**2,087**	**13,128**
Machinery and equipment	4,489	**4,596**	**28,908**
Vessels	17,366	**17,398**	**109,426**
Vehicles	638	**800**	**5,036**
Tools, furniture and fixtures	2,742	**2,876**	**18,090**
Land	14,818	**14,720**	**92,578**
Leased assets	1,465	**1,696**	**10,668**
Construction in progress	88	**812**	**5,107**
Total property, plant and equipment	50,567	**52,230**	**328,491**
Less: Accumulated depreciation	(24,309)	**(25,809)**	**(162,324)**
Property, plant and equipment - net	26,257	**26,420**	**166,167**
Intangible assets:	746	**1,338**	**8,417**
Investments and other assets:			
Investments in securities (Note 6)	12,474	**13,027**	**81,935**
Stock of subsidiaries and affiliates (Notes 6 and 8)	2,881	**2,953**	**18,576**
Long-term loans to subsidiaries and affiliates (Note 6)	1,102	**983**	**6,186**
Prepaid Pension Cost	1,692	**2,516**	**15,829**
Deferred tax assets	3,295	**6,421**	**40,385**
Other	1,655	**2,123**	**13,353**
Allowance for doubtful accounts	(524)	**(491)**	**(3,094)**
Total investments and other assets	22,577	**27,534**	**173,174**
Total fixed assets	49,581	**55,293**	**347,758**
Total assets	¥ 282,118	¥ **285,269**	$ **1,794,148**

The accompanying notes are an integral part of these financial statements.

NON-CONSOLIDATED BALANCE SHEET

TOA CORPORATION
As of 31 March 2025 and 2026

	Millions of Japanese Yen		Thousands of U.S. Dollars
LIABILITIES	31 March 2025	**31 March 2026**	**31 March 2026**
Current liabilities:			
Notes payable (Note 6)	¥ 1,311	**¥ 87**	**$ 549**
Electronically recorded obligations-operating (Note 6)	15,369	**14,629**	**92,007**
Accounts payable-trade (Note 6)	41,966	**46,435**	**292,049**
Short-term borrowings (Note 6)	29,404	**9,999**	**62,887**
Commercial papers	6,000	**-**	**-**
Lease obligation	205	**245**	**1,544**
Accrued income taxes	5,354	**8,629**	**54,271**
Advances received on construction contracts in progress	17,184	**16,588**	**104,329**
Advances received on other contracts	288	**368**	**2,318**
Deposits received	41,341	**43,075**	**270,912**
Reserve for indemnity on completed contracts	921	**1,190**	**7,486**
Reserve for loss on construction works	3,184	**8,876**	**55,823**
Reserve for director's bonuses	85	**211**	**1,327**
Provision for employee stock ownership plan trust	-	**2,147**	**13,504**
Other current liabilities	9,691	**16,640**	**104,657**
Total current liabilities	172,308	**169,123**	**1,063,669**
Long-term liabilities:			
Corporate bonds	5,000	**5,000**	**31,446**
Long-term debt	9,959	**10,085**	**63,429**
Lease obligation	379	**356**	**2,243**
Deferred tax liabilities on revaluation of land	2,208	**2,202**	**13,853**
Provision for board benefit trust	404	**1,133**	**7,128**
Provision for employee stock ownership plan trust	814	**-**	**-**
Other long-term liabilities	272	**540**	**3,401**
Total long-term liabilities	19,038	**19,318**	**121,501**
Total liabilities	191,347	**188,442**	**1,185,171**
NET ASSETS:			
Shareholders' equity:			
Common stock	18,976	**18,976**	**119,350**
Capital surplus			
Legal capital surplus	4,744	**4,744**	**29,837**
Other capital surplus	13,008	**18,033**	**113,418**
Total capital surplus	17,752	**22,777**	**143,255**
Retained earnings			
Other retained earnings			
General reserves	14,000	**14,000**	**88,050**
Retained earnings brought forward	39,457	**48,279**	**303,647**
Total retained earnings	53,457	**62,279**	**391,697**
Treasury stock	(7,057)	**(16,031)**	**(100,825)**
Total shareholders' equity	83,129	**88,003**	**553,478**
Valuation and translation adjustments:			
Net unrealized gains (losses) on securities	4,418	**5,453**	**34,301**
Net deferred gains (losses) on hedges	1	**125**	**786**
Revaluation reserve for land	3,222	**3,245**	**20,409**
Total valuation and translation adjustments	7,641	**8,824**	**55,498**
Total net assets	90,770	**96,827**	**608,976**
Total liabilities and net assets	¥ 282,118	**¥ 285,269**	**$ 1,794,148**

The accompanying notes are an integral part of these financial statements.

NON-CONSOLIDATED STATEMENT OF INCOME

TOA CORPORATION
For the years ended 31 March 2025 and 2026

	Millions of Japanese Yen		Thousands of U.S. Dollars
	From 1 April 2024 To 31 March 2025	**From 1 April 2025 To 31 March 2026**	**From 1 April 2025 To 31 March 2026**
Net sales			
Net sales of completed construction contracts	¥ ¥311,979	**¥ 336,859**	**$ 2,118,612**
Net sales in development business and other	5,283	**5,737**	**36,086**
Net sales in real estate business and other	606	**593**	**3,730**
Total net sales	317,869	**343,190**	**2,158,429**
Cost of sales			
Cost of sales of completed construction contracts	281,667	**299,557**	**1,884,007**
Cost of sales in development business and other	4,023	**4,374**	**27,514**
Cost of sales in real estate business and other	374	**351**	**2,210**
Total cost of sales	286,064	**304,283**	**1,913,731**
Gross profit			
Gross profit on completed construction contracts	30,312	**37,302**	**234,604**
Gross profit on development business and other	1,260	**1,362**	**8,572**
Gross profit on real estate business and other	232	**241**	**1,520**
Total gross profit	31,804	**38,906**	**244,697**
Selling, general and administrative expenses			
Remuneration for directors	299	**343**	**2,162**
Employees' salaries and allowances	5,589	**7,025**	**44,184**
Retirement benefit expenses	137	**639**	**4,020**
Legal welfare expenses	817	**927**	**5,831**
Welfare expenses	455	**497**	**3,130**
Stationery expenses	835	**1,021**	**6,422**
Communication and transportation expenses	500	**559**	**3,519**
Research study expenses	1,242	**1,478**	**9,301**
Advertising expenses	168	**300**	**1,893**
Provision of allowance for doubtful accounts	0	**(0)**	**(0)**
Entertainment expenses	206	**205**	**1,293**
Donations	39	**82**	**520**
Rent expenses on land and buildings	807	**976**	**6,143**
Depreciation	339	**364**	**2,293**
Taxes and dues	808	**800**	**5,037**
Miscellaneous expenses	975	**1,190**	**7,489**
Total selling, general and administrative expenses	13,223	**16,416**	**103,245**
Operating income	18,581	**22,490**	**141,451**
Non-operating income:			
Interest income (Note 5)	59	**84**	**528**
Interest on securities	-	**24**	**155**
Dividend income	356	**452**	**2,845**
Exchange gain	-	**607**	**3,821**
Other	20	**24**	**156**
Total non-operating income	436	**1,193**	**7,508**
Non-operating expenses:			
Interest expense	471	**579**	**3,645**
Interest expenses on bonds	6	**86**	**541**
Bond issuance costs	37	**-**	**-**
Guarantee fee	178	**150**	**947**
Exchange loss	327	**-**	**-**
Other	55	**71**	**447**
Total non-operating expenses	1,076	**887**	**5,582**
Ordinary profit	17,941	**22,797**	**143,377**

The accompanying notes are an integral part of these financial statements.

NON-CONSOLIDATED STATEMENT OF INCOME

TOA CORPORATION
For the years ended 31 March 2025 and 2026

	Millions of Japanese Yen		Thousands of U.S. Dollars
	From 1 April 2024 To 31 March 2025	**From 1 April 2025 To 31 March 2026**	**From 1 April 2025 To 31 March 2026**
Extraordinary income:			
Gain on sale of fixed assets (Note 7)	¥ 6	**¥ 1**	**$ 6**
Gain on sale of investment in securities	1,112	**1,402**	**8,817**
Subsidy income/Government grant income	7	**-**	**-**
Other	5	**-**	**-**
Total extraordinary income	1,131	**1,403**	**8,824**
Extraordinary losses:			
Loss on sale of fixed assets (Note 7)	-	**16**	**102**
Loss on disposal of fixed assets (Note 7)	150	**135**	**853**
Loss on reduction of fixed assets	7	**-**	**-**
Loss on impairment of fixed assets	75	**159**	**1,004**
Other	4	**14**	**92**
Total extraordinary losses	237	**326**	**2,053**
Profit before income taxes	18,835	**23,873**	**150,148**
Income taxes:			
Current	5,583	**9,414**	**59,213**
Deferred	(301)	**(3,697)**	**(23,253)**
Total income taxes	5,281	**5,717**	**35,959**
Profit	¥ 13,554	**¥ 18,156**	**$ 114,188**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COST OF COMPLETED CONTRACTS

TOA CORPORATION
For the years ended March 31, 2025 and 2026

	Notes No	Millions of Japanese Yen				Thousands of U.S. Dollars
		31 March 2025		**31 March 2026**		**31 March 2026**
		Amount	Composition Ratio %	Amount	Composition Ratio %	Amount
Material cost		57,846	20.5	**54,479**	**18.2**	**342,636**
Labor cost		1,078	0.4	**1,572**	**0.5**	**9,890**
(Subcontract labor cost included)		(-)	(-)	**(-)**	**(-)**	**(-)**
Subcontract cost		170,122	60.4	**181,418**	**60.6**	**1,140,996**
Expenses		52,620	18.7	**62,087**	**20.7**	**390,484**
(Personnel expenses included)		(16,032)	(5.7)	**(16,637)**	**(5.6)**	**(104,636)**
Total		¥281,667	100.0	**¥299,557**	**100.0**	**$1,884,007**

The Company's cost accounting method is based on specific cost accounting, where the actual cost of each construction project is categorized and aggregated according to the elements of material cost, labor cost, subcontracting cost and expenses.

STATEMENT OF COST OF SALES IN DEVELOPMENT BUSINESS AND OTHERS AND REAL ESTATE AND OTHERS

TOA CORPORATION
For the years ended March 31, 2025 and 2026

	Notes No	Millions of Japanese Yen				Thousands of U.S. Dollars
		31 March 2025		**31 March 2026**		**31 March 2026**
		Amount	Composition Ratio %	Amount	Composition Ratio %	Amount
Cost of sales in development business and other						
Cost of sales in design services and other		4,021	99.9	4,374	100.0	**27,514**
Cost of sales in development business		1	0.0	-	-	-
Total		¥4,023	100.0	¥4,374	100.0	**$27,514**
Cost of sales in real estate business and other						
Cost of sales in real estate for sale		40	10.8	24	7.0	**153**
Cost of sales in rentals		333	89.2	326	93.0	**2,056**
Total		¥374	100.0	¥351	100.0	**$2,210**

The Company's cost accounting method is based on specific cost accounting.

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

TOA CORPORATION
For the years ended March 31, 2025 and 2026

Millions of Japanese Yen

	Shareholders' equity									Valuation and translation adjustments				
		Capital surplus			Retained earnings									
					Other retained earnings									
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	General Reserves	Retained earnings brought forward	Total Retained Earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized gains (losses) on securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	Total Net Assets
Balance at March 31, 2024	¥18,976	¥4,744	¥14,579	¥19,323	¥14,000	¥29,194	¥43,194	(¥8,662)	¥72,832	¥4,309	¥1	¥3,277	¥7,589	¥80,421
Cash dividends						(3,282)	(3,282)		(3,282)					(3,282)
Profit						13,554	13,554		13,554					13,554
Acquisition of treasury stock								(242)	(242)					(242)
Sale of treasury stock			92	92				183	275					275
Cancellation of treasury stock			(1,664)	(1,664)				1,664	-					-
Revaluation reserve for land						(7)	(7)		(7)					(7)
Net changes in items other than shareholders' equity										108	(0)	(55)	52	52
Balance at March 31, 2025	¥18,976	¥4,744	¥13,008	¥17,752	¥14,000	¥39,457	¥53,457	(¥7,057)	¥83,129	¥4,418	¥1	¥3,222	¥7,641	¥90,770
Cash dividends						(9,310)	(9,310)		(9,310)					(9,310)
Profit						18,156	18,156		18,156					18,156
Acquisition of treasury stock								(10,920)	(10,920)					(10,920)
Sale of treasury stock			5,025	5,025				1,946	6,971					6,971
Cancellation of treasury stock									-					-
Revaluation reserve for land						(22)	(22)		(22)					(22)
Net changes in items other than shareholders' equity										1,035	124	22	1,182	1,182
Balance at March 31, 2026	**¥18,976**	**¥4,744**	**¥18,033**	**¥22,777**	**¥14,000**	**¥48,279**	**¥62,279**	**(¥16,031)**	**¥88,003**	**¥5,453**	**¥125**	**¥3,245**	**¥8,824**	**¥96,827**

Thousands of U.S. Dollars (Note1)

	Shareholders' equity									Valuation and translation adjustments				
		Capital surplus			Retained earnings									
					Other retained earnings									
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	General Reserves	Retained earnings brought forward	Total Retained Earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized gains (losses) on securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	Total Net Assets
Balance at March 31, 2025	$119,350	$29,837	$81,813	$111,650	$88,050	$248,161	$336,211	($44,387)	$522,825	$27,786	$6	$20,265	$48,059	$570,884
Cash dividends						(58,559)	(58,559)		(58,559)					(58,559)
Profit						114,188	114,188		114,188					114,188
Acquisition of treasury stock								(68,681)	(68,681)					(68,681)
Sale of treasury stock			31,605	31,605				12,243	43,848					43,848
Cancellation of treasury stock									-					-
Revaluation reserve for land						(144)	(144)		(144)					(144)
Net changes in items other than shareholders' equity										6,514	780	144	7,439	7,439
Balance at March 31, 2026	**$119,350**	**$29,837**	**$113,418**	**$143,255**	**$88,050**	**$303,647**	**$391,697**	**($100,825)**	**$553,478**	**$34,301**	**$786**	**$20,409**	**$55,498**	**$608,976**

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Significant accounting policies

Ⅰ. Basis of valuation for securities

1) Held-to-maturity debt securities
Held-to-maturity debt securities are carried at amortized cost.

2) Stock of subsidiaries and affiliates
Stock of subsidiaries and affiliates is stated at moving average cost method.

3) Other securities
Other non-marketable securities other than shares, etc. are stated at fair value. Net unrealized gains or losses on these securities are included directly in the net assets and cost of securities sold is computed by the moving average method.
Other non-marketable shares, etc. are stated at moving average cost method.

Ⅱ. Basis of valuation for derivatives

With changes in fair value included in net income or loss for the period in which they arise, derivatives are stated at fair value.

Ⅲ. Basis of valuation for inventories

1) Cost on construction contracts in progress and cost on other contracts are stated at specific cost method for each contract.

2) Real estate for sale are stated at specific cost method for each contract.

3) Materials and supplies are stated at moving average cost method.
However, in the case that net selling value falls below the acquisition cost at the end of the period, inventories except for cost on construction contracts in progress are carried at the net selling value on the balance sheet, regarded as decreased profitability of assets.

Ⅳ. Depreciation for property, plant and equipment and other

1) Property, plant and equipment and other excluding leased assets
Except for leased assets, depreciation is principally computed by the declining-balance method at rates based on the estimated useful lives. However, depreciation of buildings which the Company acquired on or after April 1, 1998, and facilities attached to buildings and other non-building structures acquired on or after April 1, 2016, are computed on a straight-line basis over the estimated period. Useful lives and residual value are in conformity with the provisions of the Corporation Tax Law of Japan.

2) Intangible fixed assets excluding leased assets and long-term prepaid expenses
As for intangible fixed assets excluding leased assets and long-term prepaid expenses, amortization is computed by the straight-line method and the useful lives are in conformity with the provisions of the Corporation Tax Law of Japan.

3) Leased assets
As for leased assets related to finance lease, other than those which are deemed to transfer ownership of the leased assets to the lessee, depreciation is principally computed by the straight-line method over the useful lives equivalent to lease term and residual value is equal to zero.

Ⅴ. Reserves and allowances

1) Allowance for doubtful accounts
Allowance for general receivables are established in amounts considered to be appropriate based upon credit loss experience. For specific receivables such as doubtful accounts, allowance for these are established in amounts considered to be uncollectible based upon an evaluation of possibility of collection in each outstanding receivable.

2) Reserve for indemnity on completed contracts
Reserve for indemnity on completed contracts is provided for the future liabilities for non-conformity of contracts based upon the estimated indemnity amount for net sales for the year.

3) Reserve for loss on construction works
Reserve for loss on construction works is provided for the amount equivalent to cover future loss by evaluating individual construction from which loss is assumed and estimated.

4) Reserve for bonuses for board of directors
Reserve for bonuses for board of directors is provided for the amount estimated to be paid to the members of the Board of Directors and the Executive Officers.

5) Liability for retirement benefits (Prepaid Pension Cost)
Retirement benefits is provided for the amount equivalent to cover future retirement benefits expenses based upon the estimate of retirement benefit obligations and employee's pension plan assets.

a) Liabilities for retirement benefits has been provided on an accrual basis as of the balance sheet date based on an estimate of the projected benefit obligation and the employees' pension plan assets.
To calculate projected benefit obligation, the benefit formula method is used to allocate expected retirement benefit payments to the each period through current fiscal year-end.

b) Actuarial gain or loss is amortized by the straight-line method over a defined period (11 years), not exceeding the average remaining service period of the employees from the next fiscal year after the incurrence.

6) Provision for board benefit trust
Provision for board benefit trust is provided for the amount equivalent to cover future benefit obligations for members of the Board of Directors and the Executive Officers in accordance with the regulations of the board benefit trust.

7) Provision for employee stock ownership plan trust
Provision for employee stock ownership plan trust is provided for the amount equivalent to cover future benefit obligations for employees in accordance with the regulations of the employee benefit trust for the current fiscal year.

Ⅵ. Recognition of revenue and expenses

The Company is primarily engaged in construction work in three segments: Domestic civil engineering businesses, domestic building businesses, and overseas construction businesses.
The revenue from each contract is recognized by estimating the fulfillment of the performance obligations over a certain period of time. The progress in the fulfillment of the performance obligations is estimated by the ratio of the costs incurred to the estimated total costs for each contract. However, the cost recovery method is applied where the progress cannot be estimated but the costs incurred are expected to be recovered. For the contracts completed within a short period of time, the revenue is recognized when the performance obligations are fully satisfied.

Ⅶ. Deferred assets

Bond issuance costs are expensed in full when incurred.

Ⅷ. Hedge accounting

1) Method
Gains or losses arising from changes in fair value of the derivatives designated as "hedging instruments" are deferred as a component of net assets and included in net income or loss in the same period during which the gains and losses on the hedged items or transactions are recognized.
For interest rate swaps, if certain hedging criteria are met, interest rate swaps are not recognized at their fair values but an alternative (short-cut) method under Japanese accounting standards is applied by which the amounts received or paid for such interest swap arrangements are recognized as interest over the life of each of the arrangements.

2) Hedging instruments and hedged items

a) Hedging instruments
The derivatives designated as hedging instruments by the Company are principally interest swaps and forward exchange contracts.

b) Hedged items
The related hedged items are bank loans, foreign currency monetary liabilities and forecasted transactions.

3) Hedge policy
The Company has a policy to utilize the above hedging instruments in order to reduce the Company's exposure to the risk of interest rate fluctuation and foreign exchange fluctuation.

Ⅸ. Retirement benefits

The accounting method of outstanding amounts of unrecognized actuarial gains / losses for retirement benefits is different from that applied in the consolidated financial statements.

Ⅹ. Accounting principles and procedures adopted when the relevant accounting standards are not clearly defined.

Accounting methods used for joint ventures (JV) in construction projects
The Company recognizes assets, liabilities, income and expenses mainly in proportion to the percentage of investment by the JV members.

Ⅺ. U.S. Dollar amounts

The dollar amounts included in the financial statements and notes thereto represent the arithmetical results of translating yen to dollars at rate of ¥159=US$1, the approximated rate of exchange prevailing on March 31, 2026. The inclusion of such dollar amounts is solely for the convenience of readers outside of Japan and is not intended to imply that yen and assets and liabilities originating in Yen have been or could be readily converted, realized or settled in dollars at this or any other rates.
Amounts less than one thousand have been

rounded down to the nearest thousand dollars.

2. Significant accounting estimates

Ⅰ. Accounting Standard for Revenue Recognition

1) Amount recorded in the financial statements for the current fiscal year
The amount of contract revenue accounted for by estimating the progress in the fulfillment of the performance obligation over a certain period of time:
Previous Fiscal Year
¥311,848 million
Current Fiscal Year
¥336,195 million (US$2,114,434 thousand)

2)Information on significant accounting estimates for identified items
Same as stated in the Significant accounting estimates of Notes to Consolidated Financial Statements.

Ⅱ. Impairment loss on fixed assets

1) Amount recorded in the financial statements for the current fiscal year Impairment loss:
Previous Fiscal Year
¥75 million
Current Fiscal Year
¥159 million (US$1,004 thousand)

2)Information on significant accounting estimates for identified items
Same as stated in the Significant accounting estimates of Notes to Consolidated Financial Statements.

Ⅲ. Recoverability of deferred tax assets

1) Amounts recognized in the financial statements for the current fiscal year Deferred tax assets:
Previous Fiscal Year
¥3,295 million
Current Fiscal Year
¥6,421 million (US$40,385 thousand)

2) Information on significant accounting estimates for identified items
Same as stated in the Significant accounting estimates of Notes to Consolidated Financial Statements.

3. Changes in Presentation

(Related to Statement of Income)

The Company has changed the presentation of items in the statement of income as follows: “Commission fee,” which was presented separately under “Non-operating expenses” in the statement of income for the previous fiscal year is classified in “Other” in the statement of income for the current fiscal year due to its decreased materiality.

As a result, the ¥52 million presented in “Commission fee” and the ¥2 million presented in “Other” under “Non-operating expenses” in the statement of income for the previous fiscal year has been reclassified as “Other” of ¥55 million.

4. Change in Accounting Estimates

(Changes in Useful Lives and Estimates of Asset Retirement Obligations)

In the current fiscal year, the Company decided to relocate its head office (scheduled for sometime around the summer of 2027). In conjunction with the relocation, the amortization periods of the fixed assets that are not expected to be used after the relocation are changed from the current fiscal year by shortening their useful lives so that their depreciation will be completed by the scheduled month of relocation.

Furthermore, with regard to expenses related to restoration to original condition in accordance with real estate lease agreements, the reasonable time periods for depreciation have been shortened. As a result of these changes, compared with conventional methods, operating profit, ordinary income, and net income before taxes and other adjustments decreased by ¥81 million (US$509 thousand), respectively, for the current fiscal year.

5. Additional information

(Impact of accident at site of construction work by the Company)

As information related to the impact of the accident at our construction site is identical to the information in Note 6, Additional information of Notes to Consolidated Financial Statements, this disclosure has been omitted.

6. Notes to Balance Sheet

Ⅰ. Receivables and payables

The aggregate amounts corresponding to affiliates as of March 31, 2025 and 2026, were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Notes receivable, Accounts receivable - trade, and Accounts receivable - other	¥2,624	**¥1,533**	**$9,644**
Notes payable, Electronically recorded obligations - operating, and Accounts payable - trade	5,368	**9,945**	**62,551**

Ⅱ. Assets pledged as collateral and secured liabilities

Assets pledged as collateral and secured liabilities as of March 31, 2025 and 2026, were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
Assets pledged as collateral:	2025	**2026**	**2026**
Current assets			
Other current assets	¥16	**¥9**	**$58**
Investment and other assets			
Investment in securities	2,929	**3,215**	**20,225**
Stock of subsidiaries and affiliates	308	**252**	**1,586**
Long-term loans to subsidiaries and affiliates	72	**63**	**400**
Total	¥3,328	**¥3,541**	**$22,270**

As of March 31, 2026, the assets listed above have been pledged as collateral for employee deposits (internal deposit program) of ¥2,544 million (US$16,006 thousand) and for obligations under credit facility agreements and other financing arrangements between affiliated companies engaged in PFI businesses and financial institutions.

As of March 31, 2025, the assets listed above have been pledged as collateral for employee deposits (internal deposit program) of ¥2,475 million.

Ⅲ. Government subsidies

Because of government subsidies, etc. that were received, the reduction entry amount indicated below was deducted from the acquisition cost of property, plant and equipment as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Building and Structure	¥6	**-**	**-**

Ⅳ. Securities lent

Among investments in securities, securities lent to a financial institution under the security lending agreement at March 31, 2025 and 2026, were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2025	**2026**	**2026**
¥215	**¥274**	**$1,725**

Ⅴ. Commitments and contingent liabilities

The Company is contingently liable for the following as of March 31, 2025 and 2026

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Employees (Loan guarantee to bank)	¥5	**¥1**	**$11**
MORIMOTO Co., Ltd. (Deposit and other guarantees)	341	**-**	**-**
Total	¥347	**¥1**	**$11**

Ⅵ. Short-term borrowings

The Company had commitment lines for efficient financing from 7 banks at March 31, 2025 and 2026, as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Total amount of contracts of commitment lines	¥25,000	**¥25,000**	**$157,232**
Outstanding borrowings	-	**-**	**-**
Balance	¥25,000	**¥25,000**	**$157,232**

7. Notes to Statement of Income

Ⅰ. Interest income from affiliates was as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2025	**2026**	**2026**
¥15	**¥13**	**$85**

Ⅱ. Gain on sale of fixed assets

The breakdown of the gain on sale of fixed assets was as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Land and buildings	¥6	**¥0**	**$5**
Other	0	**0**	**1**
Total	¥6	**¥1**	**$6**

Ⅲ. Loss on sale of fixed assets

The breakdown of the loss on disposition of fixed assets was as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Machinery, vehicles and tools, furniture and fixtures	-	**¥12**	**$76**
Land and buildings	-	**4**	**26**
Total	-	**¥16**	**$102**

Ⅳ. Loss on disposal of fixed assets

The breakdown of the loss on retirement of fixed assets was as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Buildings	¥149	**¥134**	**$845**
Equipment	0	**1**	**8**
Others	0	**0**	**0**
Total	¥150	**¥135**	**$853**

8. Securities

Since the stock of subsidiaries and affiliates have no market price and it is extremely difficult to determine fair value,the fair value of stock of subsidiaries and affiliates is not included in the financial statements.

The amounts on the balance sheet, which are extremely difficult to determine fair value, were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Stock of subsidiaries	¥2,572	**¥2,618**	**$16,468**
Stock of affiliates	308	**335**	**2,108**
Total	¥2,881	**¥2,953**	**$18,576**

9. Tax Effect Accounting

Ⅰ. The significant components of deferred tax assets and liabilities at March 31, 2025 and 2026, were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2025	**2026**	**2026**
Deferred Tax Assets:			
Net liability for retirement benefits	¥753	**¥1,550**	**$9,749**
Reserve for loss on construction works	990	**2,797**	**17,595**
Accrued bonus to employees	1,179	**1,525**	**9,592**
Loss on valuation of utility rights	234	**237**	**1,494**
Loss on valuation of investment in securities	46	**24**	**153**
Loss on impairment of fixed assets	239	**278**	**1,750**
Foreign tax credit	1,395	**929**	**5,847**
Others	1,134	**2,291**	**14,412**
Total gross deferred tax assets	¥5,972	**¥9,634**	**$60,596**
Valuation allowance for tax loss carried forward	-	**-**	**-**
Valuation allowance for deductible temporary differences	(¥678)	**(¥648)**	**(4,079)**
Total valuation allowance	(¥678)	**(¥648)**	**(4,079)**
Total deferred tax assets	¥5,294	**¥8,986**	**$56,516**
Deferred Tax Liabilities:			
Unrealized gains on securities	(1,998)	**(2,507)**	**(15,768)**
Deferred gains (losses) on hedges	(0)	**(57)**	**(362)**
Total deferred tax liabilities	(1,999)	**(2,564)**	**(16,131)**
Net Deferred Tax Assets	¥3,295	**¥6,421**	**$40,385**

Ⅱ. A reconciliation between the normal effective statutory tax rates for the years ended March 31, 2025 and 2026, and the actual effective tax rates reflected in the accompanying statements of income is as follows:

	2025	**2026**
Normal effective statutory tax rate	30.6%	**30.6%**
Expenses not deductible for income tax purposes	1.1%	**0.8%**
Non-taxable income	(0.2%)	**(0.3%)**
Per capita levy of inhabitant taxes	0.6%	**0.5%**
Change in valuation allowance	(0.2%)	**(0.1%)**
Tax credits for research and development expenses	(0.3%)	**(0.6%)**
Tax credits for salary increase	(1.8%)	**(2.7%)**
Write-down of tax rate change for deferred tax assets	(0.2%)	**(0.8%)**
Other-net	(1.6%)	**(3.4%)**
Actual effective tax rates	28.0%	**24.0%**

10.Revenue Recognition

As basic information to understand the revenue from contracts with customers is identical to the information in the consolidated financial statements, ”20. Revenue Recognition”, it has been omitted.

Supplementary Information

Details of securities

【Stock】				Millions of Japanese Yen	Thousands of U.S. Dollars
		Security name	Number of shares	Amount on balance sheet	Amount on balance sheet
Investments	Other	Mizuho Financial Group, Inc.	437,022	¥2,660	$16,730
in securities	securities	Yokohama Financial Group, Inc.	1,168,560	1,605	10,098
		Hulic Co., Ltd.	799,359	1,462	9,197
		NIPPON HUME CORPORATION	976,000	1,050	6,604
		The Chiba Bank, Ltd.	504,261	1,006	6,330
		Taiheiyo Cement Corporation	236,697	828	5,211
		NAGAWA CO., LTD.	81,600	453	2,853
		TAKACHIHO KOHEKI CO., LTD.	214,000	432	2,718
		Hokuhoku Financial Group, Inc.	68,134	397	2,501
		Fuyo General Lease Co., Ltd.	90,000	383	2,410
		WATANABE SATO CO., LTD.	125,800	251	1,580
		Maruzen Showa Unyu Co., Ltd.	30,000	246	1,550
		Kansai International Airport Land Company, Ltd.	4,300	215	1,352
		The Ehime Bank, Ltd.	137,600	212	1,334
		Metropolitan Intercity Railway Company	4,000	200	1,257
		Yokohama Bayside Marina Co., Ltd.	4,000	200	1,257
		Port of Hakata Development Co., Ltd.	378,800	189	1,191
		Niigata Bandaijima Building Co., Ltd.	3,600	180	1,132
		Riken Keiki Co., Ltd.	44,000	128	808
		Central Japan International Airport Company, Limited	2,536	126	797
		Other (39 equity securities)	374,791	797	5,016
		Total	5,685,060	¥13,027	$81,935

Details of fixed assets

	Millions of Japanese Yen						
Type of assets	Beginning balance	Increase	Decrease	Closing balance	Accumulated depreciation	Depreciation (Current term)	Balance (①−②)
Property, plant and equipment :				①	②		
Buildings	¥6,965	¥747	¥471 (64)	¥7,241	¥4,299	¥239	¥2,942
Structures	1,991	108	12	2,087	1,516	44	571
Machinery and equipment	4,489	234	126	4,596	4,074	287	522
Vessels	17,366	129	97	17,398	11,846	1,194	5,552
Vehicles	638	257	94	800	497	140	302
Tools, furniture and fixtures	2,742	334	201	2,876	2,419	211	456
Land	14,818 [5,430]	3	102 (95) [△17]	14,720 [5,447]	-	-	14,720
Leased assets	1,465	238	7	1,696	1,156	220	540
Construction in progress	88	1,563	839	812	-	-	812
Total property, plant and equipment	¥50,567	¥3,616	¥1,953 (159)	¥52,230	¥25,809	¥2,338	¥26,420
Intangible assets:	-	-	-	4,369	3,031	231	1,338
Long-term prepaid expenses	¥23	¥7	¥13	¥17	-	-	¥17
Deferred tax assets	-	-	-	-	-	-	-

Type of assets	Beginning balance	Increase	Decrease	Closing balance	Accumulated depreciation	Depreciation (Current term)	Balance (①−②)
	Thousands of U.S. Dollars						
Property, plant and equipment :				①	②		
Buildings	$43,808	$4,703	$2,965 (404)	$45,546	$27,041	$1,503	$18,504
Structures	12,526	679	77	13,128	9,534	282	3,593
Machinery and equipment	28,233	1,473	798	28,908	25,624	1,810	3,284
Vessels	109,223	814	611	109,426	74,504	7,515	34,922
Vehicles	4,015	1,616	595	5,036	3,131	882	1,905
Tools, furniture and fixtures	17,250	2,106	1,266 0	18,090	15,216	1,328	2,873
Land	93,200 [34,152]	20	642 (600) [△ 110]	92,578 [34,262]	-	-	92,578
Leased assets	9,217	1,499	48	10,668	7,270	1,385	3,397
Construction in progress	557	9,831	5,281	5,107	-	-	5,107
Total property, plant and equipment	$318,032	$22,746	$12,287 ($1,004)	$328,491	$162,324	$14,707	$166,167
Intangible assets:	-	-	-	$27,480	$19,063	$1,456	$8,417
Long-term prepaid expenses	$150	$45	$82	$113	-	-	$113
Deferred tax assets	-	-	-	-	-	-	-

Notes: 1. The amount in parentheses of "Decrease" is the amount of loss on impairment of fixed assets.
2. The amount in square brackets of "Beginning balance," "Decrease," and "Closing balance" is the amount of "Revaluation reserve for land" revalued in accordance with the "Act on Revaluation of Land" (Act No.34 promulgated on March 31, 1998) and the "Act on Partial Revision of the Act on Revaluation of Land" (Act No.19 promulgated on March 31, 2001)
3. The main items in the "Increase" were as follows.
Buildings ¥94 million (US$ 594 thousand)
4. The "Beginning balance", "Increase" and "Decrease" in the intangible assets are omitted, because the closing book value is less than 1% of the aggregate amount of assets.

Details of allowances or reserves

Description	Beginning balance	Increase	Decrease (Intended use)	Decrease (Other)	Closing balance
	Millions of Japanese Yen				
Allowance for doubtful accounts (Note 1)	¥528	¥0	¥29	¥5	¥493
Reserve for indemnity on completed contracts (Note 2)	921	1,190	-	921	1,190
Reserve for loss on construction works	3,184	6,496	804	-	8,876
Reserve for director's bonuses	85	211	85	-	211
Reserve for retirement benefits (Note 3)	(1,692)	298	1,122	-	(2,516)
Provision for board benefit trust	404	770	42	-	1,133
Provision for employee stock ownership plan trust	814	1,372	39	-	2,147

Description	Beginning balance	Increase	Decrease (Intended use)	Decrease (Other)	Closing balance
	Thousands of U.S. Dollars				
Allowance for doubtful accounts (Note 1)	$3,323	$0	$182	$37	$3,104
Reserve for indemnity on completed contracts (Note 2)	5,796	7,486	-	5,796	7,486
Reserve for loss on construction works	20,025	40,855	5,056	-	55,823
Reserve for director's bonuses	540	1,327	540	-	1,327
Reserve for retirement benefits (Note 3)	(10,645)	1,874	7,058	-	(15,829)
Provision for board benefit trust	2,546	4,848	266	-	7,128
Provision for employee stock ownership plan trust	5,122	8,632	250	-	13,504

Notes: 1. The “Other” amount included in the decrease for the fiscal year of the Allowance for doubtful accounts is ¥5 million (US$ 37 thousand), which represents ¥5 million written off due to the recovery of receivables.

2. The decrease during the fiscal year in Reserve for indemnity on completed contracts (Other), amounting to ¥921 million (US$ 5,796 thousand), represents a refund due to a settlement adjustment.

3. Reserve for retirement benefits is shown as “Prepaid pension cost” in “Investments and other assets” of the Balance Sheet. The amount of decrease in the current business year (purpose of use) of ¥1,122 million (US$ 7,058 thousand) is the premium contributed by the Company.

(2) Details of Major Assets and Liabilities

Since a consolidated trial balance has been prepared, the description is omitted.

(3) Others

There are no applicable matters.

Independent Auditor's Report

The Board of Directors
TOA CORPORATION

The Audit of the Non-Consolidated Financial Statements

Opinion

We have audited the accompanying non-consolidated financial statements of TOA CORPORATION (the Company), which comprise the non-consolidated balance sheet as at March 31, 2026, and the non-consolidated statements of income, changes in net assets, and notes to the non-consolidated financial statements.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Company as at March 31, 2026, and its non-consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the non-consolidated financial statements of the current period. These matters were addressed in the context of the audit of the non-consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue as performance obligations are satisfied over time in construction contracts

TOA CORPORATION (the Company) is engaged in the construction business and other businesses related to construction. The Company recorded net sales for completed construction work of 336,195 million yen using the method of recognizing revenue as performance obligations are satisfied over time, which accounted for 98.0% of net sales. Related disclosures

are included in "Ⅵ. Recognition of revenue and expenses" under "1. Significant accounting policies" and "Ⅰ. Accounting Standard for Revenue Recognition" under "2. Significant accounting estimates."
The "Description of Key Audit Matter" and "Auditor's Response" for this matter are omitted because they are the same as those stated in the independent auditor's report for the consolidated financial statements.

Other Information

Other information comprises the information included in disclosure documents that contain audited non-consolidated financial statements, but does not include the non-consolidated financial statements and our auditor's report thereon.

We have concluded that other information does not exist. Accordingly, we have not performed any work related to other information.

Responsibilities of Management, the Audit and Supervisory Committee for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit and Supervisory Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the non-consolidated financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the non-consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the non-consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

The U.S. dollar amounts in the accompanying non-consolidated financial statements with respect to the year ended March 31, 2026 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the non-consolidated financial statements.

Fee-related Information

Fee-related information is included in the audit report of the consolidated financial statements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Tokyo, Japan

August 7, 2026

/s/ Makoto Suzuki
Designated Engagement Partner
Certified Public Accountant

/s/ Yoji Yuki
Designated Engagement Partner
Certified Public Accountant