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July 29, 2025



Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: THE NIPPON ROAD CO., LTD.
 Listing: Tokyo Stock Exchange Prime Market
 Securities code: 1884
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 Scheduled date of commencing 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, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	37,659	9.2	1,693	535.3	1,711	429.0	1,172	960.5
June 30, 2024	34,497	(2.3)	266	(72.6)	323	(68.7)	110	(82.2)

Note: Comprehensive income For the three months ended June 30, 2025: ¥997 million [505.0%]
 For the three months ended June 30, 2024: ¥164 million [(76.9)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	26.69	—
June 30, 2024	2.52	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	147,766	103,112	69.7
March 31, 2025	156,741	104,761	66.7

Reference: Equity
 As of June 30, 2025: ¥102,920 million
 As of March 31, 2025: ¥104,574 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, 2025	—	—	—	60.00	60.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		—	—	—	—

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

As stated in the announcement titled “Notice of Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment of the Articles of Incorporation” released on July 29, 2025, the Company is expected to become a wholly-owned subsidiary of Shimizu Corporation through prescribed procedures, and its shares are expected to be delisted. Accordingly, no dividend forecast has been provided for the fiscal year ending March 31, 2026.

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	167,000	1.6	9,400	(5.0)	9,500	(6.3)	6,100	(3.5)	138.82

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: – companies (–)

Excluded: – companies (–)

(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 reasons other than (i) above: 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, 2025	43,946,340 shares
As of March 31, 2025	43,946,340 shares

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

As of June 30, 2025	4,215 shares
As of March 31, 2025	3,826 shares

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

Three months ended June 30, 2025	43,942,412 shares
Three months ended June 30, 2024	43,943,179 shares

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

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements, etc.)

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Overview of Operating Results, etc. (3) Explanation of future forecast information such as consolidated financial results forecast” on page 2 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the three months under review

The Japanese economy in the three months under review showed a moderate recovery trend, supported by solid corporate performance that contributed to the expansion of domestic demand, along with improvement in the employment and income environment and the wealth effect stemming from a rebound in stock prices.

In the construction industry, the main business of the Group (the Company and its consolidated subsidiaries; the same applies hereinafter), government construction investment, which underpins the economy, continued to perform steadily, remaining above ¥20 trillion. Meanwhile, although uncertainty surrounding U.S. tariffs led private-sector companies to adopt a more cautious investment stance, private sector construction investment continued to show a moderate upward trend.

Under such circumstances, the Group conducted strategic sales that were compatible with area environments in order to acquire orders in new domains by collaborating with the other Shimizu Group companies as a member of the Shimizu Group, secure orders by enhancing integration accuracy and proposals of technology for government projects, and increase the number of high-quality orders for private sector projects. As a result, the amount of construction orders received was ¥28,797 million (down 24.1% year-on-year), the amount of construction sales was ¥30,102 million (up 7.3% year-on-year), and total net sales including products were ¥37,659 million (up 9.2% year-on-year).

Concerning profits, mainly due to increased profitability with appropriate price pass-through in construction pricing and thorough construction management in the Construction Business, operating income was ¥1,693 million (up 535.3% year-on-year), ordinary income was ¥1,711 million (up 429.0% year-on-year), and profit attributable to owners of parent amounted to ¥1,172 million (up 960.5% year-on-year).

Business performance by segment is as follows. (Business performance by segment includes inter-segment net sales and transfers.)

(Construction Business)

As the Group's key division, net sales amounted to ¥30,103 million (up 7.3% year-on-year) and operating income was ¥2,183 million (up 150.8% year-on-year) in the Construction Business.

(Manufacturing & Sales Business)

Net sales amounted to ¥7,943 million (up 11.1% year-on-year) and operating income was ¥491 million (up 200.1% year-on-year).

(Co-creation Business)

Net sales amounted to ¥2,245 million (up 11.7% year-on-year) and operating income was ¥241 million (down 6.6% year-on-year).

(2) Overview of financial position for the three months under review

(Assets)

Total assets as of the end of the three months under review amounted to ¥147,766 million (down ¥8,974 million year-on-year). The main factors were an increase of ¥3,329 million in cash and deposits, and a decrease of ¥10,681 million in notes receivable, accounts receivable from completed construction contracts and other.

(Liabilities)

Total liabilities as of the end of the three months under review amounted to ¥44,654 million (down ¥7,326 million year-on-year). The main factors were decreases of ¥3,492 million in notes payable, accounts payable for construction contracts and other and ¥2,490 million in income taxes payable included in "Other" under current liabilities.

(Net assets)

Total net assets as of the end of the three months under review totaled ¥103,112 million (down ¥1,648 million year-on-year). The main factors were a recording of ¥1,172 million to profit attributable to owners of parent and a payment of ¥2,636 million in shareholder dividends.

(3) Explanation of future forecast information such as consolidated financial results forecast

The full year financial results forecast for the fiscal year ending March 31, 2026 has not been changed from the financial results forecast announced on May 14, 2025.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheets

	(Unit: millions of yen)	
	Previous consolidated fiscal year (March 31, 2025)	Consolidated three months under review (June 30, 2025)
Assets		
Current assets		
Cash and deposits	42,277	45,606
Notes receivable, accounts receivable from completed construction contracts and other	55,052	44,371
Electronically recorded monetary claims	4,881	4,719
Merchandise	194	243
Costs of uncompleted construction contracts	66	164
Raw materials	1,122	1,244
Other	11,648	11,144
Less: allowance for doubtful accounts	(39)	(32)
Total current assets	115,204	107,461
Non-current assets		
Tangible fixed assets		
Land	16,780	16,898
Other	18,453	18,121
Total tangible fixed assets	35,234	35,020
Intangible assets	2,015	2,015
Investments and other assets		
Investment securities	1,947	1,497
Retirement benefit asset	842	831
Other	1,578	1,022
Less: allowance for doubtful accounts	(81)	(81)
Total investments and other assets	4,287	3,270
Total non-current assets	41,537	40,305
Total assets	156,741	147,766

(Unit: millions of yen)

	Previous consolidated fiscal year (March 31, 2025)	Consolidated three months under review (June 30, 2025)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	26,915	23,423
Electrically recorded obligations	2,578	2,699
Short-term loans payable	100	350
Advances received on uncompleted construction contracts	2,746	2,986
Warranty provision for completed construction contracts	84	93
Provision for loss on construction contracts	65	52
Other	9,414	4,965
Total current liabilities	41,904	34,570
Non-current liabilities		
Long-term loans payable	9,600	9,600
Other	476	483
Total non-current liabilities	10,076	10,083
Total liabilities	51,980	44,654
Net assets		
Shareholders' equity		
Capital stock	12,290	12,290
Capital surplus	14,523	14,523
Retained earnings	76,569	75,102
Less: treasury stock	(6)	(6)
Total shareholders' equity	103,377	101,909
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	455	385
Foreign currency translation adjustments	(257)	(343)
Retirement benefits liability adjustments	998	968
Total accumulated other comprehensive income	1,196	1,011
Non-controlling interests	186	192
Total net assets	104,761	103,112
Total liabilities and net assets	156,741	147,766

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statements of income)

(Unit: millions of yen)

	Previous consolidated three-month period (from April 1, 2024 to June 30, 2024)	Consolidated three months under review (from April 1, 2025 to June 30, 2025)
Net sales	34,497	37,659
Cost of sales	31,623	33,080
Gross profit	2,874	4,579
Selling, general and administrative expenses	2,607	2,886
Operating income	266	1,693
Non-operating income		
Interest income	3	4
Dividend income	16	18
Foreign currency transaction gain	33	—
Reversal of allowance for doubtful accounts	9	10
Other	14	11
Total non-operating income	76	44
Non-operating expenses		
Interest expense	11	12
Foreign currency transaction loss	—	5
Other	7	7
Total non-operating expenses	19	26
Ordinary income	323	1,711
Extraordinary income		
Gain on sale of tangible fixed assets	3	2
Gain on sales of investment securities	—	154
Total extraordinary income	3	157
Extraordinary loss		
Loss on disposal of tangible fixed assets	48	82
Total extraordinary loss	48	82
Profit before income taxes	278	1,786
Current	195	229
Deferred	(34)	374
Total income taxes	160	603
Profit	117	1,182
Profit attributable to non-controlling interests	7	10
Profit attributable to owners of parent	110	1,172

(Quarterly consolidated statements of comprehensive income)

(Unit: millions of yen)

	Previous consolidated three-month period (from April 1, 2024 to June 30, 2024)	Consolidated three months under review (from April 1, 2025 to June 30, 2025)
Profit	117	1,182
Other comprehensive income		
Valuation difference on available-for-sale securities	37	(69)
Foreign currency translation adjustments	15	(85)
Retirement benefits liability adjustments	(6)	(30)
Total other comprehensive income	47	(185)
Comprehensive income	164	997
Comprehensive income attributable to:		
Owners of parent	157	987
Non-controlling interests	7	10

(3) Notes to quarterly consolidated financial statements

(Note on segment information)

I. Previous consolidated three-month period (from April 1, 2024 to June 30, 2024)

1. Disclosure of net sales and profit (loss) for each reportable segment

(Unit: millions of yen)

	Reportable segment			
	Construction Business	Manufacturing & Sales Business	Co-creation Business	Total
Net sales				
Net sales to external customers	28,041	4,766	1,690	34,497
Inter-segment net sales and transfers	1	2,386	320	2,708
Total	28,042	7,152	2,010	37,206
Segment profit	870	163	258	1,292

	Adjustments (Note) 1	Per quarterly consolidated statements of income (Note) 2
Net sales		
Net sales to external customers	—	34,497
Inter-segment net sales and transfers	(2,708)	—
Total	(2,708)	34,497
Segment profit	(1,026)	266

- Notes:
1. The ¥(1,026) million adjustment in segment profit includes ¥(48) million in elimination of inter-segment transactions and ¥(977) million in corporate expenses not allocated to each reportable segment. Corporate expenses are mainly expenses that do not belong to any reportable segment concerning the head office administration of the submitting company.
 2. Segment profit is adjusted with the operating income in the quarterly consolidated statements of income.

2. Disclosure of impairment loss on non-current assets and goodwill, etc., by reportable segment

Not applicable.

II. Consolidated three months under review (from April 1, 2025 to June 30, 2025)

1. Disclosure of net sales and profit (loss) for each reportable segment

(Unit: millions of yen)

	Reportable segment			
	Construction Business	Manufacturing & Sales Business	Co-creation Business	Total
Net sales				
Net sales to external customers	30,102	5,575	1,981	37,659
Inter-segment net sales and transfers	1	2,367	263	2,632
Total	30,103	7,943	2,245	40,292
Segment profit	2,183	491	241	2,916

	Adjustments (Note) 1	Per quarterly consolidated statements of income (Note) 2
Net sales		
Net sales to external customers	—	37,659
Inter-segment net sales and transfers	(2,632)	—
Total	(2,632)	37,659
Segment profit	(1,223)	1,693

- Notes:
1. The ¥(1,223) million adjustment in segment profit includes ¥1 million in elimination of inter-segment transactions and ¥(1,225) million in corporate expenses not allocated to each reportable segment. Corporate expenses are mainly expenses that do not belong to any reportable segment concerning the head office administration of the submitting company.
 2. Segment profit is adjusted with the operating income in the quarterly consolidated statements of income.

2. Disclosure of impairment loss on non-current assets and goodwill, etc., by reportable segment

(Significant impairment loss on non-current assets)

Not applicable.

(Significant changes in amount of goodwill)

Information is omitted as it was immaterial.

(Significant gain on negative goodwill)

Not applicable.

(Note on significant changes in the amounts of net assets)

Not applicable.

(Note on entity's ability to continue as going concern)

Not applicable.

(Note on quarterly consolidated statements of income)

Previous consolidated three-month period (from April 1, 2024 to June 30, 2024) and consolidated three months under review (from April 1, 2025 to June 30, 2025)

The Group experiences seasonal fluctuations, with a higher proportion of net sales occurring in the second half of the consolidated fiscal year.

(Note on quarterly consolidated statements of cash flows)

The quarterly consolidated statements of cash flows for the three months under review have not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) for three months ended June 30 is as follows:

(Unit: millions of yen)

	Previous consolidated three-month period (from April 1, 2024 to June 30, 2024)	Consolidated three months under review (from April 1, 2025 to June 30, 2025)
Depreciation	924	962

(Note on significant events after reporting period)

(Holding of Extraordinary General Meeting of Shareholders and matters concerning share consolidation, abolition of the provision on number of shares constituting one unit, and partial amendment to the Articles of Incorporation)

At the Board of Directors meeting held on July 29, 2025, the Company resolved to convene an Extraordinary General Meeting of Shareholders scheduled for September 12, 2025 (hereinafter referred to as the "Extraordinary General Meeting of Shareholders"), and to submit proposals regarding a share consolidation, the abolition of the provision on the number of shares constituting one unit, and a partial amendment to the Articles of Incorporation to the Extraordinary General Meeting of Shareholders.

Following the completion of these procedures, the Company's shares are expected to be delisted in accordance with the delisting criteria of Tokyo Stock Exchange, Inc. After delisting, the Company's shares will no longer be tradable on the Tokyo Stock Exchange Prime Market.

For details, please refer to the announcement titled "Notice of Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment of the Articles of Incorporation" released on July 29, 2025.

(Cancellation of treasury shares)

At the Board of Directors meeting held on July 29, 2025, the Company resolved, pursuant to Article 178 of the Companies Act, to cancel treasury shares held by the Company.

For details, please refer to the announcement titled "Notice Regarding Cancellation of Treasury Stock" released on July 29, 2025.

3. Supplementary Information

Amount of orders received, net sales, and amount carried forward to next period by business (non-consolidated)
(Unit: millions of yen)

Segment			Previous three-month period (from April 1, 2024 to June 30, 2024)		Three months under review (from April 1, 2025 to June 30, 2025)		Increase or decrease	
			Amount	Proportion	Amount	Proportion	Amount	Percentage change
Orders received	Construction Business	Pavement construction	23,048	58.9	13,169	42.8	(9,878)	(42.9)
		Civil works construction	9,118	23.3	11,592	37.6	2,473	27.1
		Construction	1,800	4.6	(3)	(0.0)	(1,803)	–
		Total	33,967	86.8	24,758	80.4	(9,208)	(27.1)
	Manufacturing & Sales Business		5,133	13.1	5,988	19.5	855	16.7
	Co-creation Business		19	0.1	27	0.1	7	35.5
	Total		39,120	100	30,774	100	(8,345)	(21.3)
Net sales	Construction Business	Pavement construction	16,548	54.8	16,031	49.6	(517)	(3.1)
		Civil works construction	8,451	28.0	10,049	31.1	1,597	18.9
		Construction	18	0.1	211	0.7	192	–
		Total	25,018	82.9	26,292	81.4	1,273	5.1
	Manufacturing & Sales Business		5,133	17.0	5,988	18.5	855	16.7
	Co-creation Business		19	0.1	27	0.1	7	35.5
	Total		30,171	100	32,308	100	2,136	7.1
Amount carried forward to next period	Construction Business	Pavement construction	54,360	63.2	44,802	58.4	(9,558)	(17.6)
		Civil works construction	29,915	34.7	30,181	39.4	265	0.9
		Construction	1,786	2.1	1,661	2.2	(124)	(7.0)
		Total	86,062	100	76,645	100	(9,416)	(10.9)
	Manufacturing & Sales Business		–	–	–	–	–	–
	Co-creation Business		–	–	–	–	–	–
	Total		86,062	100	76,645	100	(9,416)	(10.9)