Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

May 15, 2026

Company name MIRARTH HOLDINGS, Inc. Stock exchange listings: Tokyo Prime
Securities code 8897 URL https://mirarth.co.jp
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Inquiries (Title) Director Managing Executive Officer (Name) Daisuke Nakamura Tel +81-3-6551-2133
Date of general shareholders' meeting (as planned) June 25, 2026 Dividend payable date (as planned) June 29, 2026
Annual securities report filing date (as planned) June 24, 2026
Supplemental material of annual results : Yes
Convening briefing of annual results : Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

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

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	214,369	9.1	17,649	22.9	14,182	14.1	4,758	(42.0)
March 31, 2025	196,523	6.1	14,364	(7.1)	12,427	(4.3)	8,207	0.4

Note: Comprehensive income For the fiscal year ended March 31, 2026 4,675 Millions of yen ((47.5)%) For the fiscal year ended March 31, 2025 8,913 Millions of yen (6.0%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	35.01	34.70	5.7	3.6	8.2
March 31, 2025	62.69	62.13	11.0	3.5	7.3

Reference:Investment profit (loss) on equity method For the fiscal year ended March 31, 2026 232 Millions of yen For the fiscal year ended March 31, 2025 272 Millions of yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	419,512	90,118	20.0	615.91
March 31, 2025	372,508	89,107	22.3	610.61

Reference:Owner's equity As of March 31, 2026 83,750 Millions of yen As of March 31, 2025 82,954 Millions of yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	5,597	(31,923)	37,180	57,881
March 31, 2025	7,877	(24,807)	22,042	47,008

2. Cash dividends

	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	―	7.00	―	23.00	30.00	4,074	47.9	5.0
Fiscal year ended March 31, 2026	―	5.00	―	16.00	21.00	2,855	60.0	3.4
Fiscal year ending March 31, 2027 (Forecast)	―	11.00	―	12.00	23.00		39.1	

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	228,700	6.7	15,000	(15.0)	12,100	(14.7)	8,000	68.1	58.83

* Notes

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

Newly included: ― companies (Company name)、Excluded: ― companies (Company name)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(3) Number of issued shares (common shares)

① Number of issued and outstanding shares at the end of fiscal year (including treasury stock)	As of March 31, 2026	140,300,000shares	As of March 31, 2025	140,300,000shares
② Number of treasury stock at the end of fiscal year	As of March 31, 2026	4,321,408shares	As of March 31, 2025	4,444,408shares
③ Average number of shares	Fiscal year ended March 31, 2026	135,950,551shares	Fiscal year ended March 31, 2025	130,926,166shares

[Reference] Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	39,767	(41.7)	3,238	(39.7)	3,728	(42.5)	2,861	(46.4)
March 31, 2025	68,227	(23.5)	5,366	(29.3)	6,479	(22.3)	5,343	(13.9)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	21.05	20.86
March 31, 2025	40.81	40.45

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	104,078	56,757	54.2	414.73
March 31, 2025	110,084	57,695	52.1	422.28

Reference:Owner's equity As of March 31, 2026 56,394 Millions of yen As of March 31, 2025 57,369 Millions of yen

<Reasons for the difference between actual results and those of the previous financial year>

A discrepancy has arisen between the actual results for the current financial year and those of the previous financial year due to fluctuations associated with the handover of newly built condominiums.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Note regarding forward-looking statements)

The forward-looking statements contained in this document, including forecasts of future performance, are based on information currently available to the Company and certain assumptions deemed reasonable; they do not constitute a guarantee by the Company that such results will be achieved. Furthermore, actual results may differ significantly due to various factors.

（How to obtain supplementary financial results materials）

Supplementary materials for financial results are posted on the Company's website and disclosed via TDnet.

（How to obtain a copy of the financial results presentation）

Video of the financial results presentation will be available on the Company's website.

Attachments Table of Contents

1. Overview of Financial Performance

(1) Overview of Financial Performance for the Current Period

During the current consolidated financial year, the Japanese economy has seen improvements in the employment and income environment, and a moderate recovery trend has continued, driven in part by an increase in inbound demand. However, uncertainty remains regarding the situation in the Middle East, developments in US trade policy, and the impact of fluctuations in financial and capital markets, and these factors require continued close monitoring.

In the real estate industry, to which our Group belongs, the business environment in the market for newly built condominiums is characterised by sales prices that remain on an upward trend, driven by a procurement environment marked by high raw material costs and soaring construction costs due to a severe labour shortage. However, demand from end-users remains firm. Against a backdrop of changes in end-users' household structures, working styles and values, the requirements for housing in terms of functionality, location and convenience are diversifying, and sales of new-built condominiums are holding up well.

According to a survey by the Real Estate Economic Research Institute, the number of newly built flats put on the market nationwide in 2025 is projected to reach 59,940 units, representing a 0.8% increase on the previous year and the first rise in four years. The average price of a flat in 2025 is expected to be 65.56 million yen (up 7.8% from 60.82 million yen in 2024), marking the ninth consecutive year of increase and setting a record high since the survey began in 1973.

Furthermore, according to the same research institute, the number of new-build condominiums put on sale nationwide in 2026 is projected to be approximately 62,000 units. We believe that the newly built condominium market will continue to maintain a balanced supply-demand situation. Against this backdrop, our Group ranked fifth nationwide in the 2025 ranking of supply volumes by seller group, playing a role in ensuring a stable supply within the new-build condominium market.。

Our group formulated a long-term vision in October 2023, with the fiscal year ending March 2030 as the target, to embody our Purpose: "To design sustainable environments for a happier future for both people and our planet."

Be the Takara※ of the community.

What future does a real estate developer have.
Does power trained at the site become the value of the local community.
MIRARTH will reform themselves and provide answers for 2030.

We evolve our model by connecting flow type to a stock-circulating type.
We extend our domain by connecting real estate to cities, regions and the environment.
We redefine value by connecting real estate revenues to social value.

MIRARTH become a Takara-like presence for the local community by thoroughly learning "the unique characteristics" that are rooted in each region, connecting the development of "points" with "lines," and promoting the revitalization of "faces."

Encourage the region, Japan and the world.
※Takara = treasure

In the formulation of this plan, the main target of the message is made up of employees. By doing so, we hope that the employees of our group will continue to ask their questions and become a company that contributes to regional revitalization.

In addition, we have set up specific "indicators" to be implemented by 2030. By connecting the ideas of our long-term vision to Segment of our group companies, we are playing a role in aligning and encouraging the direction of business growth and change.

In the future, based on this long-term vision, we will aim to create synergies that transcend the boundaries of the Group, such as "Real Estate Business," "Energy Business," and "Asset Management Business," by reflecting the ideals of each Group company up to 2030 in the day-to-day operations of each company's Target and each employee, and to make the future of humans and the planet happy as a "future environmental design company" that transcends the boundaries of a comprehensive real estate developer.

The financial results for the current consolidated financial year were as follows: revenue of 214,369 million yen (up 9.1% year-on-year), operating profit of 17,649 million yen (up 22.9% year-on-year), ordinary profit of 14,182 million yen (up 14.1% year-on-year), and net profit attributable to owners of the parent of 4,758 million yen (down 42.0% year-on-year).

① Results of Operations by Segment

＜Real Estate Business＞

Due to factors such as new condominiums, liquidation, new detached house sales, renewal and resale, real estate rental, real estate management, and real estate Other, this business Net sales was 192,446 Millions of yen (up 7.8％year on year).

＜Energy Business＞

Due to income from the sale of electricity generated by operational power plants and other sources, revenue from this business amounted to 11,465 million yen (up 15.6% year-on-year).

＜Asset Management Business＞

In terms of management fees, sales in this segment amounted to 1,226 Millions of yen as a result of the steady build-up in the size of assets under management (up 5.5％year on year).

＜Other Businesses＞

Due to construction subcontracting, orders for large-scale repair work, and revenues from various fees and commissions, revenue for this business segment amounted to 9,231 million yen (up 33.3% year-on-year).

② Explanation by Item

＜Net sales＞

In Real Estate Business segment, 192,446 Millions of yen consisted of 2,767 newly built condominiums (including JV' interests), sales of income-generating properties, sales of newly built detached houses, sales of pre-owned condominiums, rental income from apartments, condominiums, offices, etc., and management income from 80,581 managed units.

Energy Business sales totaled 11,465 Millions of yen due to the revenue from electricity sales at power generation facilities and other factors.

Asset Management Business account is 1,226 Millions of yen due to management fees and other factors.

Other Businesses accounts for 9,231 Millions of yen due to construction subcontracting, large-scale repair work orders, and various fee income.

Consequently, Current Consolidated Fiscal Year's Net sales was 214,369 Millions of yen, up 9.1% year on year.

＜Cost of sales＞

Cost of sales increased 9.4% year on year to 168,710 Millions of yen due to rising construction costs for new-built condominiums and property development projects.

＜Selling, general and administrative expenses＞

Selling, general and administrative expenses increased 0.2% year on year to 28,009 Millions of yen due to aggressive investments in human capital and the building of a DX base.

＜Non-operating income and expenses＞

Non-operating income amounted to 1,299 Millions of yen, a decrease of 3.1% year on year, mainly due to such as a decrease in insurance proceeds received.

Non-operating expenses were 4,766 Millions of yen, an increase of 45.4% year on year, mainly due to factors such as a rise in interest expense.

＜Extraordinary income/losses＞

Extraordinary income amounted to 1,116 Millions of yen, an increase of 971 Millions of yen compared with the same period last year, primarily due to the recognition of gains on the sale of investment securities and gains on the sale of shares in affiliated companies.

Extraordinary losses amounted to 5,578 Millions of yen, an increase of 4,564 Millions of yen compared with the same period last year, primarily due to the recognition of impairment losses.

As a result, the financial results for the current consolidated financial year were as follows: net sales of 214,369 Millions of yen (up 9.1% year-on-year), operating profit of 17,649 million yen (up 22.9% year-on-year), ordinary profit of 14,182 million yen (up 14.1% year-on-year), and net profit attributable to owners of the parent of 4,758 million yen (down 42.0% year-on-year).

(2) Overview of the Financial Position for the Current Period

The Group's assets, liabilities and net assets in the current financial year were 419,512 Millions of yen, an increase of 47,003 Millions of yen compared to the end of the previous financial year, due to the delivery of newly built condominiums and the sale of income-generating properties.

＜Current assets＞

Current assets amounted to 257,954 Millions of yen, an increase of 42,691 Millions of yen compared to the end of the previous year, mainly due to the steady purchase of business assets.

＜Fixed assets＞

Fixed assets amounted to 161,520 Millions of yen, an increase of 4,322 Millions of yen copared to the end of the previous year, mainly due to mainly due to the steady purchase of business assets.

＜Current liabilities＞

Current liabilities amounted to 143,940 Millions of yen, an increase of 9,865 Millions of yen compared to the end of the previous financial year, mainly due to increase in short-term borrowings, etc..

＜Fixed liabilities＞

Long-term liabilities amounted to 185,453 Millions of yen, an increase of 36,127 Millions of yen compared to the end of the previous year, mainly due to an increase in long-term borrowings for new purchases.

＜Net assets＞

Total net assets amounted to 90,118 Millions of yen, an increase of 1,010 Millions of yen compared to the end of the previous financial year, due to As the amount of net profit attributable to shareholders of the parent company exceeded the amount of dividends from retained earnings.

(3) Overview of Cash Flows for the Current Period

Cash and cash equivalents ("Funds") in end of the consolidated financial year increased by 10,872 Millions of yen to 57,881 Millions of yen compared to end of Previous Consolidated Accounting Period.

＜Cash flow from operating activities＞

The increase in funds from operating activities amounted to 5,597 Millions of yen (previous year: increase of 7,877 Millions of yen). This is primarily attributable to an increase in cash and cash equivalents resulting from profit before tax and other adjustments.

＜Cash flow from investing activities＞

The decrease in net cash used in investing activities was 31,923 Millions of yen (a decrease of 24,807 Millions of yen for End of Previous Consolidated Accounting Period). This was mainly due to Purchase of Property, plant and equipment.

＜Cash flow from financing activities＞

The increase in funds from financing activities amounted to 37,180 Millions of yen (decrease of 22,042 Millions of yen in the previous year). This is primarily due to an increase in long-term borrowings.

(Reference) Trends in cash flow-related indicators

	Year ending March 31, 2024	Year ending March 31, 2025	Year ending March 31, 2026
Equity ratio (%)	19.5	22.3	20.0
Market value based Equity ratio (%)	16.8	18.5	12.9
Debt amortization schedule (number of years)	5.7	28.8	47.9
Interest coverage ratio (times)	13.6	2.5	1.3

Equity ratio: Shareholders' equity/Total assets

Market value based Equity ratio: Equity securities market capitalization/Total assets

Debt redemption period: Interest-bearing Liabilities/Operating cash flow

Interest coverage ratio = operating cash flow / interest expenses

※All figures are calculated on a consolidated basis.

※The interest-bearing debt refers to the debts posted in the consolidated balance sheets for which we are paying interests.

(4) Outlook

Although the economic outlook remains uncertain due to factors such as instability in the international situation, rising interest rates and accelerating inflation, we have prepared the following provisional consolidated earnings forecast for the financial year ending March 2027. In Real Estate Business, we are actively promoting the provision of new condominiums, which are our core business, not only in the Tokyo metropolitan area but also in central urban areas in rural areas. We anticipate the delivery of 2,480 units (our share of 1,910 units after the pro rata JV), and the contract progress rate is 38.1%.

In the energy business, in addition to existing renewable energy generation such as solar and onshore wind power, we aim to improve the segment’s profitability by promoting the development of technologies such as storage batteries.

In Asset Management Business, we aim to accumulate Assets under management and increase management fees through group synergies and acquiring properties from third parties.

As a result of the above, the Company expects to make the following forecasts for the next fiscal year.

Net sales	228,700 Millions of yen (up 6.7% year on year)
Operating income	15,000 Millions of yen (down 15.0% year on year)
Ordinary income	12,100 Millions of yen (down 14.7% year on year)
Net income attributable to owners of parent	8,000 Millions of yen (up 68.1% year on year)

(Contracts with Units to be delivered in the new condominium business, including JV Units)

	Year ending March 31, 2027 Number of units to be delivered	Number of contracted units scheduled for delivery	Number of contracts (units) to be delivered from the year ending March 31, 2028	Total Contracts (units)
As of the end of March 2026	2,480 (1,910)	945 (648)	388 (169)	1,333 (817)

( ) Figures in parentheses are the number of units in which the JV has a pro rata share of the Company's equity.

(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Financial Years

In the ‘Notice of Update to the Medium-Term Management Plan’ published in March 2026, our Group introduced the Dividend on Equity (DOE) ratio as a new shareholder return metric and established a shareholder return policy whereby dividends are determined based on whichever is higher: a dividend payout ratio of 35% to 40% or a DOE of 3.5%.

Regarding the dividend for the current fiscal year, the year-end dividend is scheduled to be 16 yen per share. Combined with the interim dividend already paid, the annual dividend per share will be 21 yen. Consequently, the dividend payout ratio will be 60.0%.

Furthermore, regarding dividends for the next financial year, in accordance with the above return policy, we will distribute dividends equally between the interim and year-end dividends, based on whichever is higher: a dividend payout ratio of 35% to 40% or a DOE of 3.5%.

2. Basic Approach to the Selection of Accounting Standards

In order to ensure Comparison potential with other companies in the same industry in Japan, we have adopted Japanese accounting standards.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	48,044	59,027
Notes and accounts receivable - trade, and contract assets	3,775	13,001
Real estate for sale	53,551	71,397
Power production units for sale	65	956
Real estate for sale in process	92,729	96,702
Costs on construction contracts in progress	34	534
Other	17,359	16,731
Allowance for doubtful accounts	(297)	(397)
Total current assets	215,263	257,954
Fixed assets		
Property, plant and equipment		
Buildings and structures	33,508	47,704
Accumulated depreciation	(5,969)	(6,375)
Buildings and structures, net	27,539	41,328
Machinery, equipment and vehicles	71,697	70,931
Accumulated depreciation	(15,380)	(21,072)
Machinery, equipment and vehicles, net	56,316	49,859
Tools, furniture and fixtures	1,673	1,926
Accumulated depreciation	(1,070)	(1,289)
Tools, furniture and fixtures, net	602	637
Land	33,826	38,454
Leased assets	355	326
Accumulated depreciation	(149)	(152)
Leased assets, net	205	173
Construction in progress	8,711	3,565
Total property, plant and equipment	127,201	134,019
Intangible assets		
Goodwill	3,014	2,627
Other	4,881	5,067
Total intangible assets	7,895	7,695
Investments and other assets		
Investment securities	3,125	2,949
Deferred tax assets	4,680	4,976
Other	14,295	11,879
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	22,100	19,805
Total fixed assets	157,198	161,520
Deferred assets	47	37
Total assets	372,508	419,512

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	19,899	13,505
Accounts payable - trade	8,514	12,187
Short-term borrowings	43,238	45,180
Current portion of bonds payable	1,006	2,836
Current portion of long-term borrowings	39,462	40,774
Lease liabilities	36	36
Income taxes payable	2,874	5,315
Advances received	7,321	4,557
Provision for bonuses	864	931
Provision for warranties for completed construction	891	1,050
Other	9,963	17,565
Total current liabilities	134,075	143,940
Fixed liabilities		
Long-term borrowings	136,185	174,661
Bonds payable	6,887	4,624
Lease liabilities	188	154
Provision for retirement benefits for directors (and other officers)	59	46
Retirement benefit liability	1,408	1,461
Asset retirement obligations	534	659
Deferred tax liabilities	2,773	2,365
Other	1,287	1,479
Total fixed liabilities	149,325	185,453
Total liabilities	283,401	329,393
Net assets		
Shareholders' equity		
Share capital	9,056	9,056
Capital surplus	8,083	8,063
Retained earnings	66,783	67,737
Treasury shares	(1,657)	(1,611)
Total shareholders' equity	82,265	83,246
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	583	525
Foreign currency translation adjustment	62	(97)
Remeasurements of defined benefit plans	42	76
Total accumulated other comprehensive income	688	504
Share acquisition rights	326	363
Non-controlling interests	5,826	6,004
Total net assets	89,107	90,118
Total liabilities and net assets	372,508	419,512

（2）Consolidated Income Statement and Consolidated Statement of Comprehensive Income

（Consolidated Profit and Loss Account）

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	196,523	214,369
Cost of sales	※1 154,212	※1 168,710
Gross profit	42,311	45,659
Selling, general and administrative expenses	※2 27,946	※2 28,009
Operating profit	14,364	17,649
Non-operating income		
Interest income	23	91
Dividend income	153	209
Commission income	137	149
Insurance claim income	422	108
Share of profit of entities accounted for using equity method	272	232
Foreign exchange gains	15	206
Miscellaneous income	315	301
Total non-operating income	1,340	1,299
Non-operating expenses		
Interest expenses	3,017	4,190
Loss on investments in silent partnerships	―	96
Arrangement fees	―	147
Miscellaneous losses	261	332
Total non-operating expenses	3,278	4,766
Ordinary profit	12,427	14,182
Extraordinary income		
Gain on step acquisitions	0	―
Gain on sale of investment securities	―	411
Gain on bargain purchase	0	―
Gain on exchange of fixed assets	143	―
Subsidy income	―	137
Penalty income	―	120
Gain on sale of shares of subsidiaries and associates	―	447
Total extraordinary income	144	1,116
Extraordinary losses		
Loss on retirement of fixed assets	36	10
Impairment losses	―	※3 4,754
Office relocation expenses	189	―
Loss on sale of shares of subsidiaries and associates	―	83
Loss on valuation of shares of subsidiaries and associates	506	447
Loss on withdrawal from business	―	182
Compensation loss for construction	282	100
Total extraordinary losses	1,014	5,578
Profit before distributions of profit or loss on silent partnerships and income taxes	11,557	9,720
Distributions of profit or loss on silent partnerships	230	267
Profit before income taxes	11,326	9,452
Income taxes - current	3,843	5,266
Income taxes - deferred	(815)	(673)
Total income taxes	3,028	4,593
Profit	8,298	4,859
Profit attributable to non-controlling interests	90	100
Profit attributable to owners of parent	8,207	4,758

(Link to the statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	8,298	4,859
Other comprehensive income		
Valuation difference on available-for-sale securities	456	(57)
Foreign currency translation adjustment	98	(159)
Remeasurements of defined benefit plans, net of tax	60	33
Total other comprehensive income	614	(184)
Comprehensive income	8,913	4,675
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,822	4,574
Comprehensive income attributable to non-controlling interests	90	100

(3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,819	3,375	61,514	(4,066)	65,643
Changes during period					
Issuance of new shares	4,237	4,237			8,474
Dividends of surplus			(2,931)		(2,931)
Profit attributable to owners of parent			8,207		8,207
Changes due to exclusion of subsidiaries from consolidation			(7)		(7)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		470		2,408	2,879
Net changes in items other than shareholders' equity					
Total changes during period	4,237	4,707	5,268	2,408	16,622
Balance at end of period	9,056	8,083	66,783	(1,657)	82,265

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	127	(36)	(17)	73	277	5,674	71,669
Changes during period							
Issuance of new shares							8,474
Dividends of surplus							(2,931)
Profit attributable to owners of parent							8,207
Changes due to exclusion of subsidiaries from consolidation							(7)
Purchase of treasury shares							(0)
Disposal of treasury shares							2,879
Net changes in items other than shareholders' equity	456	98	60	614	49	151	816
Total changes during period	456	98	60	614	49	151	17,438
Balance at end of period	583	62	42	688	326	5,826	89,107

Current Consolidated Fiscal Year（April 1, 2025 to March 31, 2026）

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,056	8,083	66,783	(1,657)	82,265
Changes during period					
Dividends of surplus			(3,804)		(3,804)
Profit attributable to owners of parent			4,758		4,758
Changes due to exclusion of subsidiaries from consolidation			0		0
Change in ownership interest of parent due to transactions with non-controlling interests		(9)			(9)
Disposal of treasury shares		(10)		45	35
Net changes in items other than shareholders' equity					
Total changes during period	―	(19)	954	45	980
Balance at end of period	9,056	8,063	67,737	(1,611)	83,246

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	583	62	42	688	326	5,826	89,107
Changes during period							
Dividends of surplus							(3,804)
Profit attributable to owners of parent							4,758
Changes due to exclusion of subsidiaries from consolidation							0
Change in ownership interest of parent due to transactions with non-controlling interests							(9)
Disposal of treasury shares							35
Net changes in items other than shareholders' equity	(57)	(159)	33	(184)	36	178	30
Total changes during period	(57)	(159)	33	(184)	36	178	1,010
Balance at end of period	525	(97)	76	504	363	6,004	90,118

(4) Consolidated Cash Flow Statement

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	11,326	9,452
Depreciation	5,965	6,632
Impairment losses	―	4,754
Office relocation expenses	189	―
Loss on valuation of shares of subsidiaries and associates	506	447
Loss on withdrawal from business	―	182
Amortization of goodwill	405	316
Gain on bargain purchase	(0)	―
Subsidy income	―	(137)
Penalty income	―	(120)
Increase (decrease) in provisions	305	325
Increase (decrease) in retirement benefit liability	154	85
Interest and dividend income	(177)	(300)
Insurance claim income	(422)	(108)
Share-based payment expenses	293	71
Interest expenses	3,017	4,190
Gain on exchange of fixed assets	(143)	―
Loss (gain) on sale of investment securities	―	(411)
Loss (gain) on sale of shares of subsidiaries and associates	―	(364)
Decrease (increase) in trade receivables	4,567	(9,226)
Decrease (increase) in inventories	(12,926)	(8,568)
Increase (decrease) in trade payables	1,308	(2,829)
Increase (decrease) in advances received	(1,845)	(2,763)
Increase (decrease) in deposits received	616	6,829
Other, net	1,734	4,094
Subtotal	14,875	12,553
Interest and dividends received	162	292
Interest paid	(3,115)	(4,394)
Income taxes paid	(4,467)	(2,962)
Proceeds from insurance income	422	108
Net cash provided by (used in) operating activities	7,877	5,597
Cash flows from investing activities		
Payments into time deposits	(194)	―
Proceeds from withdrawal of time deposits	230	―
Purchase of property, plant and equipment	(21,010)	(31,836)
Proceeds from sale of property, plant and equipment	2	4
Purchase of intangible assets	(1,079)	(607)
Net decrease (increase) in short-term loans receivable	―	200
Purchase of shares of subsidiaries and associates	(1,723)	(754)
Proceeds from sale of shares of subsidiaries and associates	―	609
Purchase of investment securities	(0)	―
Proceeds from sale of investment securities	―	413
Purchase of membership	(35)	(17)
Purchase of subsidiaries stocks and others resulting in change in scope of consolidation	(1,168)	―
Proceeds of subsidiaries stocks and others resulting in change in scope of consolidation	102	―
Other, net	71	64
Net cash provided by (used in) investing activities	(24,807)	(31,923)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	17,618	4,232
Proceeds from long-term borrowings	74,604	102,879
Repayments of long-term borrowings	(76,309)	(65,460)
Proceeds from issuance of bonds	876	623
Redemption of bonds	(2,806)	(1,056)
Repayments of lease liabilities	(35)	(37)
Proceeds from issuance of shares	8,474	―
Proceeds from disposal of treasury shares	2,634	―
Purchase of treasury shares	(0)	―
Repayments to non-controlling shareholders	―	(21)
Dividends paid	(2,928)	(3,801)
Dividends paid to non-controlling interests	(83)	(177)
Net cash provided by (used in) financing activities	22,042	37,180
Effect of exchange rate change on cash and cash equivalents	10	17
Net increase (decrease) in cash and cash equivalents	5,123	10,872
Cash and cash equivalents at beginning of period	41,884	47,008
Cash and cash equivalents at end of period	47,008	57,881

(5) Notes to the Consolidated Financial Statements

(Note on the Going Concern Assumption)

Not applicable.

(Notes to the Consolidated Balance Sheet)

In order to raise working capital efficiently, we have entered into overdraft and loan commitment contracts with 60 financial institutions (59 End of Previous Consolidated Accounting Period). Balance of undisbursed borrowings at the end of the consolidated fiscal year under these contracts are as follows:

	Previous Consolidated Fiscal Year (March 31, 2025)	Current Consolidated Fiscal Year (March 31,2026)
Maximum overdraft amount and loans Commitments Total amount	90,728 Millions of yen	107,602 Millions of yen
Loan balance	55,521	62,534
Net amount	35,207	45,068

(Notes to the Consolidated Income Statement)

(NOTE)1 Term end Inventory is the amount after writing down the book value due to a decline in profitability, and the following loss on valuation of inventory Assets is included in Cost of sales.

Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
67 Millions of yen	504 Millions of yen

(NOTE)2 The approximate percentages of expenses in selling expenses are End of Previous Consolidated Accounting Period 33%, Current Consolidated Fiscal Year 30%, and the approximate percentages of expenses in general and administrative expenses are End of Previous Consolidated Accounting Period 67% and Current Consolidated Fiscal Year 70%.

Major items and amounts of Selling, general and administrative expenses are as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Advertising expenses	5,416 Millions of yen	4,500 Millions of yen
Promotion expenses	2,811	2,452
Salaries and allowances	5,050	5,430
Provision for bonuses	1,174	1,239
Retirement benefit expenses	227	269
Provision for retirement benefits for directors (and other officers)	1	—
Taxes and dues	2,900	3,362
Provision of allowance for doubtful accounts	19	100

(NOTE)3 Impairment loss

Previous Consolidated Fiscal Year (April 1, 2024 to March 31, 2025)

Not applicable.

The current financial year (from 1 April 2025 to 31 March 2026)

Our group recorded Impairment loss (4,754 Millions of yen) for the following Assets or Assets group in Current Consolidated Fiscal Year due to the decrease in profitability of the power generation facilities, etc.

Application	Type	Location	Amount (Millions of yen)
Power generation facility	Construction in progress, etc.	Nobeoka City, Miyazaki Prefecture	3,401
	Machinery, equipment and transport vehicles, etc.	Osaki Town, So District, Kagoshima Prefecture, etc.	1,353
Total			4,754

Furthermore, the breakdown by category is as follows: machinery, plant and equipment 1,254 Millions of yen; land 12 Millions of yen; construction in progress 2,806 Millions of yen; goodwill 69 Millions of yen; and long-term prepaid expenses (classified under ‘Other’ within ‘Investments and other assets’) 610 Millions of yen.

The Group groups its power generation facilities on an individual property basis.

Recoverable amounts are measured based on either net realisable value or value in use. Net realisable value is assessed based on appraisal values provided by certified property valuers, whilst value in use is calculated by discounting future cash flows at a rate of 4%. For asset groups where future cash flows are negative, the recoverable amount is assessed as zero.

（Notes on Segment Information, etc.）

a. Segment Information

1. Overview of the Reporting Segments

Reportable segments of the Group are components of the Group for which discrete financial data is available and regularly reviewed by Board of Directors to make decisions about resource allocation and assess performance.

Our group conducts business activities mainly on condominium sales. "Real Estate Business," "Energy Business," and "Asset Management Business" are referred to as Reportable segments.

Real Estate Business is engaged in the core business of selling new condominiums, as well as new detached houses, renovation and resale of condominiums, the liquidation business, which sells income-generating properties such as residential properties and offices, the real estate rental business, and the real estate management business.

Energy Business sells electricity generated from solar and other wind, biomass and other renewable energy to electric power companies to generate stable revenues.

Asset Management Business utilizes our extensive expertise, know-how, and network accumulated in real estate and renewable energy to manage J-REIT and private funds and provide excellent investment-opportunities and solid Assets administration services.

2. Methods of calculating the amount of Net sales, Profit or loss, Assets, and Liabilities Items in Other for each Reportable segments

The accounting methods used for Report of business Segment are generally the same as the accounting Policy used for the preparation of consolidated financial statements, except for the valuation standards for inventory Assets.

Inventories are valued at book value after devaluation based on a decline in profitability.

Reportable segments earnings are Operating income based figures.

Intersegment revenues and transfers are based on prevailing market prices.

3. Information on the amount of Net sales, Profit or loss, Assets, and Liabilities Items in Other for each Reportable segments, as well as information on the breakdown of revenue

Previous Consolidated Accounting Period (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments				Other	Total
	Real estate business	Energy business	Asset management business	Reportable segments		
Sales						
Revenue arising from contracts with customers	169,435	9,921	1,162	180,519	6,927	187,446
Other revenue	9,077	—	—	9,077	—	9,077
Revenues from external customers	178,512	9,921	1,162	189,596	6,927	196,523
Transactions with other segments	—	—	—	—	—	—
Net sales	178,512	9,921	1,162	189,596	6,927	196,523
Operating profit	13,130	1,110	268	14,509	(144)	14,364
Assets	204,206	114,317	2,528	321,052	5,912	326,965
Liabilities	177,441	121,844	291	299,577	2,622	302,199
Other items						
Depreciation	440	4,479	11	4,930	89	5,020
Amortization of goodwill	19	—	—	19	—	19
Interest expenses	1,418	1,338	0	2,757	6	2,763
Increase in property, plant and equipment and intangible assets	12,259	8,600	102	20,961	48	21,010

（NOTE）'Other' segment is a business segment not included in the reportable segments and includes the construction and hotel management businesses.

Current Consolidated Fiscal Year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments				Other	Total
	Real estate business	Energy business	Asset management business	Reportable segments		
Sales						
Revenue arising from contracts with customers	185,757	11,465	1,226	198,449	9,231	207,681
Other revenue	6,688	—	—	6,688	—	6,688
Revenues from external customers	192,446	11,465	1,226	205,138	9,231	214,369
Transactions with other segments	—	—	—	—	—	—
Net sales	192,446	11,465	1,226	205,138	9,231	214,369
Operating profit	15,552	1,619	242	17,415	233	17,649
Assets	248,862	106,762	2,746	358,371	6,519	364,890
Liabilities	218,797	118,124	317	337,238	3,938	341,176
Other items						
Depreciation	656	4,717	16	5,390	73	5,464
Amortization of goodwill	—	—	—	—	—	—
Interest expenses	2,323	1,522	0	3,845	40	3,886
Increase in property, plant and equipment and intangible assets	28,718	2,871	14	31,604	19	31,623

（NOTE） 'Other' segment is a business segment not included in the reportable segments and includes the construction and hotel management businesses.

4. Major Details of Difference and Difference between Reportable segments Total and Carrying value (items related to reconciliation of differences)

(Millions of yen)

Net sales	Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	189,596	205,138
Net sales of Category in Other	6,927	9,231
Elimination of inter-segment transactions	—	—
Net sales of Consolidated Financial Statements	196,523	214,369

(Millions of yen)

Profit	Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	14,509	17,415
Benefits of Other's Category	(144)	233
Elimination of inter-segment transactions	—	—
Amortization of goodwill	—	—
Operating income of Consolidated Financial Statements	14,364	17,649

(Millions of yen)

Assets	Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	321,052	358,371
Other's Category property	5,912	6,519
Offset and Elimination of Obligations to Administration Divisions of Head Office	(59,419)	(63,682)
Corporate assets (Note)	104,961	118,304
Total assets of Consolidated Financial Statements	372,508	419,512

(NOTE)Corporate assets are assets not attributable to Reportable segments. Major items include assets related to Cash and deposits and Administration Divisions and deferred tax assets.

(Millions of yen)

Liabilities	Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	299,577	337,238
Other's Category Debt	2,622	3,938
Offset and Elimination of Obligations to Administration Divisions of Head Office	(42,725)	(45,944)
Corporate liabilities (Note)	23,926	34,161
Total liabilities of Consolidated Financial Statements	283,401	329,393

(NOTE)Corporate Liabilities is a Liabilities that is not attributable to Reportable segments. The main item is loans payable, etc.

(Millions of yen)

Items in Other	Reportable segments Total		Other		Adjusted amount		Carrying value	
	Previous consolidated Fiscal year	Current consolidated Fiscal year	Previous consolidated Fiscal year	Current consolidated Fiscal year	Previous consolidated Fiscal year	Current consolidated Fiscal year	Previous consolidated Fiscal year	Current consolidated Fiscal year
Depreciation and amortization	4,930	5,390	89	73	945	1,168	5,965	6,632
Amortization of goodwill	19	—	—	—	386	316	405	316
Interest expenses	2,757	3,845	6	40	253	304	3,017	4,190
Property, plant and equipment and intangibles Increased Fixed assets (NOTE)	20,961	31,604	48	19	660	738	21,670	32,362

(NOTE) Adjustments to increase in Property, plant and equipment and Intangible assets represent accruals for Goodwill not allocated to Reportable segments, capital expenditures for head office buildings, etc., and elimination of inter-segment transactions

b. Information regarding impairment losses on fixed assets by report item

Previous Consolidated Accounting Period (April 1, 2024 to March 31, 2025)

Not applicable.

Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)

(Millions of yen)

	Real estate business	Energy business	Asset management business	Other	Unallocated amounts and elimination	Total
Impairment losses	—	4,754	—	—	—	4,754

(Notes to the per-share information)

	Previous Consolidated Accounting Period (From April 1, 2024 to 31 March, 2025)	Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)
Net assets per share	610.61 yen	615.91 yen
Net income per share	62.69 yen	35.01 yen
Diluted Net income per share	62.13 yen	34.70 yen

(NOTE)The basis for calculation of Net income per share and Diluted Net income per share is as follows.

		Previous Consolidated Accounting Period (From April 1, 2024 to 31 March, 2025)	Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)
Net income per share			
Net income attributable to owners of parent	(Millions of yen)	8,207	4,758
Net income not applicable to common shareholders	(Millions of yen)	—	—
Net income attributable to owners of parent related to Common stock	(Millions of yen)	8,207	4,758
Average number of shares during the period	(Thousands of Shares)	130,926	135,950
Diluted Net income per share			
Net income attributable to owners of parent Adjustments	(Millions of yen)	—	—
Common stock growth	(Thousands of Shares)	1,174	1,211
(Subscription rights to shares)	(Thousands of Shares)	(1,174)	(1,211)
Summary of dilutive shares not included in the calculation of diluted Net income per share because they have no dilutive effect		—	—

(Notes on significant subsequent events)

Not applicable.