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Securities Report Statement

(Report in accordance with Article 24(1) of the Financial Instruments and Exchange Law)

Business Year	April 1, 2024
(53rd fiscal period)	To March 31 2025

MIRARTH HOLDINGS, Inc.

Tekko Building 16F 1-8-2, Marunouchi, Chiyoda-Ku, Tokyo, Japan

(E03997)

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[Filing]	Securities Report Statement
[Applicable provision]	Article 24(1) of the Financial Instruments and Exchange Act
[Submitted To]	Director-General of the Kanto Local Finance Bureau
[Date of submission]	June 25, 2025
[Fiscal year]	53rd fiscal period (from April 1, 2024 to March 31, 2025)
[Company name]	MIRARTH HOLDINGS, Inc.
[Company Name in English]	MIRARTH HOLDINGS, Inc.
[Representative]	Kazuichi Shimada, Representative Director, Group CEO, Group COO and President Executive Officer
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[Telephone]	(03)6551-2133
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[Place for public inspection]	Kita-Kanto Branch of MIRARTH HOLDINGS, Inc. (1-20-1, Takahanacho, Omiya-ku, Saitama-shi, Saitama) Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I. [Company Information]

I. [Company Overview]

1[Trends in Major Management Indicators]

(1)FINANCIAL SUMMARY

Fiscal term		49th fiscal year	50th fiscal year	51st fiscal year	52nd	53rd fiscal year
Year-end		2021 March	2022 March	2023 March	2024 March	2025 March
Net sales	(Millions of yen)	148,397	162,744	153,472	185,194	196,523
Ordinary income	(Millions of yen)	9,933	10,258	5,033	12,984	12,427
Net income attributable to owners of parent	(Millions of yen)	4,693	6,215	4,584	8,178	8,207
Comprehensive income	(Millions of yen)	5,327	6,293	3,852	8,409	8,913
Net assets	(Millions of yen)	54,632	59,601	65,142	71,669	89,107
Total assets	(Millions of yen)	204,315	223,473	341,669	337,447	372,508
1 Shares Per share Net assets	(Yen)	498.78	542.04	558.95	596.90	610.61
Net income per share	(Yen)	43.22	57.10	41.90	74.39	62.69
Diluted Net income per share	(Yen)	42.94	56.69	41.58	73.72	62.13
Equity ratio	(%)	26.5	26.5	18.0	19.5	22.3
Return on equity	(%)	9.0	11.0	7.6	12.9	11.0
Price-earnings ratio	(times)	8.6	5.2	9.0	6.9	8.1
Cash flow from operating activities	(Millions of yen)	26,330	23,189	△722	36,777	7,877
Cash flow from investing activities	(Millions of yen)	△25,090	△27,871	△46,354	△26,329	△24,807
Cash flow from financing activities	(Millions of yen)	2,654	△1,132	61,531	△15,464	22,042
Cash and cash equivalents's Term end Balance	(Millions of yen)	38,500	32,693	47,148	41,884	47,008
Number of employees (Outside, average number of temporary employees)	(People)	1,061 (118)	1,200 (111)	1,293 (104)	1,377 (110)	1,506 (112)

(NOTE)The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, dated 2020 March 31) and other standards from the beginning of the fiscal year under 50th fiscal year, and major management indicators and others related to 50th fiscal year and thereafter are the indices after the application of these accounting standards and other standards.

(2) Submitting Company management indicators, etc.

Fiscal term		49th fiscal year	50th fiscal year	51st fiscal year	52nd	53rd fiscal year
Year-end		2021 March	2022 March	2023 March	2024 March	2025 March
Net sales	(Millions of yen)	96,949	88,949	77,364	89,226	68,227
Ordinary income	(Millions of yen)	8,682	7,738	4,305	8,336	6,479
Net income	(Millions of yen)	3,257	5,052	3,659	6,209	5,343
Capital stock	(Millions of yen)	4,819	4,819	4,819	4,819	9,056
Number of issued shares	(Shares)	121,000,000	121,000,000	121,000,000	121,000,000	140,300,000
Net assets	(Millions of yen)	47,803	51,447	52,937	56,861	57,695
Total assets	(Millions of yen)	144,796	150,689	154,996	148,678	110,084
1 Shares Per share Net assets	(Yen)	438.12	469.97	480.08	513.95	422.28
1 Shares Per share dividends (Including 1 Shares Per share interim dividends)	(Yen)	14.00 (4.00)	18.00 (4.00)	22.00 (4.00)	24.00 (6.00)	30.00 (7.00)
Net income per share	(Yen)	30.00	46.42	33.45	56.48	40.81
Fully diluted Net income per share	(Yen)	29.80	46.08	33.19	55.98	40.45
Equity ratio	(%)	32.9	34.0	34.0	38.1	52.1
Return on equity	(%)	7.0	10.2	7.0	11.4	9.4
Price-earnings ratio	(times)	12.4	6.4	11.3	9.1	12.4
Dividend payout ratio	(%)	46.7	38.8	65.8	42.5	73.5
Number of employees (Outside, average number of temporary employees)	(People)	365 (9)	343 (8)	9 (-)	38 (1)	33 (2)
Total shareholder return (Comparison index: TOPIX with dividends)	(%) (%)	110.9 (142.1)	94.8 (145.0)	123.5 (153.4)	169.9 (216.8)	175.9 (213.4)
Highest stock price	(Yen)	408	378	404	520	595
Lowest stock price	(Yen)	290	261	280	370	421

(NOTE)1. 51st fiscal year's 1 Shares Per share dividends includes a commemorative dividend of 2 yen to commemorate its 50th anniversary.

2.Highest stock price and Lowest stock price are in Tokyo Stock Exchange Prime market from April, 2022 4 and Tokyo Stock Exchange marketplace Part I. for prior periods.

3.The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, dated 2020 March 31) and other standards from the beginning of the fiscal year under 50th fiscal year, and major management indicators and others related to 50th fiscal year and thereafter are the indices after the application of these accounting standards and other standards.

2[History]

September, 1972	Itabashi-ku, Tokyo Established Takara Engineering Co., Ltd. in Yamato-cho.
May, 1974	Tokyo-based Head office moved to Nakaitabashi, Itabashi-ku.
March, 1982	Started leasing business.
May, 1986	Established Takara Zyuhan Co., Ltd. to expand sales and brokerage operations.
April, 1988	Established Takara Kanri Co., Ltd. (now Leben Community, Inc.), a real estate management company.
May, 1994	Established the condominium division of Takara Zyuhan Co., Ltd.
June, 1994	Launched the Leben Heim series of condominiums sold in-house.
February, 1996	Takara Kanri Co., Ltd. changed its corporate name to Leben Community Co., Ltd.
September, 1999	Absorbed Takara Zyuhan Co., Ltd.
October, 2000	Company name changed to Takara Leben Co., Ltd..
August, 2001	Relocated Head Office to Ikebukuro, Toshima-ku, Tokyo. Completion of Head Office building was completed.
November, 2001	Listed on the JASDAQ market
December, 2001	Established TAFUKO CO., LTD. (now Leben Zestock Co., Ltd.), a loan agency business.
April, 2003	Listed on the Second Section of Tokyo Stock Exchange
March, 2004	Listed on the First Section of Tokyo Stock Exchange.
May, 2006	Shinjuku-ku, Tokyo Relocates Head Office to the Shinjuku Sumitomo Building in Nishi-Shinjuku.
October, 2008	New Takara Leben brand announced.
April, 2010	Started detached house sales business through in-house construction.
April, 2012	New condominium brands "LEBEN" and "THE LEBEN" announced.
October, 2012	Acquired Takara Housing Co., Ltd. (formerly Takara Property Co., Ltd.), a leasing management business, as a subsidiary.
February, 2013	Energy Business started.
October, 2013	Established Takara Asset Management Co., Ltd. (now MIRARTH Asset Management Inc..), an investment management business.
June, 2014	Acquired Oasis Co., Ltd. (now Takara Leben Realnet Co., Ltd.).
October, 2014	Made Nikko Construction Co., Ltd. (formerly Nikko Takara Corporation) a subsidiary.
January, 2015	Abolished the Tohoku Sales Office. Made Livenet Home Co., Ltd. (formerly Takara Leben Tohoku Co., Ltd.) a subsidiary. Relocated to Sendai City, Miyagi.
	Made Housing Information Building Co., Ltd. (formerly Takara Leben Co., Ltd. West) a subsidiary.
January, 2016	Made Nikko Property Co., Ltd. (now Leben Trust Co., Ltd.) a subsidiary.
June, 2016	Takara Leben Infrastructure Fund Inc. is the first company to be listed on Tokyo Stock Exchange Infrastructure Fund.
January, 2017	Announced new condominium brand NEBEL.
April, 2017	Opened Osaka Branch and Sapporo Sales Office.
May, 2017	Head Office relocated to steel building in Marunouchi, Chiyoda-ku, Tokyo.
January, 2018	The trade name of "Tafuko Co., Ltd" was changed to "Leben Zestock Co., Ltd.".
	Acquired PAG Real Estate Investment Advisor Co., Ltd. (formerly Takara PAG Real Estate Investment Advisor Co., Ltd.).
March, 2018	Opened a representative office in Hanoi, Vietnam.
July, 2018	Takara Leben Real Estate Investment Corporation is listed on Tokyo Stock Exchange Real Estate Investment Trust Market (REIT Market).
June, 2019	Nikko Property Co., Ltd. changed its name to Leben Trust Co., Ltd.
October, 2019	Leben Trust Co., Ltd. merged with Takara Property Co., Ltd.
February, 2021	Established Leben Funding LLC, an asset management business.
April, 2021	Acquired ACA Clean Energy Co., Ltd. (formerly Leben Clean Energy Co., Ltd.), a renewable energy company.
June, 2021	Opened a sales office in Nagoya.
April, 2022	Nikko Takara Corporation changed its name to Leben Home Build Co., Ltd..
August., 2022	Established Takara Leben(Thailand (Co., Ltd.) in Bangkok, Thailand.
September, 2022	50th anniversary.
October, 2022	Moving to a holding company structure Company name changed to MIRARTH HOLDINGS, Inc..
	Takara Leben Co., Ltd. West changed its name to Takara Leben Co., Ltd. and merged with Takara Leben Co., Ltd. Tohoku. Transfer Head Office to Marunouchi, Chiyoda-ku, Tokyo.
February, 2023	Takara Leben Infrastructure Fund Inc. was delisted through a Equity securities tender offer.
June 2023	Renewable Energy Business "MIRARTH Green Tech Inc. " is established.
November ,2023	Established MIRARTH Agri Tech Co., Ltd., a biomass-fueled business.
March , 2024	Takara PAG Real Estate Investment Advisor Co., Ltd. changed its name to MIRARTH Real Estate Advisory Inc.
April , 2024	Changed the trade name of Leben Clean Energy Co., Ltd. to MIRARTH Energy Solutions Inc.
	Changed the name of Takara Asset Management Co., Ltd. to MIRARTH Asset Management Inc.

3[Details of Business]

Our main groups are as follows.

We operate under 4 Segment: Real Estate Business, Energy Business, Asset Management Business, and Other Businesses.

Takara Leben Co., Ltd., a consolidated subsidiary, is mainly engaged in the business of new condominiums.

Leben Community Co., Ltd., a consolidated subsidiary, is mainly engaged in the comprehensive business of managing condominiums for sale.

Leben Home Build Co., Ltd., a consolidated subsidiary, is mainly engaged in the detached house sales business and the construction subcontracting business.

Takara Leben Realnet Co., Ltd., a consolidated subsidiary, is mainly engaged in the real estate distribution business.

Leben Zestock Co., Ltd., a consolidated subsidiary, is mainly engaged in the renewal and resale business.

Leben Trust Co., Ltd., a consolidated subsidiary, is mainly engaged in the leasing and administration business.

Takara Leben(Thailand) Co., Ltd., a Consolidated subsidiaries, is mainly engaged in the business of investing in real estate.

MIRARTH Energy Solutions Inc., a Consolidated subsidiaries, is mainly engaged in renewable Energy Business.

MIRARTH Asset Management Inc.., a Consolidated subsidiaries, is mainly engaged in the investment-management business.

MIRARTH Real Estate Advisory Inc.., a Consolidated subsidiaries, is mainly engaged in the investment management business.

(1)Real Estate Business

As a new condominium business, our group develops, develops, and sells the "LEBEN" and "NEBEL" series on a nationwide basis. In addition, as a securitization business, the Company plans and develops the Residence "LUXENA" series and the Office Building "L.Biz" series and sells them to REIT marketplace. This segment conducts Real Estate Business in general, including Other, the renewal and resale business, the new detached house sales business, the leasing and administration business, and the real estate brokerage business.

(2)Energy Business

Our group conducts power generation business using renewable energy nationwide.

(3)Asset Management Business

We provide Asset Management Business on renewable power generation Facilities, residential properties, office buildings, and other real estate.

(4)Other Businesses

・Construction business

Leben Home Build Co., Ltd., a consolidated subsidiary, is engaged in the construction business.

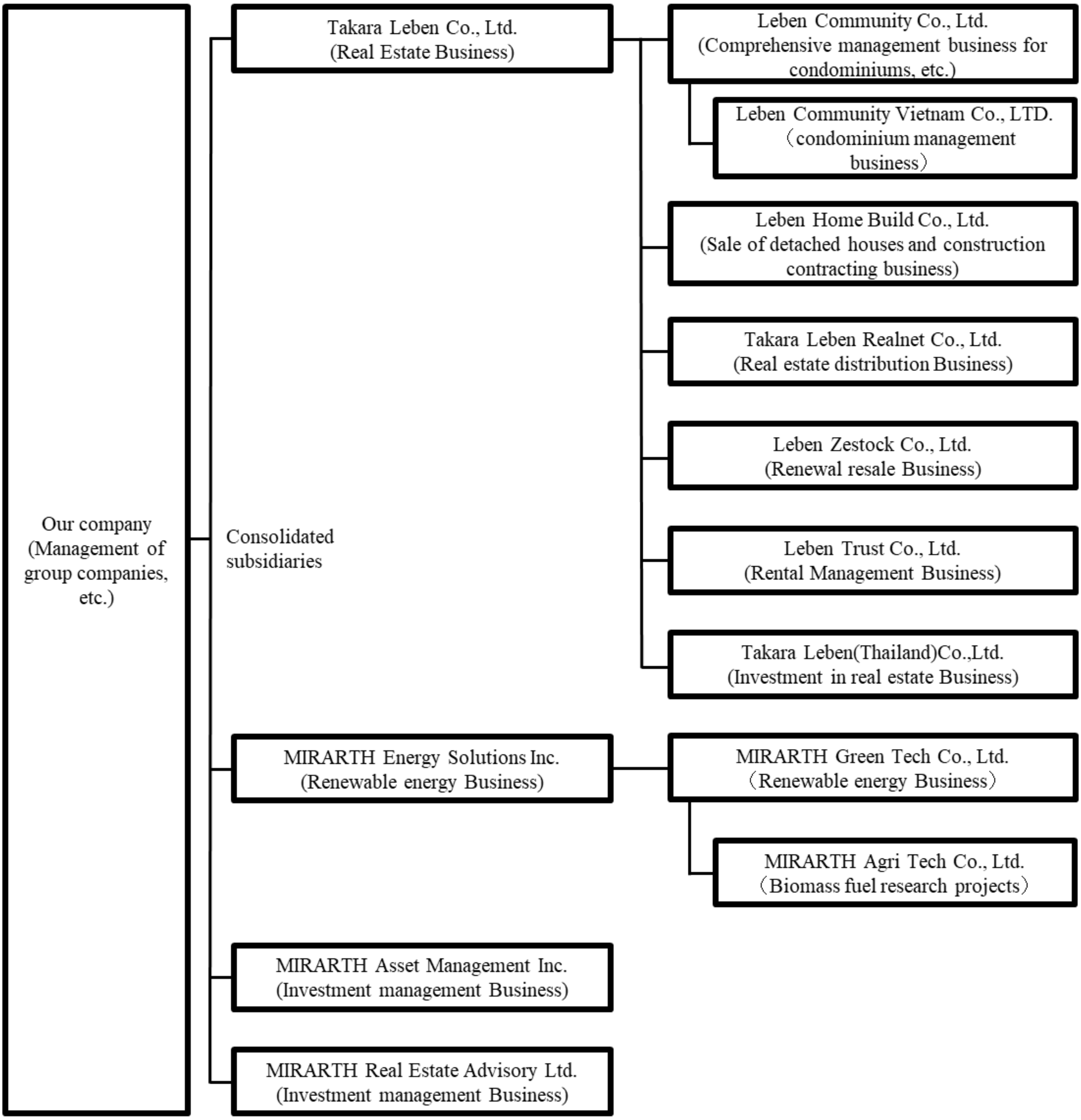
・Hotel Business

Our group is engaged in hotel business.

・For Other Business

Our group is engaged in businesses other than those mentioned above.

The business structure is shown below.



4[Status of Affiliated Companies]

Name	Address	Capital stock (Millions of yen)	Details of major businesses	Share of voting rights Percentage or Percentage (%) owned	Affiliated Details
(Consolidated Subsidiaries)					
Takara Leben Co., Ltd. (NOTE)1	Chiyoda-ku, Tokyo	400	Real Estate Business	100.0	Interlocking positions held by directors With financial support
Leben Community Co., Ltd.	Minato-ku, Tokyo	60	Real Estate Business Other Businesses	100.0 (100.0)	-
Leben Home Build Co., Ltd.	Yokohama City, Kanagawa Prefecture	200	Real Estate Business Other Businesses	100.0 (100.0)	-
Takara Leben Realnet Co., Ltd.	Chuo-ku, Tokyo	30	Real Estate Business	100.0 (100.0)	Interlocking positions held by directors
Leben Zestock Co., Ltd.	Chiyoda-ku, Tokyo	490	Real Estate Business	100.0 (100.0)	Interlocking positions held by directors
Leben Trust Co., Ltd.	Minato-ku, Tokyo	60	Real Estate Business	100.0 (100.0)	Interlocking positions held by directors
TakaraLeben(Thailand)Co.,Ltd.	Bangkok, Kingdom of Thailand	60 Million THB	Other Businesses	100.0 (100.0)	-
Leben Community Vietnam Co., LTD.	Vietnam Haiphong City	21,218 Million VND	Real Estate Business	100.0 (100.0)	-
MIRARTH Energy Solutions Inc. (NOTE)1	Shinjuku-ku, Tokyo	2,155	Energy Business	100.0	Interlocking positions held by directors With financial support
MIRARTH Green Tech Inc.	Shinjuku-ku, Tokyo	50	Energy Business	45.0 (45.0)	With financial support
MIRARTH Agri Tech Co., Ltd.	Kingdom of cambodia Phnom Penh	600 Thousands of US$	Energy Business	45.0 (45.0)	-
MIRARTH Asset Management Inc.	Chiyoda-ku, Tokyo	250	Asset Management Business	100.0	Interlocking positions held by directors
MIRARTH Real Estate Advisory Inc.	Chiyoda-ku, Tokyo	50	Asset Management Business	90.0	-
Other 13 companies					
(Equity-method affiliates)					
Minato LLC	Shibuya-ku, Tokyo	108	Real Estate Business	34.0 (34.0)	-
Other 8 companies					

(NOTE)1. This is a specified subsidiary.

2.Share of voting rights percentage in parentheses is the indirectly owned percentage.

5[Employee Status]

(1) Consolidated level

As of March 31 2025

Segment name	Number of employees
Real Estate Business	1,506(112)
Energy Business	
Asset Management Business	
Other	
Total	1,506(112)

(NOTE)1. Number of employees is the number of employees.

2.Figures in parentheses in Number of employees column indicate the annual average number of temporary employees (equivalent to 8 hours a day per employee).

3.Our corporate group does not have a management organizational structure for each Type of the business, and the same employees are engaged in Type of several businesses.

(2) Status of Submitting Company

As of March 31 2025

Number of employees	Average age(years)	Average length of service (year)	Average annual salary (thousand yen)
33 (2)	38.2	2.3	7,662

Segment name	Number of employees
Real Estate Business	33(2)
Energy Business	
Asset Management Business	
Other	
Total	33(2)

(NOTE)1. Number of employees is the number of employees.

2.Figures in parentheses in Number of employees column indicate the average number of temporary employees per year (equivalent to 8 hours per day).

3.Average annual salary includes Bonus and non-base salary.

4.We do not have a management organizational structure for each Type of our business, and the same employees are engaged in Type of several businesses.

(3) Union Information

The labor union has not been formed, but labor-management relations have remained prosperous.

(4) Percentage of Women Workers in Managerial Positions, Rate of male workers taking childcare leave and Differences in Wages of Men and Women Workers

① Submitting Company

Submitting Company is not subject to the obligation to publish under the provisions of the Act on Promotion of Women's Working Life (Act No. 64 of 2015) and the Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave (Act No. 76 of 1991). Therefore, the description is omitted.

② Consolidated subsidiaries

Current fiscal year						Supplementary Explanations
Name	Percentage of female employees in managerial positions (%) (NOTE)1.	Rate of male workers taking childcare leave (%) (NOTE)2.	Difference in wages of male and female workers (%) (NOTE)1.			
			Total labor	Regular workers	Part-time and fixed-term workers	
Takara Leben Co., Ltd.	12.0	75.0	74.8	74.8	37.2	(NOTE)3. Differences in wages between men and women (NOTE)4.
Leben Community Co., Ltd.	16.2	0.0	67.0	60.7	75.5	(NOTE)3. Differences in wages between men and women (NOTE)5.

(NOTE)1. Calculated in accordance with the provisions of the Act on Promotion of Women's Active Participation in the Working Life (Act No. 64 of 2015).

2.In accordance with the provisions of the "Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Act No. 76 of 1991), the percentage of employees taking child care leave, etc. is calculated pursuant to the provisions of Article 71-6, I of the "Ordinance for Enforcement of the Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Ordinance of the Ministry of Labour No. 25 of 1991).

3.Period covered: Reiwa 6 Business Year (from April 1, 2024 to March 31, 2025)

Wages: including base pay, compensation for overtime work, Bonus, etc. and excluding retirement allowances and commutation allowances, etc.

Full-time employees: For seconded employees, this includes employees seconded from us to outside the company, and excludes employees seconded from other companies to us.

Part-time and fixed-term employees: including fixed-term employees, part-timers and non-regular employees, excluding temporary employees.

4.Supplementary Explanations on differences in wages between men and women of workers

<Full-time employees>

If we Category full-time employees in managerial and non-managerial positions, the difference will narrow to around 5-15% as well as Prior taxable year. However, since the percentage of women in managerial positions is 12.0%, we will continue to promote the appointment of women systematically.

<Part-time and fixed-term employees>

Divergences have occurred due to the mix of part-time employees and fixed-term employees.

If we Category part-time employees and fixed-term employees, only male employees are fixed-term employees, and there is no discrepancy between part-time employees.

5.Supplementary Explanations on differences in wages between men and women of workers

<Full-time employees>

Since the percentage of women in managerial positions is 16.2%, we will systematically promote the appointment of women.

II. [Business Overview]

1[Management Policy, Business Environment and Issues to be Addressed]

Our business Policy, business environment, and issues to be addressed are as follows.

Forward-looking statements in the text are based on our judgment as of the end of the fiscal year under review.

(1)Management Policy

Describe Our Purpose and Our Values

Our Purpose

To design sustainable environments for a happier future for both people and our planet.

Our Values

Passion & Inspiration

To be passionate about creating vibrant environments and to inspire and be inspired by people who share our vision.

Sustainability

To create a sustainable world where people, nature, and society coexist in harmony.

Value Creation

To continue to evolve and keep up with the rapid change around us to create new value.

Diversity & Co-creation

To value each individual's ideas and co-create a diverse and equitable environment with the local communities.

Integrity and Trust

To generate a trusting relationship among people and society through protection of our safety and security.

(2)Management Strategy, etc.

<Strategy Overview>

In May 2025, we announced a new medium-term management plan covering the period up to the fiscal year ending March 2028. Under this plan, we have formulated an Important theme for our management base and business strategy. Our long-term vision for the period to 2030 is "Be the Takara of the community." We have positioned this period as a period for executing growth investments with an emphasis on balancing offense and defense. In addition to stable growth in our core Real Estate Business, we will aggressively invest in growth businesses and establish a foundation for medium-to long-term growth.

< Important theme >

Important theme of Management Foundation

1. Further promotion of Sustainability
2. Pursuit of capital efficiency
3. Strengthen engagement with stakeholders

Business Strategic Important theme

1. Improve productivity and profitability
2. Aggressive investment in cash-generating businesses
3. Optimize the business portfolio

<Policy by Segment>

a)Real Estate Business

The Group's core businesses include new condominiums for sale, liquidation, sale of new houses, renewal and resale of houses, property leasing and property management, etc. The strong network in each region based on more than 50 years of experience and an integrated system covering development, sales, management and after-sales service enable the Group to offer a comprehensive the company is committed to responding to all customer needs with comprehensive real estate services.

Going forward, we will continue to aim for stable growth across Segment by carefully selecting purchases, developing environmentally friendly real estate, flexibly managing portfolios, and providing high-quality services.

b)Energy Business

As a new pillar of our business, we will expand our existing business, centered on solar power generation, while aggressively making investments to diversify our power generation sources, such as onshore wind and biomass, and to promote the establishment of new business models, such as storage plants.

In addition, by promoting a PPA (electricity sales contract) model that does not rely on the feed-in tariff (FIT system), the Group aims to grow as a mainstay of II by making Energy Business a new driver of Group growth.

c)Asset Management Business

We are commissioned to manage a variety of assets, including REIT, privately placed funds, and renewable energy funds, and we will continue to promote the strengthening of our operational structure. We will strive to achieve sustainable growth as a fee-based business by expanding the scale of Assets under management and implementing internal growth measures.

d)Other Businesses

We will strive to grow and establish businesses such as Hotel management, construction, and nursing care. At the same time, we will leverage our group-wide expertise to take on challenges in new domains and create new value.

(3)Objective indicators for determining the status of achievement of management Target

We manage our business with an awareness of Equity ratio, LTV, D/E ratio and ROE. Equity ratio 23% or more (March 2028 Term end), LTV65% or less, D/E ratio less than 3.0 times, and ROE9% or more are set as Target.

(4)Business environment

The business environment surrounding our group is in the midst of rapid changes, including demographic changes such as a decline in the labor population due to the declining birthrate and aging population, rising prices due to inflation and other factors, and uncertainty about the economic outlook both at home and abroad.

Against this backdrop, our group disclosed "To design sustainable environments for a happier future for both people and our planet.", a part-pass, to October, 2022 and is engaged in every business with the aim of evolving into a "Future Environment Design Company" that works with local communities to develop the towns of the future, based on our long-term vision for 2030, "Be the Takara of the Community."

The specific issues to be addressed by the Group are described in "(5) Priority Business and Financial Issues."

(5)Prioritized business and financial challenges

① Response to real estate market conditions

Our Group's core business, the new condominium business, is a type of business in which market conditions change relatively significantly due to a variety of external factors, such as persistently high real estate prices, soaring construction costs, and the risk of rising interest rates. Our group continues to build a structure that is less susceptible to the external environment by consistently engaging in product development and supply for the real-demand buyers, who have stable demand. In addition, among the bipolar domestic markets, such as the concentration of population in the Tokyo metropolitan area and the depopulation of local cities, our group is strictly selecting selected sites at 8 sales offices nationwide, thereby contributing to the development of products that meet customer needs and the revitalization of each city.

In Liquidation Business, the Company recognizes that the market structure is more affected by external factors than in the new condominium business. While continuing to focus on developing and acquiring residential properties with steady demand, we will optimize our Assets portfolio, including offices and Hotel, in order to achieve both aggressive development Profit and stable stock management.

② Promotion of ESG response

We have set the 4 Important theme of sustainability of "Realizing a Decarbonized Society," "Creating Sustainable Cities," "Enhancing Well-being," and " Strengthening Governance." We have identified 10 important issue that correspond to each of them, and will promote initiatives to resolve these issues.

E (Environment)

As a response to climate change associated with the impact of global warming and disasters that are becoming increasingly severe, there is a need for environmental initiatives to realize a de-carbon society, such as reducing greenhouse gas emissions and utilizing renewable energy. In order to achieve carbon neutrality, our group has established medium-and long-term Target and indicators (KPI) to reduce greenhouse gas emissions for the entire group, and is monitoring them. In addition, the Group will contribute to the achievement of a carbon-free society through group-wide business, such as promoting ZEH in the new condominium business, diversifying the renewable energy power sources in Energy Business, and actively promoting a PPA (electricity sales contract) model in which power generators and electricity users enter into direct contracts.

S (Society)

Our Group aims to revitalize local communities and promote the creation of sustainable communities through the provision of housing, by proposing diverse lifestyle needs, improving Buildings value and service quality, and responding to disasters. We are also working to improve Well-being by fostering a workplace culture in which diverse human resources can play an active role, and by building co-creation relations through dialogue with stakeholders.

G (Governance)

Through the establishment of various committees (nomination, remuneration, compliance, and risk management) and the appropriate operation of the whistle-blowing hotline, the Company is working to strengthen its risk management system and internal control systems, and to ensure thorough compliance and strengthen corporate governance.

③ Strengthening the financial foundation

In principle, we finance the acquisitions of real estate for business use and power generation facilities with loans from financial institutions and other sources. As our business expansions, interest-bearing Liabilities tends to rise. We will strive to strengthen our financial base and maintain strict financial discipline by optimizing investments and returns through managing business ROIC, building an optimal portfolio in various business domains, and diversifying financing methods. We will strengthen stock businesses and expand EBITDA while continuing to maintain financial soundness while striving to improve Equity ratio and reduce the ratio of interest-bearing Liabilities.

④ Recruiting human resources and developing human resources

As our group expands its business domains and business areas, the skills and aptitudes required of employees are also diversifying. Through the promotion of diversity equity and inclusion, we will strive to secure excellent human resources, whether hired as new graduates or mid-career employees. We will build a robust organizational structure by expanding rank-based training and operating an appropriate evaluation and compensation system. At the same time, we will continue to actively invest in human capital. In addition, by promoting work style reforms, such as the development of a remote work environment and the introduction of a regional employee system, we will enhance the well-being of our employees and improve our corporate value.

⑤ Promoting Digital Transformation (DX)

In response to the recent trend toward digitalization, we believe that it is necessary to expand the use of digital solutions, which are directly linked to customer convenience and increased corporate value, in addition to conventional services, in order to maintain our competitive advantage. In order to respond to market needs in a timely manner, we will aggressively invest in IT while assessing cost-effectiveness. By improving the literacy of digital technologies and developing human resources with the thinking to realize innovation, we will promote DX utilizing digital technologies and promote innovation in the value chain.

2[Approach and Initiatives for Sustainability]

Our approach and initiatives for Sustainability are as follows.

Forward-looking statements in the text are based on our judgment as of the end of the fiscal year under review.

(1) Sustainability in general

Under Sustainability Basic Policy, our group considers the environmental and social impact of our business activities and identifies materiality (Important issue) for achieving sustainable growth. Efforts to address materiality that we have identified are being promoted on a company-wide basis under a highly effective governance-based system centered on Sustainability committee. We will continue to emphasize dialogue with all of our stakeholders and strive to resolve social issues and sustainably increase our corporate value through our business.

<Basic Sustainability Policy>

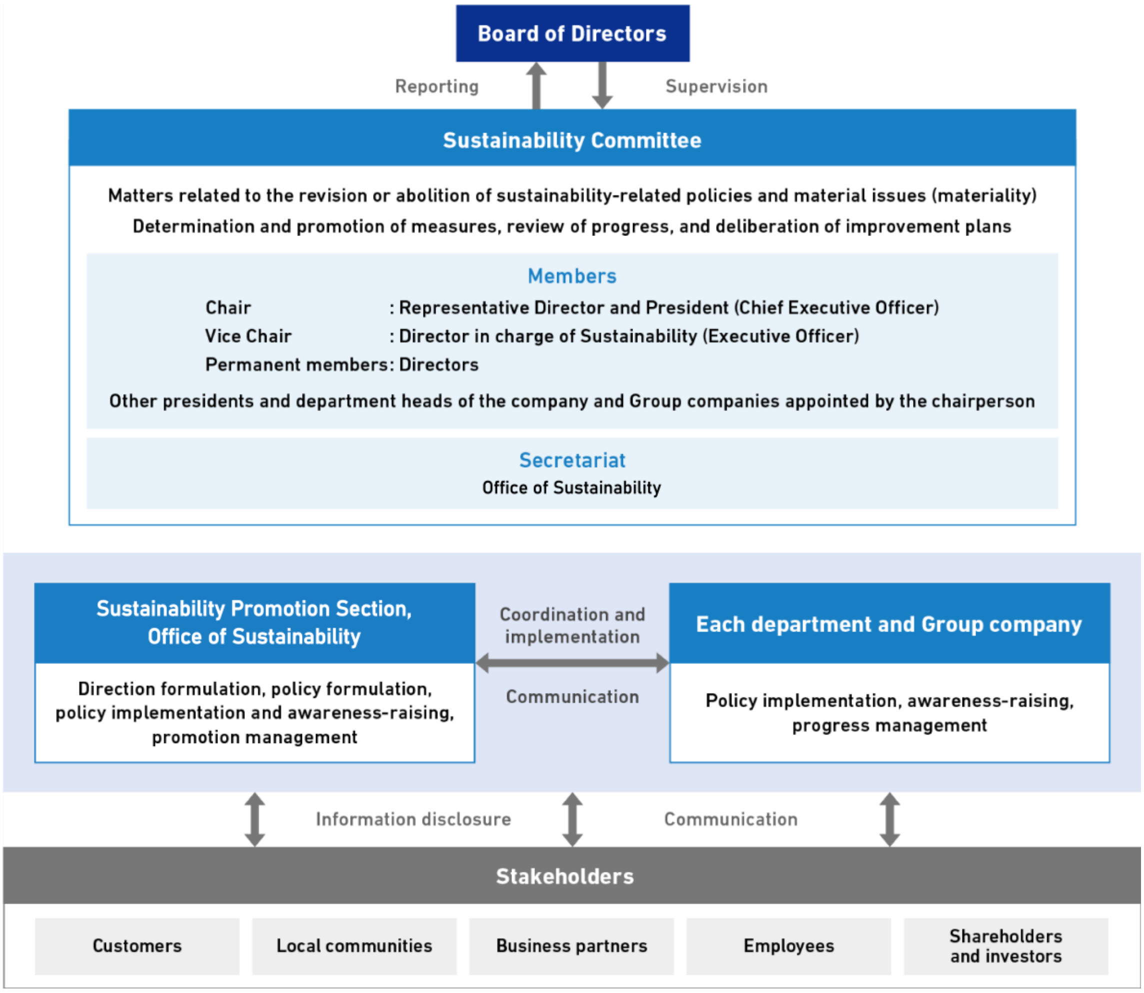
MIRARTH Holdings Group has set "To design sustainable environments for a happier future for both people and our planet." as its Our Purpose, and by engaging in Sustainability activities through its businesses, such as the supply of housing and the development of renewable energy, contributes to the resolution of social issues and the achievement of Sustainability development Target (SDGs), earning the confidence of various stakeholders and society, and aiming for sustainable development.

① Governance

We have established a Sustainability promotion system based on the recognition that addressing Sustainability issues is a key management issue, including consideration for global environmental issues such as climate change, respect for human rights, consideration for the health and working environment of employees, fair and appropriate treatment, fair and proper transactions with business partners, and risk management in the event of natural disasters, etc.

With Representative Director as Chair, groups have established Sustainability committee, which is composed of the presidents and divisional managers of Director and its affiliated companies. In principle, Sustainability committee meets on a quarterly basis and meets whenever needed to promote ESG strategies. It also decides Policy and measures related to Sustainability, examines and promotes materiality (Important issue), reviews progress, and deliberates on remediation plans. It also conducts Report of Sustainability promotion activities to Board of Directors.

<Sustainability Promotion Structure>



② Strategy

In order to contribute to Sustainability and increase corporate value, our group identifies materiality (Important issue) and implements countermeasures through the following processes. Our Group is contributing to the realization of a Sustainability society and the enhancement of corporate value by actively addressing social issues.

The process for identifying Important theme of sustainability and materiality in our group is as follows.

<Important theme of sustainability and Materiality Identification Process>

1.List of social issues

We identified social issues from an environmental, social, and governance (ESG) perspective based on analyses of ESG assessment organizations and market trends.

2.Identifying risks and opportunities

We have clarified the risks and opportunities for MIRARTH Holdings Group in various issues. Through this analysis, we have identified the issues and opportunities that we may face in our corporate activities.

3.Identification of stakeholder impacts

We evaluated how and how MIRARTH Holdings Group is affected by these issues.

4.Importance ratings

Particularly important social issues were selected through discussions at workshops attended by the management of Group companies. These issues are directly linked to the strategic decision-making of MIRARTH Holdings Group. These issues affect corporate growth over the long term.

5.Consideration of measures

We considered measures to mitigate risks and expand opportunities for issues of high importance. Through the workshop, we drafted concrete action plans such as technological innovation and improvement of business processes.

6.Identification of Materiality

Based on the above process, the materiality of MIRARTH Holdings Group was identified and its validity was verified.

7.Setting Up KPI

We have established a KPI to measure specific results based on the selected materiality. As a result, we regularly evaluate the effectiveness of our measures and achieve Sustainability growth. Materiality and Target and KPI's Details are publicly announced Details approved by Sustainability committee.

<Important theme of sustainability and Materiality>

	Important theme of sustainability	Materiality
E Environment	Realization of a decarbonisation society We will strive to mitigate climate change issues by working to ensure a stable supply of renewable energy, while at the same time aiming to develop energy-saving products with low environmental impact.	・Responding to Climate Change and Decarbonization
		・Promoting the stable supply and use of renewable energy
S Society	Sustainable Urban Development We will contribute to the realization of a Sustainability future by developing local communities and enriching people's lives, and by providing products and services that respond to social issues and changing needs.	・Achieving Sustainable Growth in Local Communities
		・Responding to Declining Birthrate and Aging Population and Declining Workforce
	Improving Well-being In addition to protecting mental and physical health and safety, we will foster a workplace culture in which diverse human resources can play an active role, and build co-creation relationships through dialogue with stakeholders.	・Ensuring Employee Health and Safety
		・Diversity Equity & Promoting Inclusion (DE&I)
		・Respect for human rights and response to supply chains
G Governance	Strengthening governance By promoting sound corporate activities and ensuring transparency in decision-making, we aim to fulfill our corporate social responsibilities and sustainably increase our corporate value.	・Consolidation of Corporate Governance
		・Tightening risk management
		・Implanting business ethics and compliance

③ Risk Management

We have established the Risk Management Regulations in order to manage the risks of our group and continuously increase our corporate value. Based on these regulations, we have established Risk Management Committee with the Group CRO (Chief Risk Management Officer) serving as Chair. The Company identifies risks annually in Risk Management Committee and prepares risk scenarios. Each risk scenario is evaluated based on the degree of impact and frequency of occurrence, and those risks that have a significant impact on financial condition, operating results, cash-flow status, and strategic aspects are identified as significant risks. We recognize 7 individual risks, including climate-change risks, as the most important risks, and Risk Management Committee oversees the risk management that each Group company is responsible for, and Board of Directors conducts Supervise.

For details, please refer to "3. Business and Other Risks."

④ Indicators and Target

Our Group has formulated KPI linked to Important theme of sustainability and identified materiality (Important issue) from Year ending March 31, 2022 and is promoting group-wide initiatives.

Actual for the year ended March 31, 2025 and Target for the year ended March 31, 2026 are as follows:

<Targets and Results>

Sustainability Important theme	Materiality	KPI	Year ended March 31, 2025		Year ended March 31, 2026
			Target	Actual	Target
Realizing a Decarbonized Society We will strive to mitigate climate change issues by working to ensure a stable supply of renewable energy, while at the same time aiming to develop energy-saving products with low environmental impact.	・Responding to Climate Change and Decarbonization	Rate of Reduced CO_2 Emissions (Scope1,2 and 3)	45% (compared to Fiscal Year 2022)*1	Scope1,2:41%※2	45% (compared to Fiscal Year 2022)*1 Scope1,2:70% Scope1,2,3:45%
		Number of in-house initiatives contributing to energy conservation	10 properties	14 properties	10 properties
		Aggressive expansion of renovated and renovated condominiums		○	
	・Promoting the stable supply and use of renewable energy	Total generation scale of renewables	780MW※3	385MW	410MW※4
		Acquisition of environmental performance certification	5 buildings	9 buildings	5 buildings
		Adoption rate of ZEH standard for detached houses*5	100%	100%	100%
		Promote the use of renewable energy in the new condominium business		○	
Creating Sustainable Cities We will contribute to the realization of a Sustainability future by developing local communities and enriching people's lives, and by providing products and services that respond to social issues and changing needs.	・Achieving Sustainable Growth in Local Communities	Overseas housing supply projects Number of cases	3 projects	7 Projects	5 projects
		Number of Redevelopment and Rebuilding Projects*6	10 properties	14 properties	10 properties
		Survey of satisfaction with condominium management operations	5 points or more/6 points	5.09 points	5 points or more/6 points
		Number of nonconformities related to business processes and quality standards	10 or less	3 projects	10 or less
	・Responding to Declining Birthrate and Aging Population and Declining Workforce	Per capita training hours	25 hours	11.8 hours*7	25 hours
		Promote acquisition of certification for DX businesses		△※8	
		Proposal of new services for lifestyles	10 properties	15 properties	10 properties
Enhancing Well-being In addition to protecting mental and physical health and safety, we will foster a workplace culture in which diverse human resources can play an active role, and build co-creation relationships through dialogue with stakeholders.	・Ensuring Employee Health and Safety	Stress check rate ※9	100%	93.7%	100%
		Percentage of paid holidays taken ※10	70%	70%	70%
		Rates of men taking child-care leave	85%※1	57.6%	85%※1
		Implementation of Special patrol (safety check) at Construction Sites	Quarterly	4 times	Quarterly
	・Promoting Diversity, Equity & Inclusion (DE&I)	Employment ratio of the disabled:	2.5%	1.5%	2.5%
		Percentage of female managerial staff	20%※1	14.2%	20%※1
		Ratio of female employees newly hired	30%	36%	30%
	・Respect for human rights and response to supply chains	Implementation of Safety conference	Once a year	Once	Once a year
		Establishment of human rights due diligence system		○	
		Promoting Supply Chain Management		△※11	
Strengthening governance By promoting sound corporate activities and ensuring transparency in decision-making, we aim to fulfill our corporate social responsibilities and sustainably increase our corporate value.	・Consolidation of Corporate Governance	Implementation of Board of Directors effectiveness assessment		○	
		Consideration of introduction of clawback clause		○	
	・Tightening risk management	Verification and management of critical risks		○	
		Development of BCP manuals		○	
	・Implanting business ethics and compliance	Implementing Compliance Training	Annual 3 times	5 times	Annual 3 times
		Implementation of compliance questionnaires for all employees	Once a year	Once	Once a year
		Recognition rate of the internal reporting system	100%	97%	100%

※1 Set as a medium-term Target up to Fiscal Year 2030.

※2 Scope3 calculation in progress.

※3 Calculated in terms of solar MW and set as the medium-term Target for the period ending March 2030.

※4 KPI revised to "Cumulative total of renewable power generation in operation."

※5 Residential houses whose thermal insulation performance class 5 and primary energy consumption class 6 have been acquired (excluding renewable energy levels).

※6 Including businesses for improvement of prime buildings, etc.

※7 Some distribution-type training is not included in the calculation.

※8 Conducted DX training by reviewing Policy. KPI was revised to promote the development of DX human resources.

※9 Statistics based only on enterprises implementing the program.

※10 Annual paid holidays are aggregated for all Grant companies.

※11 Formulated an implementation plan.

(2) Response to Climate-change (Initiatives for TCFD Recommendations)

・Our awareness of climate change

MIRARTH Holdings Group (hereinafter referred to as "our group") recognizes that the progress of climate change is a scientific fact. Accordingly, we believe that measures to deal with the expansion of natural disasters caused by climate change, such as severe typhoons and heavy rains, frequent heat waves and droughts, and global sea-level rises are essential. In addition, we have positioned climate change as a (material) issue that brings significant changes to the natural environment and social structure and has a significant impact on our group's management and overall business. As a global initiative to mitigate climate change, we anticipate a shift toward socioeconomic decarbonization, including the establishment of a framework for reducing greenhouse gas emissions and strengthening emission regulations. We recognize that there are growing social demands for reducing GHG emissions at the development/operation stage in Real Estate Business and for strengthening resilience. At the same time, Energy Business is seeing growth in demand for renewable energy, which we view as a crucial oppotunity.

・TCFD endorsement (and participating in TCFD consortiums)

MIRARTH Real Estate Advisory Inc., 1 of our group companies, expressed its support for the recommendations of the Climate-Related Financial Information Disclosure Task Force (TCFD(Task Force on Climate-related Financial Disclosures), which was established by the Financial Stability Board (FSB) in June 2022 to promote Information Disclosure on climate-related issues.

With this as our starting point, we analyze and respond to the risks and opportunities that climate change will have on our business, and strengthen and enhance our Information Disclosure in line with the "Governance," "Strategy," "Risk Management," and "Indicators and Target" recommended by our TCFD Recommendations.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

① Governance

We have established a governance system centered on Board of Directors's Supervise and Sustainability committee to address the risks and opportunities of climate-change. The chief executive officer in charge of responding to climate change is the president of Representative Director, and the executive officer in charge of responding to climate change is Director in charge of Sustainability. Executive officers on climate-related issues regularly Report Chief Officers on climate change response issues at Sustainability committee, including identifying and assessing impacts from climate change, managing risks and opportunities, progressing on adaptation and mitigation initiatives, and establishing indicators and Target. Participants from Sustainability committee deliberate and consider the agenda items before making decisions by the Chief Officer on climate-related issues.

② Strategy

・Scope of the analysis

In this scenario-analysis, we targeted 2 of our main businesses, namely Real Estate Business and Energy Business, which are considered to be relatively impacted by climate-change.

・Referenced external scenario

TCFD's recommendation is to explain the resilience of the company's strategy based on multiple scenarios, including 2°C or less. We conducted scenario analyses of our Group's businesses in order to take account of climate-related risks and opportunities. An overview of scenario analysis is as follows: Scenario analysis and the process for identifying and evaluating our risks and opportunities are described below in "Risk Management."

Source	1.5-2 °C scenario	4°C scenario
IEA (International Energy Agency)	NZE2050	STEPS
IPCC (Intergovernmental Panel on Climate Change)	RCP4.5	RCP8.5

[Reasons for Scenario Selection]

●IEA NZE2050(1.5-2 °C transition risk)

As the main source of GHG emissions is energy-consuming, a IEA that can be referred to is selected.

●IPCC RCP4.5(1.5-2°C Scenario Physical Risks)

Selection of IPCC's Report document, which is regarded as a standardized reference material for weather conditions, that corresponds to the analytical scenarios for physical risks.

●IEA STEPS (4°C transition)

As the main source of GHG emissions is energy-consuming, a IEA that can be referred to is selected.

●IPCC RCP8.5 (4°C Scenario Physical Risk)

Selection of IPCC's Report document, which is regarded as a standardized reference material for weather conditions, that corresponds to the analytical scenarios for physical risks.

・World image assumed in each scenario

Each scenario assumes the following global outlook.

1.5-2 °C scenario (high transition risk, small physical risk)
Toward the achievement of Target of the Paris Agreement, social policies and emission controls for decarbonisation will be strengthened, and measures to deal with climate change will progress. This is a scenario that will keep the global temperature rise at the end of the 21st century Comparison from the pre-industrial revolution to 1.5°C-2°C. In all aspects, such as policies, investors, and consumers, moves toward decarbonisation or low carbon are becoming more prominent, and companies are strongly required to respond to climate change, and if they do not respond to such moves, the risk of transition is expected to increase, such as the reduction of their competitive advantage. On the other hand, the frequency and severity of climate disasters will be kept to a certain extent, and the physical risks are assumed to be relatively low.
4°C scenario (small transition risk, large physical risk)
It is a scenario in which sufficient climate change mitigation measures are not realized, greenhouse gas emissions continue to increase, and the global temperature increase at the end of the 21st century Comparison 4°C from before the industrial revolution. Physical risks are expected to increase due to the intensification of natural disasters and the increase in sea-level rises and extreme weather. On the other hand, the transition risk is relatively small due to stagnant efforts for decarbonisation in policies, capital markets, and consumers.

・Identification of Risks, Opportunities and Countermeasures/Strategies

We have identified risks and opportunities in light of the 1.5°C-2°C scenario, in which policies and laws and regulations are strengthened to help realize a decarbonizing society, and the 4°C scenario, in which physical impacts of climate change are caused by severe extreme weather conditions. We have assessed the impacts on those businesses as follows: The financial impact was assessed qualitatively with reference to each of the aforementioned scenarios. We will also promote the following initiatives in response to identified risks and opportunities.

[Real Estate Business]

Classification		Major risks and opportunities	Our financial impact	Term	Financial impact		Countermeasures and strategies
					4°C scenario	2/1.5°C scenario	
Transition risk	Policies and laws	Strengthening Taxation through the Introduction of Carbon Tax	Sales volume decreased due to an increase in sales prices.	Short-term	Small	Medium	Target setting and control of GHG emissions
		Strengthening of various regulations based on energy conservation policies	Increased development costs for regulatory compliance	Medium term	Major	Major	Enhance energy-saving performance and strengthen sales strategy through collaboration with suppliers
	Technical	Evolution and diffusion of renewable energy and energy-saving technologies	Costs of developing and introducing new technologies increased	Medium term	Medium	Major	Collect information on new technologies and services and develop and introduce new technologies as appropriate
		Increase in response to transition to low-emission technologies	Increase in expenses related to new measures and introductions	Medium term	Small	Small	Securing specialist human resources and building organizational and internal systems
	Market	Increase in service prices by related suppliers against the backdrop of expansion of decarbonisation needs	To develop ZEB/ZEH and other eco-friendly properties and to increase construction, renovation and repair costs	Medium term	Medium	Medium	Stabilize prices through collaboration with suppliers
	Reputation	Increasing scarcity of storm-resistant locations and intensifying competition in acquiring sites in favorable locations	Lower sales due to loss of business opportunities	Long pull	Major	Major	Selecting locations and strengthening Collaboration with other companies in the same industry
		Decline in the value of products and brands not responding to climate change	Decrease in sales due to a decline in property sales prices and rent due to a decline in brand value	Medium term	Small	Medium	Establish energy-saving standards for newly developed projects and consider installing energy-saving standards in existing properties
Physical risk	Acute	Damage to properties under construction due to storms and floods, and lengthening of construction periods	Increase in construction-related expenses	Short-term	Major	Medium	Adoption of construction methods resilient to storms and floods, and participation in construction insurance
	Chronic	Decline in productivity at construction sites due to rising temperatures	Cost increase due to lengthening of construction period	Medium term	Medium	Medium	Thorough Management of Occupational Safety Considerations at Construction Sites
Opportunity	Of resources Efficiency	Promoting the use of recycled energy	Reduction of utility costs procured externally	Medium term	Small	Small	Introduction of on-site and off-site PPA

	Products and services	Increase in demand for low-emission facilities and ZEB/ZEH condominiums	Increase in sales	Medium term	Small	Medium	Promoting the introduction of low-emission facilities and renewable electricity
	Market	Utilization of Public Support Schemes	To reduce cash outflows	Medium term	Medium	Medium	Business expansion through urban redevelopment projects, etc.
		Creation of Replacement Opportunities	Increase in sales	Medium term	Medium	Small	Develop and promote ZEH/ disaster prevention condominiums
		Improved evaluation of market participants in response to climate change	Increase procurement opportunities and the amount of funds procured by increasing corporate value	Medium term	Medium	Medium	Enhancement of climate-related Information Disclosure

[Energy Business]

Classification		Major risks and opportunities	Our financial impact	Term	Financial impact		Countermeasures and strategies
					4°C scenario	2/1.5°C scenario	
Transition risk	Policies and laws	More stringent environmental assessments and stricter regulations	Cost increase due to lengthening of development period	Short-term	Small	Medium	Promote business in line with various regulations
	Technical	Evolution and diffusion of renewable energy and energy-saving technologies	Increased costs for the introduction of new technologies	Medium term	Small	Small	Strengthen information gathering on new technologies and systematically introduce power generation facilities
	Market	Increase in difficulty in securing land due to intensified competition for energy conservation	Reduction of earning opportunities due to stagnation of new development	Short-term	Medium	Major	Selection of business areas with possible grid connection
	Reputation	Decrease of the brand value	Reduction of revenues due to a decrease in customers and restrictions on access to capital	Short-term	Small	Small	Maintain brand image by taking a solid response to climate change
Physics Risk	Acute	Damage to power generation facilities in operation due to natural disasters	Decrease in sales due to decline in electricity sales volume, and increase in repair and other costs	Short-term	Major	Major	Introduction of resilient design concepts, identification of risks through use of hazard maps, provision of Profit coverage, and funding of repair costs
	Chronic	Increase in the failure rate of equipment in operation due to constant abnormal weather conditions	Increase in repair expenses	Long pull	Medium	Medium	Introduction of design philosophy in response to climate change and selection of product standards
Opportunity	Policies and laws	Establishment of a legal system to expand and promote the spread of renewable energy	Positive impact on speed and volume of development	Medium term	Small	Major	Secure funding and recruit personnel to expand Assets
	Resource efficiency	In-house use of renewable energy	Reduction of utility costs procured externally	Short-term	Small	Small	Selection of development sites and securing of funds
	Products and services	Technologies and product development in response to climate change	Decrease in capital investment expenses due to inexpensive technology development	Medium term	Small	Medium	Strengthen information gathering on new technologies and systematically introduce power generation facilities
		Expansion of O&M business	Increase in O&M sales	Medium term	Small	Medium	Capital investment and securing engineers to expand O&M business
	Market	Expansion of demand for renewable energy	Increase in earning opportunities through new development and business expansion	Medium term	Small	Major	Market research and development of new business models
		Expansion of renewable energy investment	Generate sales and earning synergies with Real Estate Business	Short-term	Small	Medium	Establishment of PJ teams by human resources with expertise in renewable energy and real estate
		Utilization of Green Finance	Rise in stock prices and reduction in financial costs due to improvement in corporate value	Short-term	Medium	Medium	Securing human resources for green finance

③ Risk Management

The process by which we manage climate change-related risks is as follows:

1.Process of identifying and evaluating risks and opportunities

Critical risks and opportunities related to climate-related issues are discussed in Sustainability committee, and the executive officers responsible for responding to climate change call in-house representatives to identify and assess climate-related risks and opportunities annually.

2.Risk management processes and integration into company-wide risk management programs

The Chief Officer for Climate-related Issues designates and Direction Sustainability committee to identify and address climate-related risks that are critical to the assessed business and financial planning.

In addition, in its efforts to manage risk mitigation or realize opportunities, the Company will attempt to define and monitor and Target Be related KPI (Key Indicators) where possible.

The executive officers in charge of responding to climate change will Report Sustainability committee once or more annually on the progress and KPI of their respective initiatives.

The Chief Climate Response Officer also Direction to take into account, to the extent feasible, climate-related risks that are critical to business and financial planning in existing enterprise-wide risk management programmes, and integrate risk identification, assessment and management processes.

④ Indicators and Target

We have set key indicators (KPI) and Target to manage and monitor risks and opportunities. The indicators and Target that have been set are as follows.

・Amount of greenhouse gas emissions

Achieving 1.2050-Year Net Zero

[Long-term Target]

Net-zero emissions of Scope1 2 and 3※1 by Fiscal Year 2050 for our entire group.

2.Reduction in greenhouse gas emissions

[Medium-term Target]

Reduce our group-wide Scope1 and emissions (2) and (3) by 45% from Fiscal Year 2022 levels by Fiscal Year 2030.

Reduce Scope1 and 2 emissions by 70% from Fiscal Year 2022 levels by 2030 [SBT certification]

Reduce Scope3 emissions ※2 by 45% from Fiscal Year 2022 levels by 2030 [SBT certification]

<Target and Actual to Reduce Greenhouse Gas Emissions>

(in t-CO_2)

	Fiscal Year 2022 Base year	Fiscal Year 2023 Actual	Fiscal Year 2030 Target [SBT Certification]
Scope1+Scope2	3,593 -	2,191 (△39.0%)	1,078 (△70.0%)
Scope3	616,368 -	587,132 (△4.7%)	339,002 (△45.0%)

※1 Scope1: Direct emissions of greenhouse gases by businesses themselves (burning city gas, etc.).

Scope2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies.

Indirect emissions other than Scope3:Scope1,2 (Be related emissions to the company's activities and those of other companies).

※2 Scope3 emissions are classified into Category 1 (purchased goods and services), Category 2 (capital goods) and Category 11 (use of sold goods).

In Fiscal Year 2030, Target was certified as a scientifically based SBT(Science Based Targets by SBTi(Science Based Targets initiative, an international climate-change initiative.

Actual of the various performance indicators will be successively disclosed on the sustainability site.
https://mirarth.co.jp/sustainability/environment/data/

(3) Human capital

Our Group has positioned human capital strategies as a vital foundation for our management strategy to realize the Pampa "To design sustainable environments for a happier future for both people and our planet.". In order to achieve our long-term vision, we have set specific human resource strategies and indicators and Target based on our vision of what we should be and our risks and opportunities in human capital. Through these strategies, we will promote the development of human resources and the creation of a rewarding environment, and aim to achieve sustainable value enhancement by creating both economic value and social value.

Policy on Human Resource Development and Policy on Internal Environmental Improvement

As our group expands its business domains and business areas, the skills and aptitudes required of employees are also diversifying. Through the promotion of diversity equity and inclusion, we will strive to secure excellent human resources, whether hired as new graduates or mid-career employees. We will build a robust organizational structure by expanding rank-based training and operating an appropriate evaluation and compensation system. At the same time, we will continue to actively invest in human capital. In addition, by promoting work style reforms, such as the development of a remote work environment and the introduction of a regional employee system, we will enhance the well-being of our employees and improve our corporate value.

<Human Resource Development Policy>

In order to realize a pass, we aim to cultivate human resources who have a strong business foundation and a trusted personality and who can lead their teams to achieve Target by taking the initiative in taking on challenges.

Our group operates a personnel system based on the belief that each and every employee is a company that together creates sustainable growth for the future.

Takara Leben Co., Ltd. has revised its personnel system to a new 1 that stably generates the human resources needed to achieve its management plan. This system is based on responding to the changing times and on a par path.

Under the new system, we aim to create employee self-growth and job satisfaction by setting an evaluation item based on the Perpass Values in the behavior evaluation related to promotions and promotions as an evaluation criterion that allows employees to be evaluated.

In addition to raising the base pay, we are also building a safe working environment by establishing new relocation allowances and cold-weather allowances to support employees who are transferring. At the same time, we will raise wages by an average of 3.3% (with a 9.8% salary increase including a regular salary increase) based on recent price increases and governmental Policy in an effort to create an environment in which employees can work without worry. We will also improve employee engagement and strengthen Takara Leben's corporate competitiveness.

<Basic Policy on Personnel System>

Personnel System to Stably Generate the Human Resources Necessary for Achieving the Management Plan

・Establishment of a system for employees to draw up a career vision by clearly laying out the image of the human resources that the company seeks, centered on the values formulated based on the "Perpass"

・Acquisition and retention of talented personnel and improvement of motivation through appropriate allocation of personnel costs

・Education and selection to create talented management personnel

・Enhance employee satisfaction and motivation for growth by conducting highly impartial and transparent evaluations and treatment by requiring interviews between assessors and assessees during the period

In addition, we have established the following basic educational training Policy and conduct various training programs with the aim of growth each employee and enhancing the collective strengths of our organization.

<Basic Policy for Education and Training>

・Fostering human resources not only based on the vision, but also proud of our stakeholders as a member of society

・Implementation of programs that enable each employee to feel a sense of self-growth and build a career design

・Improvement of organizational and job management skills, such as leadership and training skills required for each rank in conjunction with the personnel evaluation system, and organizational management skills

・Acquisition of expertise, skills, and other skills necessary for the execution of each job

<Overview of Human Capital Strategy>

Purpose

The power of designing a sustainable environment creates a happier future for people and the the planet

Values

- Passion and inspiration
- Sustainability
- Value creation
- Diversity / co-creation
- Sincerity and trust

Long-term Vision

Be a force for good in the community

Management strategy

- Medium-term management plan
  - ･Financial Strategy
  - ･Non-Financial Strategy
  - ･Business strategy

Ideal Outcome

- Build a sustainable organization with high employee happiness
- Maintain and improve a corporate culture that promotes challenges and change

Risks and Opportunities in Human Capital

- Decrease in the working population
- Increased importance of reskilling and other human resource development initiatives
- Workstyle innovation, promotion of well-being
- Organizational culture that acceptances and leverages diversity
- Rise of the digital-native generation

Human resources strategies

- Create a fulfilling workplace environment
  - Create a diverse organization and work environment
  - Promote Group talent management
  - Strengthen regional recruitment
  - Further promote flexible work environments (telework, ABW, etc.)
- Human resource development
  - Promote succession plans
  - Promote strategic job rotations
  - Further enhance tiered training programs

Indicators and Targets

- Employee happiness of 70% or higher
- Ratio of female employees 30% or higher
- managers who are female: 20% or higher
- Turnover rate of employees less than 10% or less

Economic Value
Social value

3[Business Risks]

1.Basic Risk Management Policy

MIRARTH Holdings Group identifies and manages risks based on the basic risk management Policy of ensuring the safety of customers, partners, directors, employees, and their families, fulfilling social responsibilities, harmonizing with the global environment, continuing lasting business, and enhancing corporate value.

In addition, we have established Risk Management Committee as a promotion system to ensure thorough risk management throughout the Group.

2.Risk Management System

(1)About Risk Management Committee

In order to support the stable and Sustainability growth of the Group, we actively and strategically implement risk management by holding regular Risk Management Committee meetings to oversee risks throughout the Group.

① Frequency of meetings

In addition to the regular meetings of Quarterly, Risk Management Committee holds meetings as needed to respond to changes in industries and the marketplace. This ensures swift decision-making and appropriate responses to risks.

② Composition of members

Our Risk Management Committee is composed of the Group CRO as a Chair and the Group CFO and 2 Outside Director members. This structure enables us to assess and decide on risks from a flexible and specialized perspective. In addition, by adding a person responsible for the legal department to the committee, we have strengthened our examination from a legal perspective and realized more comprehensive risk management. In addition, Audit & Supervisory Board Members participate as observers to ensure Supervise function and objectivity of the risk management process.

③ Proceedings Details

Risk Management Committee's agenda covers a wide range of issues, but the agenda mainly focuses on the following items.

・Response status of risk items listed as "risk maps" in Risk Management Committee
・Risk response status, such as changes and revisions of response Policy, with respect to risk items other than the above
・Discuss and decide on the importance and priority of responses to new risks
・Confirmation of consistency between corporate strategy and risk portfolio
・Discussion and determination of future risk management operation Policy

④ Actual held

In Fiscal Year 2024, Risk Management Committee met 5 times in total. At these meetings, we discussed the following points mainly with the aim of appropriately managing the diverse risks surrounding our Group's business and maintaining and improving corporate value.

I times (held on April 8): Comprehensively identifying potential company-wide risks, assessing the likelihood and degree of impact, and identifying priority-response risks.

II meetings (held on July 8): To effectively operate risk assessments, we have established a quarterly risk re-assessment system for the entire Group. The system has begun operations.

III meetings (held on October 15): Report and discussions on PDCA cycle of 2nd quarter, which was implemented as the first operation, confirmed the improvement of the effectiveness of the risk-management system and the future course of improvement.

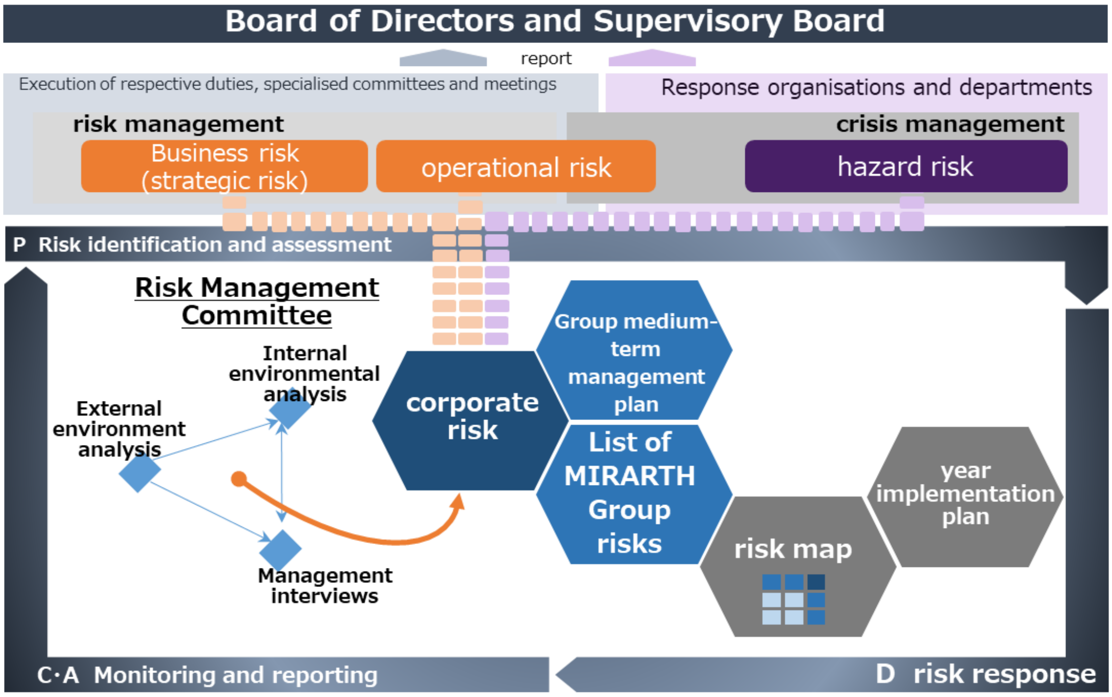
IV meetings (held on December 9): Strengthened the management system by formulating detailed rules for risk management rules. Consultation also on the advisory process for Board of Directors resolution matters.

V meetings (held on January 14): Assessed the most important and important risks for Fiscal Year 2025 and reviewed priorities. Deliberates on PDCA of Third quarter and promotes the strengthening of effective risk management systems.

3.Risk management process

Our group's risk management process is as follows.

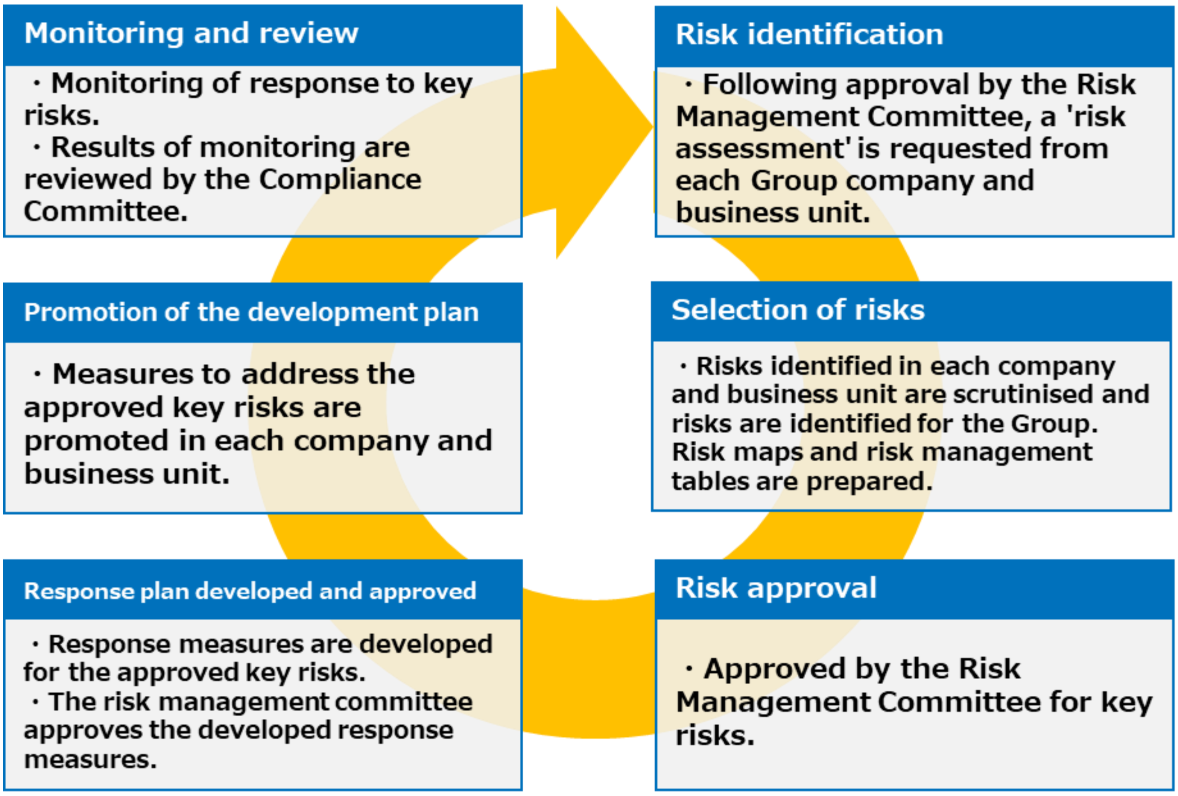
[Conceptual Diagram]



(1)Identification of risks

In the area of risk management, the identification and prioritization of risks that we need to address among the myriad risks in the world is an essential element. Our group identified and prioritized risks according to the flow below.

[Risk Identification Flow Chart]



① Identification of risks at group companies

Comprehensive identification of business strategy risks, operational risks, and hazard risks among Group companies, assessment of the degree of impact, frequency of occurrence, etc., and quantitative scoring, and prioritization based on this evaluation. Risks with high impact and frequency are prioritized for consideration.

At the same time, we will conduct a primary review of the current status of each risk, risk scenarios, opportunities, and countermeasures.

② Risk extraction

With regard to the risks submitted in ①, we conducted a bird's-eye view and Comparison of the risks submitted, and extracted 50 items.

During the extraction, we conducted internal and external environmental analyses and interviews with management to consider not only priorities but also the Group's medium-term management plan and the environment in place. In addition, the level of descriptions was smoothed and unified to determine the current status, risk scenarios, opportunities, and proposals for response to each risk for which a primary examination was conducted.

③ Identification of Risks (Items Posted in Risk Maps)

With regard to the 50 critical risks identified in ②, we asked each of Risk Management Committee members individually about the matters to be included in the risk map and the highest priorities, and after consultation with Risk Management Committee, identified 13 items that should be included in the risk map.

④ Identification of the most important risks

From the 13 risk items listed in the risk map extracted in ③, our group responded with the highest priority and identified the 7 most important risks to watch.

Of the total risks submitted in ①, the following are the categories of risks (rank A and rank B) that are the most important risks (rank A), which are risk maps that exclude rank A, important risks (rank B), and risks (rank C), which exclude rank A and rank B from the risks extracted in ②.

	Fiscal Year 2024			Fiscal Year 2025		
	Business strategy risk	Operational risk	Hazard risk	Business strategy risk	Operational risk	Hazard risk
Rank A	5 pcs	1 pc	-	7 pcs	-	-
Rank B	8 pcs	2 pcs	-	6 pcs	-	-
C rank	4 pcs	25 units	2 pcs	5 pcs	30 units	2 pcs

(2)Risk Assessment

Risk assessment methods were evaluated by scoring the risks identified in each company's Business Divisions by multiplying the degree of impact by the frequency/likelihood of occurrence.

① About "Impact"

Based on the 5 definitions of human damage, monetary damage, loss of sales and Profit, credit, and disposition and guidance from Supervise agencies, the magnitude of each impact is evaluated on a 3-level scale of "large, medium, and small."

② Evaluation of "Frequency and Probability of Occurrence"

"Frequency of occurrence" is the degree to which such risks may occur, and for "likelihood of occurrence," the probability of occurrence of such risks is evaluated on a 3-level scale of "high, medium, and low" in accordance with our predetermined criteria. The risk is assessed on the basis of "frequency" or "likelihood."

The judgment criteria are as follows.

Criteria for risk analysis

Degree of influence		Definitions					
Grade	Notation	People	Money	Sales/Profit		Credit	Disposal and guidance
3	Major	Casualties occur among customers, employees and stakeholders.	Financial loss of 100 million yen or more	A factor that causes Net sales's Target (or assumptions) to be revised downward by more than 10%.	A factor that causes Target (or assumption) of Operating income, Ordinary income, or Net income to be revised downward by 30% or more.	・Affects sales and Profit over a long period of years. ・Good relationships with stakeholders collapse.	Supervise A person who receives a disposition beyond the disposition of suspension of license from a government agency, etc.
2	Medium	Substantial physical and mental impact on customers, employees and stakeholders.	Financial loss of 10 million yen or more and less than 100 million yen	A factor that causes Net sales's Target (or assumptions) to be revised downward by 5% to less than 10%.	Factors that cause a downward revision of any of Target (or assumptions) of Operating income, Ordinary income, or Net income from 10% to less than 30%.	・Affects sales and Profit in months. ・Good relations with stakeholders are temporarily suspended.	Supervise Receives dispositions based on Other, laws and regulations, and regulations in the course of licensing business (Disposition Details is disclosed to outsiders).
1	Small	Those with minimal physical and mental impact on customers, employees and stakeholders.	Financial loss of less than 10 million yen	Factors that cause Net sales's Target (or assumptions) to be revised downward by less than 5%.	Factors that cause Target (or assumptions) of Operating income, Ordinary income, or Net income to be revised downward by less than 10%.	・Have a temporary impact on sales and Profit. ・Stakeholders have an unpleasant impression of us.	Supervise Receive oral warnings and instructions from government agencies (not disclosed to outsiders).

Likelihood (frequency)			Likelihood (probability)		
Grade	Notation	Details	Grade	Notation	Details
3	High	At least once a year	3	High	Occurrence with 80% or more probability
2	Medium	Frequency every few years	2	Medium	Occurrence with probability of 20% to less than 80%
1	Low	Frequency once every 2010 years	1	Low	Probability of less than 20%

③ About "Risk"

The committee summarizes how each related company division understands and recognizes the current status of each identified risk and what is anticipated in each company division when such risk materializes.

Through these measures, we have embodied vague risks and clarified the image of risk response.

④ About "Opportunities"

When this risk is regarded as an "opportunity," the specific image of what scenarios are assumed will be used as the reference material for examining when taking risks.

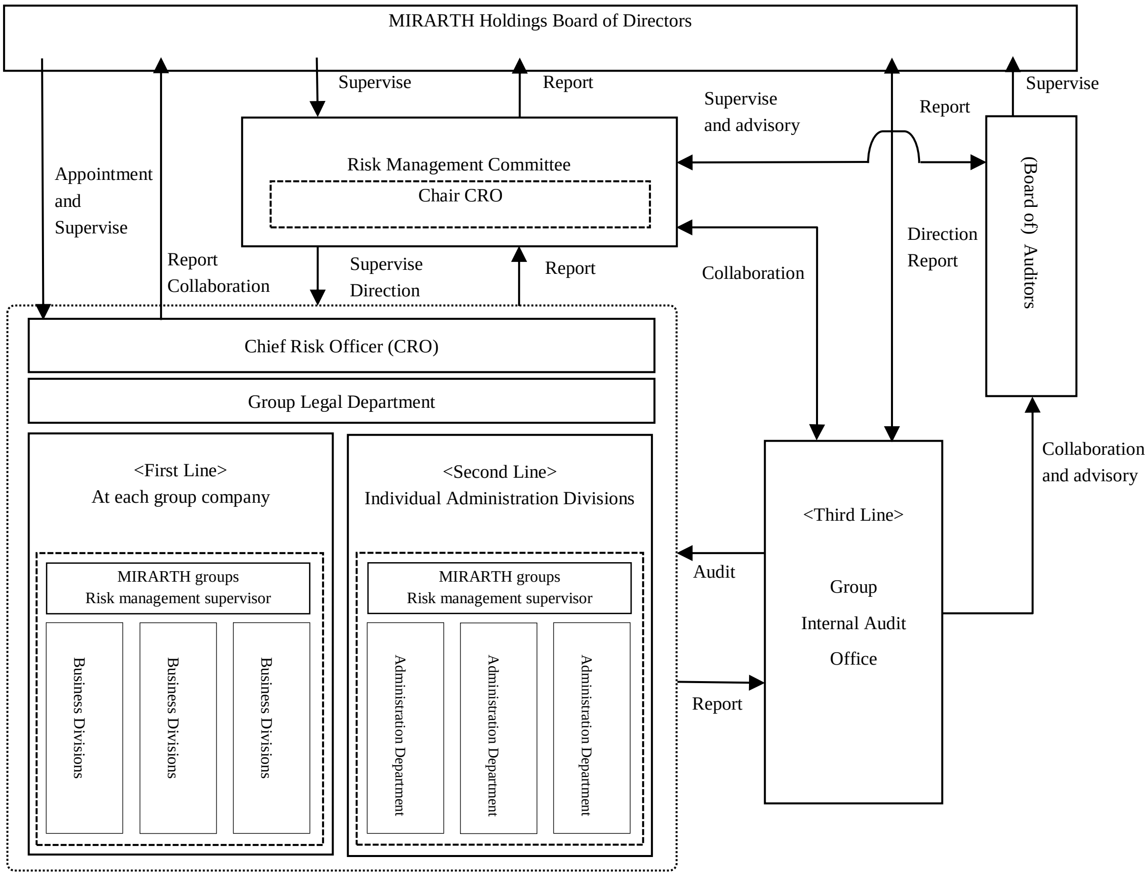
(3)Response to risks

We will formulate appropriate countermeasures and countermeasures for the identified risks. Countermeasures include mitigating, avoiding, passing on, and accepting risks. To ensure that the risk remains within the acceptable range, describe it specifically at the action level.

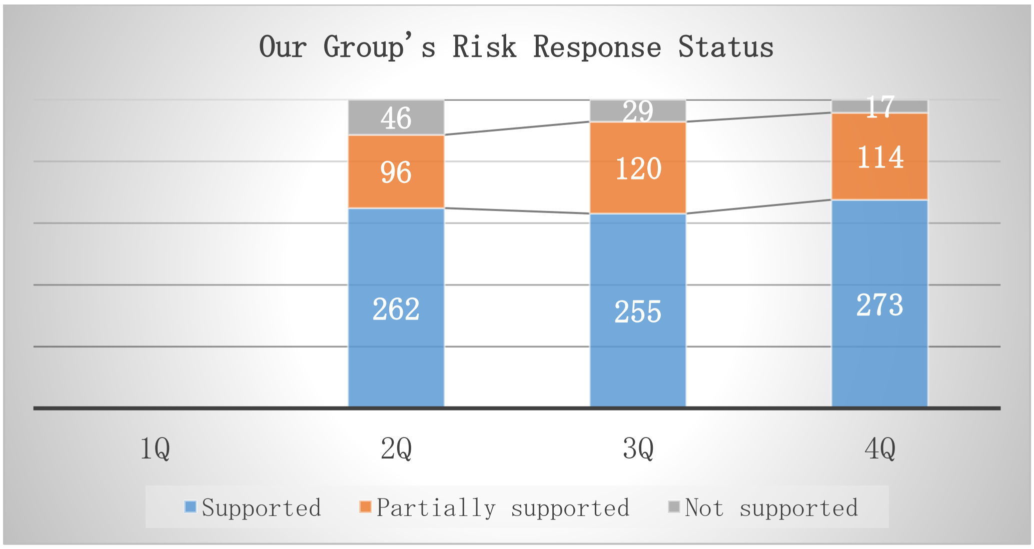
(4)Monitor and Report Risks

Within the risk items extracted, for the 13 risk items listed in the risk map, the status of each risk will be monitored at Risk Management Committee, which meets once a quarter, and the strategies/processes will be modified as needed. For the 7 items identified as the highest-priority risks, we track changes in risks and make Report and make adjustments and adjustments as needed by checking the effectiveness of current conditions, risk scenarios, opportunities, and risk responses in more detail.

[Structure Chart and Operation Flow]



(5)Status of Risk Management Measures (Fiscal Year 2024)

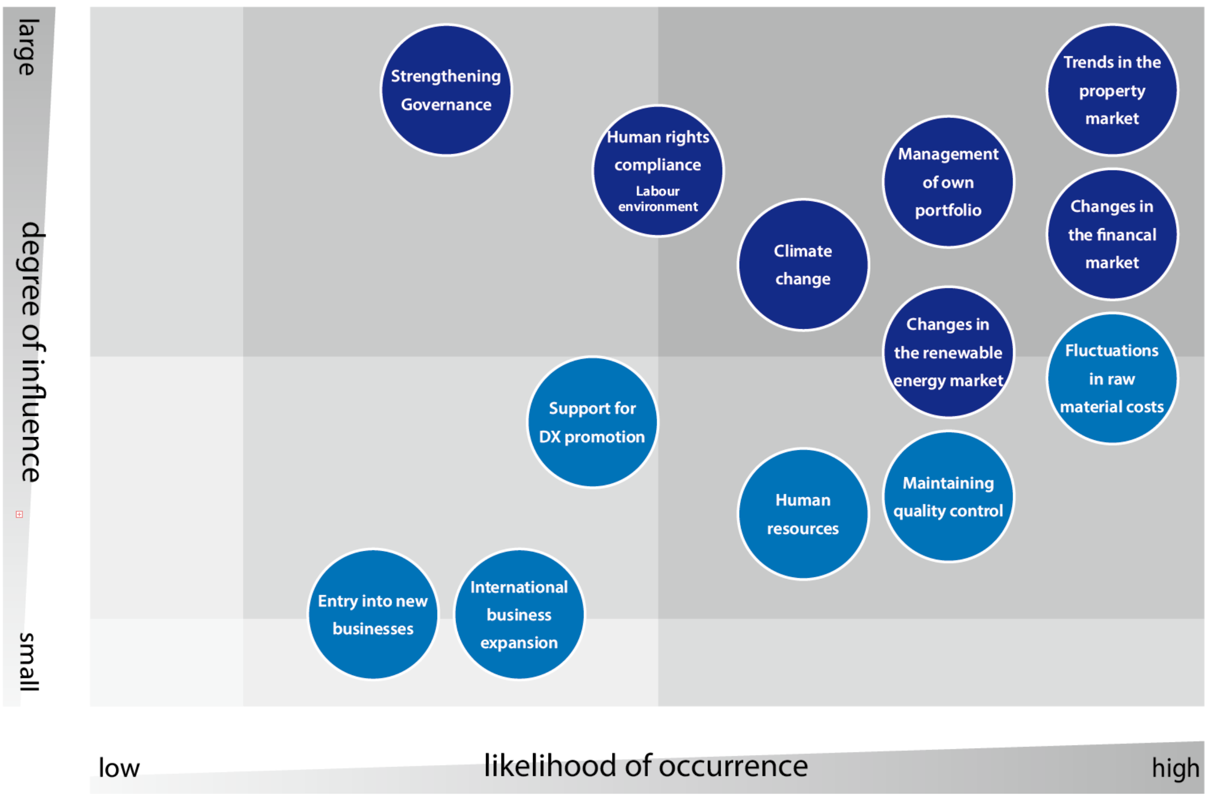


※In the initial quarterly period (2nd quarter), measures to deal with many risks have been "addressed," and although the progress has slowed since then, we are continuously evaluating risks and reviewing countermeasures to reduce the risk level. In addition, Third quarter has reviewed and revised more effective countermeasures, and there have been cases where the number of responses "already addressed" has decreased, so we are implementing operational issues and activities to improve them. Based on these findings, we believe that the future Important issue of our risk management promotion activities will be delays in responding to these issues and the strengthening of understanding/operation, while achieving a certain level of results.

4.About the specific risks of our group

(1)Risk map

The risk map visualizes the importance and priorities of identified risks, incorporates the perspective of risk management from the planning stage of management strategies, and utilizes it as an important tool for formulating and implementing effective risk response measures.



(2)Implementation of risk review

Before change	After change	Reason for change
Changes in the interest rate market (Rank A)	Changes in financial markets (Rank A)	The impact of general financial developments, including not only interest rates but also foreign exchange and Equity securities, on the business is significant and needs to be viewed from a diversified perspective.
Changes in the Renewable Energy Market (Rank B)	Changes in the Renewable Energy Market (Rank A)	This is a growth area that we should focus on in the future, and it is highly likely that changes in the economic environment and strengthen of administrative regulations will have a significant impact on business operations.
Labor environment (Rank A)	Responding to Human Rights (Labor Environment) (Rank A)	As the importance of social responsibility grows, responding to human rights is an essential issue for maintaining and improving corporate value.
To maintain and strengthen internal control functions (Rank A)	Strengthening governance (Rank A)	In addition to internal controls, to strengthen systems for fulfilling corporate responsibilities to diverse stakeholders and to improve management transparency and soundness
Overseas operations (C rank)	Overseas operations (Rank B)	Due to the recent changes in the global economic environment and the increased risks associated with business expansion in overseas markets, we judged that a higher level of management was necessary.

※The change point is the underlined area.

(3)List of important risks

Item number	Important risk	Details of Risks	Opportunity	Response	Related Materiality
1	Activity in real estate markets	・Policy changes in economic policies (changes in laws and regulations, interpretations of laws and regulations, and operational Policy) ・Changes in lifestyles (DINKs, increase in dual-income households, relocation of elderly people to condominiums, and progress in telework) ・Diversification of housing needs ・Changes in political conditions and economic trends ・Demographic changes	・Create demand and capture growth opportunities through new products and services ・Relaxation of requirements for tax reduction policy ・Increase in opportunities to acquire land and properties	・Strengthen information gathering activities ・Reflection of the needs of buyers ・Offering a variety of products ・Strengthen initiatives for diverse financing methods ・Ongoing performance monitoring and implementation of measures	Achieving Sustainable Growth in Local Communities
2	Changes in financial markets	・Increase in funding costs during periods of rising market interest rates ・Changes in customer purchase sentiment due to changes in mortgage interest rates	・Increase in opportunities to purchase condominiums by the real estate market after price adjustment ・Investment in real estate REIT, which has become relatively cheaper in a rising interest rate environment	・Improve Equity ratio by curbing borrowing ・Diversification of financing by strengthening Collaboration with Financial institutions	Achieving Sustainable Growth in Local Communities

3	Portfolio management	・Change in profitability of business ・Timing of decision to continue or withdraw from business ・Emergence of imbalances in purchasing, investment, and payback periods ・Impact on corporate valuation (growth potential, etc.)	・Optimize and stabilize Profit structure ・Acquisition of external credibility by improving budget accuracy	・Promote visualization of profit/loss and profitability by business division and PJ by utilizing internal systems, etc. ・Conduct portfolio meetings, etc., and curb excessive purchases and investments	Consolidation of Corporate Governance
4	Strengthening governance	・Occurrence of fraud, misreporting, and information leakage ・Impact on loss generation and reliability	・Improve overall organizational performance by improving business processes	・Support for maintenance and strengthening of governance systems through off-site Audit ・Strengthen Collaboration of internal-control organizations and personnel ・Strengthen Group-wide Collaboration and control systems	Consolidation of Corporate Governance Tightening risk management

Item number	Important risk	Details of Risks	Opportunity	Response	Related Materiality
5	Climate Change	・Increase in the risk of natural disasters, etc. ・Increase in costs associated with the provision of environmentally conscious products ・Impact of low evaluation by investors on stock prices due to delayed efforts to combat climate change ・Use of greenhouse gases, stricter emission and energy conservation regulations ・Stricter building standards due to stricter laws and regulations ・Various cost fluctuations due to intensified natural disasters	・Revitalization of the renewable energy market due to heightened interest in environmental issues ・Growing demand for environmentally conscious products, disaster-resistant products, and Buildings	・Development of renewable energy power plants ・Reduction of Carbon Dioxide Emissions ・Analysis of climate change scenarios ・Establishment of an internal system in line with the standards of external evaluation organizations ・Acquisition of Green Certification ・Promotion of earthquake-resistant Buildings and Facilities ・Establishment of BCP system	Responding to Climate Change and Decarbonization Promoting the stable supply and use of renewable energy
6	Responding to Human Rights (Labor Environment)	・Impact on productivity and motivation ・Personnel changes ・Occurrence of harassment ・Mental and physical effects of working hours	・Improving employee satisfaction and morale ・Improve employee productivity ・Compete for talent	・Creation of human rights Policy and implementation of human rights due diligence ・Implementation of monitoring ・Establishment of hotline for consultation and reporting ・Penalties for violation ・Development of rules and policies ・Introduction of a flexible labor system ・Regular health checks and stress management programs ・Improving our benefit programs	Ensuring Employee Health and Safety Promoting Equity & Inclusion (DE&I)

7	Changes in the Renewable Energy Market	・Changes in business oppotunities due to changes in policies and FIT systems ・Reactivation of nuclear power plants ・Maintenance and management of infrastructure facilities such as power grids ・Change in the decarbonization trend ・Impact on ecosystems in power plant development ・Development and emergence of new technologies ・Request of electric power companies to curb output (excessive supply of renewable energy) ・Power grid aging, capacity shortages	・Increase in electricity sales prices due to expansion of renewable energy needs ・Brand-ing as a company that contributes to the environment ・Introduction of a new system to replace FIT ・Introduction of Renewable Energy in Response to BCP ・Expansion of storage stations as backup power sources	・Diversification of power sources ・Conclusion of long-term power sales contracts ・Alliances with energy companies ・Initiatives for new businesses such as PPA ・Implementation of area-strategy in Energy Business ・Investigation of downsite cover at the time of output control by introducing a storage battery	Promoting the stable supply and use of renewable energy

Item number	Important risk	Details of Risks	Opportunity	Response	Related Materiality
8	To maintain quality management	・Impact on customer satisfaction ・Occurrence of legal liability	・Increased customer satisfaction ・Increasing the brand value	・Introduction of a strict quality control system ・Regular Quality Audit and Improvement Activities ・Strengthening education and training	Achieving Sustainable Growth in Local Communities Respect for human rights and response to supply chains
9	Fluctuations in raw material costs	・Impact of Changes in Profit Rate on Business Results	・Savings opportunities ・To develop new sources of supply	・Selection of projects to be addressed ・Conclusion of long-term contracts and the introduction of price-fixed contracts ・Use of commodity futures and options trading ・Regular implementation of budget review and re-evaluation of projects	Achieving Sustainable Growth in Local Communities
10	Launch new business	・Understand new markets and Be related laws and regulations ・Fund procurement ・Profitability of new businesses ・Community Relations	・To provide growth opportunities ・To strengthen the competitiveness	・Grasping market needs and competitive conditions ・Building partnerships with local communities ・Clarification of exit criteria	Promoting the stable supply and use of renewable energy Achieving Sustainable Growth in Local Communities
11	Response to DX Promotion	・Impact on corporate competitiveness ・Impact on reputation of information management, etc. ・Impact on business operations	・Cost reduction ・Improving productivity ・Increased customer satisfaction	・Organizational Transformation to Promote DX and IT ・To provide employees with opportunities to improve their skills and continue learning ・Implementation of appropriate security measures	Responding to Declining Birthrate and Aging Population and Declining Workforce
12	Overseas operations	・Political and economic conditions, laws and regulations, and systems in the countries where we have operations ・Business operations such as local partnerships ・Catastrophic natural disasters, terrorist attacks, and riots	・Growth Potential through Development of New Markets ・Developing Niche markets ・Possibility of new business development	・Collection and monitoring of information on countries in which we have expanded ・Market management, business operation management, information sharing, and analysis among related departments ・Establishment of BCP system	Achieving Sustainable Growth in Local Communities

13	Securing human resources	・Decline in labor productivity caused by shortage of human resources due to outflow of human resources, etc. ・To maintain operational quality and competitiveness	・Improving operational productivity, quality, and competitiveness ・To create new ideas and innovations	・Offering competitive treatment and benefits ・Enhancement of educational programs and training ・Fostering a culture that accepts diverse human resources and providing a comprehensive work environment ・Appropriate Evaluation and Operation of the Personnel System ・1on1 ・Consultation windows	Responding to Declining Birthrate and Aging Population and Declining Workforce

(4)Explanation of the most important risks

① Activity in real estate markets

Major category	Business strategy risk	Medium classification	Business Environment Risk
Small classification	Activity in real estate markets	Departments in charge (Headquarters/Divisions)	Group Corporate Planning Department
Frequency/likelihood	High	Risk impact	Large
Risk scenario	Real estate-related businesses account for a large portion of the Group's revenues. Accordingly, accurately grasping trends in the real estate market is the most important issue that will determine our future, and we are paying close attention to changes in housing demand in particular. Housing demand is susceptible to changes in the lifestyles of customers, including economic trends, and is affected by various national measures related to the acquisition of housing, as well as changes in laws, regulations, and regulations surrounding For Other properties, as well as the enactment, revision, and interpretation of rules. Furthermore, the impact of demographic trends in countries and regions cannot be overlooked. In terms of specific risk scenarios, we anticipate a stagnation in real estate transactions, such as the demand for housing and leasing during the recession and economic slowdown, a stagnation in real estate transactions, such as a decline in office demand, an increase in funding costs during a period of rising interest rates, a deterioration in real estate investment yields, downward pressure on real estate prices, etc., a revision of the Building Standards Law, a strengthening of energy-saving standards, a revision of development plans due to tighter regulations (such as CO2 emission limits) aimed at de-carbon emissions, additional costs incurred, a decline in housing demand due to the declining population and aging population, and an increase in vacant houses.		
Opportunity	We anticipate an increase in opportunities to acquire land and properties as a trigger for the creation of new products and services. We expect to seek and expand businesses other than Real Estate Business, which are unaffected by real estate market trends.		
Countermeasures	With regard to trends in the real estate market, the Corporate Planning Division regularly exchanges information once a month with outside experts, and shares this trend internally. With regard to market trends and needs, we are leveraging the advantages of our integrated manufacturing and sales to build a system that can reflect customer preferences and purchasing trends in product planning, thereby offering a diverse range of products. In view of economic trends, the Group is also considering and strengthening various financing methods, and through these efforts has established a framework that can respond flexibly to market fluctuations. We are also building a business portfolio that does not rely solely on Real Estate Business. We are focusing on securing stable earnings by expanding our stock-based Energy Business and fee-based Asset Management Business.		

② Changes in financial markets

Major category	Business strategy risk	Medium classification	Business Environment Risk
Small classification	Changes in financial markets	Departments in charge (Headquarters/Divisions)	Group Finance Department
Frequency/likelihood	High	Risk impact	Large
Current status and Risk scenario	In today's financial markets, Real Estate Business continues to see rising prices under low interest rates, but it also faces challenges such as difficulties in selling high-priced condominiums, price adjustments for REITs, polarization of demand for offices due to remote work, and higher construction costs. On the other hand, the market for renewable Energy Business is expanding against the backdrop of the trend toward decarbonization and government-sponsored measures. While the introduction of renewable Energy Business is advancing, the introduction of grid connection, output stabilization, and storage batteries is a key topic. As a specific risk scenario for both businesses, an increase in interest rates due to monetary tightening could cause an increase in funding costs under Real Estate Business, a decrease in buying appetite due to an increase in mortgage rates, and a decline in real estate prices. Renewable Energy Business also leads to increased funding costs for projects requiring significant upfront spending. There are also concerns about changes in governmental support measures, delays in technological innovation, damage to facilities due to natural disasters, and impacts on electricity prices and supply chains.		
Opportunity	In a rising interest rate environment, this will lead to an increase in opportunities for condominium purchases by the real-estate segment after price adjustments and investment opportunities in real estate REITs, which have become relatively cheaper, and can be expected as an inflation hedge. Fluctuations in the financial markets also provide an opportunity for us to expand our group's market share as a result of the downsizing of our competitors' businesses.		
Countermeasures	We will diversify Real Estate Business and Renewable Energy Business to strengthen our financial base by thoroughly managing ROIC and reducing inventories, and aim for management that is resilient to financial market fluctuations. While closely monitoring trends in interest rates and deepening our collaboration with financial institutions, we will strive to maintain financial soundness in preparation for a rise in interest rates, diversify the methods of obtaining borrowings, and maintain and improve property values. We will also work to strengthen financial institutions collaboration and reduce environmental impact through the use of green financing, with the aim of achieving sustainable growth.		

③ Portfolio management

Major category	Business strategy risk	Medium classification	Business Environment Risk
Small classification	Portfolio management	Departments in charge (Headquarters/Divisions)	Group Finance Department Group Corporate Planning Department
Frequency/likelihood	High	Risk impact	Large
Current status and Risk scenario	We are working on Energy Business and Asset Management Business with a focus on Real Estate Business. Consideration of the profitability of individual businesses is a very important topic in these three segments, and maintaining a well-balanced portfolio of these businesses is essential to the ongoing development of our group. Accordingly, each of these segment businesses is required to quickly make decisions on the profitability of individual businesses and on whether to continue or withdraw from their businesses. Controlling the financial indicators that our group has set forth as target is an indispensable element from the perspective of risk-management. Specific risk scenarios include assessing profitability, deciding to continue or to withdraw from the business, optimizing changes in profit rate and allocating resources to other portfolios, and reflecting the impact of ROE and ROIC on corporate performance indicators in corporate valuation (stock price).		
Opportunity	We can pursue higher returns by implementing effective assets allocation and investing strategies. In addition, by investing in a variety of segments, we can diversify our exposure while expanding our earning oppotunities. By building an optimal business portfolio, we will be able to focus our investments on profitable businesses, which will provide us opportunities to increase our returns.		
Countermeasures	A portfolio meeting is held once a month to assess the company's situation and curb excessive investment and the acquisition of business real estate and other assets. We share valuation indicators of companies such as portfolios, ROE and ROIC as Board of Directors management decision-making indicators in report as appropriate. In addition, we are utilizing an internal system to build a system that enables each division to accurately determine the profitability of its business.		

④ Strengthening governance

Major category	Business strategy risk	Medium classification	Organizational and governance risk
Small classification	Strengthening governance	Departments in charge (Headquarters/Divisions)	Group Corporate Planning Department Group Internal Audit Office
Frequency/likelihood	Medium	Risk impact	Large
Current status and risk scenarios	The importance of internal controls is not pending, and we believe that the expansion of internal controls is an effective means of enhancing the governance of each Group company, and will lead to the deterrence of fraudulent activities and compliance violations, as well as the prompt response in the event that they occur. We intend to continue to expand and enhance these measures in the future. Specific risk scenarios include the risk of operational errors, fraudulent activities by management and employees, and compliance violations, as well as the risk of prolonged problems caused by inadequate monitoring functions within the organization, and the risk of expanding damage due to the inability to respond promptly when risks emerge.		
Opportunity	By early detection of risks and appropriate management of risks, we are able to raise the level of trust of the company and provide perpetual business. In addition, improvements in business processes and other measures will improve the performance of the entire organization.		
Countermeasures	Through the strengthening of Internal Audit Office system, we will build an effective audit cycle, improve the expertise of our inside audit, and enhance off-site audit as needed. As a result, we will continuously evaluate unplanned risks and maintain and strengthen our governance system. In addition, we will strengthen collaboration of the organizational and personnel involved in internal control systems. We will clarify the scope of roles and promote regular sharing of informations and issues. Furthermore, we will strengthen our collaboration and control systems with consolidated group companies and improve the control capabilities of the entire group.		

⑤ Climate Change

Major category	Business strategy risk	Medium classification	Business Environment Risk
Small classification	Climate Change	Departments in charge (Headquarters/Divisions)	Sustainability Promotion Office
Frequency/likelihood	High	Risk impact	Large
Current status and risk scenarios	Our group considers climate change to be a major change in the natural environment and social structure and an important issue affecting our group's management and business as a whole. Transition and physical risks in climate change can impact our group's business. Risks associated with shifting to stricter laws and regulations, such as restrictions on the use and emission of greenhouse gases and energy conservation regulations, may lead to stricter energy conservation standards for condominiums and other buildings, as well as calls for the adoption and provision of environmentally conscious products. This could have an impact on our earnings. Physical risks, such as severe natural disasters such as typhoons and heavy rains caused by climatic change and accidents, could have an adverse effect on our business, including buildings damage and increased costs due to extended construction periods. In addition, the status of our Group's efforts to address climate change may affect investors' decisions to invest in us.		
Opportunity	We have positioned Energy Business as a growing business, and we see growing demand for renewable energy as a crucial oppotunity. By expanding the scale of power generation and the provision of related services, we are able to differentiate ourselves from competitors and increase our competitiveness. In addition, the introduction of low-emission facilities and renewable energy power, as well as increased interest in disaster risk reduction, will create demand for home replacements and repairs in homes, and will also provide an opportunity to stimulate such demand, thereby promoting the growth of our business.		
Countermeasures	In addition to promoting the development of renewable energy power plants, we will promote the construction of measures to adapt to climate change and the development of properties with high environmental performance, as well as the use of renewable energy in our properties, in order to thoroughly implement initiatives to minimize the burden on the environment. In addition, Sustainability committee, which meets quarterly, deliberates on the basis of the Climate Change Policy and the Greenhouse Gas Reduction Plan. In this way, we will work to reduce greenhouse gases in the promotion of our business activities throughout the entire organization. For example, we will promote the establishment of necessary internal systems.		

⑥ Responding to Human Rights (Labor Environment)

Major category	Business strategy risk	Medium classification	Personnel and Labor
Small classification	Responding to Human Rights (Labor Environment)	Departments in charge (Headquarters/Divisions)	Group Human Resources Strategy Department
Frequency/likelihood	Medium	Risk impact	Large
Current status and risk scenarios	We recognize that the labor environment is a key factor of the company in multiple aspects, including worker health and safety, corporate productivity and Sustainability, compliance with laws and regulations, and social assessment. In particular, we believe that the establishment of a work environment that enables employees to work soundly, including not only managing appropriate working hours but also responding to remote work and health management for employees, will have a significant impact on securing and retaining excellent human resources. At present, under Policy of Well-being, we are expanding the application of telecommuting to create an environment. We are also investing in various measures based on a survey of employee well-being, and conducting training to prevent harassment. We believe that inadequacies or delays in the development of a sound labor environment for employees not only have an impact on productivity due to the recruitment of talented personnel and a decline in motivation, but also lead to a decline in our social reputation, and involve the risk of becoming a competitive disadvantage in the continuation of our business.		
Opportunity	In response to this risk, we believe that establishing a labor environment and establishing a system for compliance with laws and regulations in accordance with the social environment ahead of others will lead to the securing of excellent human resources and the improvement of productivity, thereby giving us an advantage in business continuity.		
Countermeasures	Under policy of group-being, we have expanded the application of telecommuting to construct an environment. We have also conducted training aimed at ascertaining the status of employees through the implementation of employee well-being, investing in various measures based on the results, and preventing harassment. In terms of the working environment, the Human Resources Strategy Department of the Group conducts monthly management of the working hours of each Group company, and strives to build a system for checking and mitigate the risks involved. With regard to employee engagement, we are working to improve the quality of our personnel system evaluations, create an open working environment through 1on1, and establish and promote KPI for measures to improve employee engagement based on an understanding of the status of employees through welfare surveys. Director also incorporates items to improve employee engagement. Management-level initiatives include the implementation of 360-degree audits and the subsequent feedback of findings to employees. In dealing with human rights, we have prepared the Human Rights Policy, conducted human rights due diligence, and promoted initiatives to respect human rights.		

⑦ Changes in the Renewable Energy Market

Major category	Business strategy risk	Medium classification	Business Environment Risk
Small classification	Changes in the Renewable Energy Market	Departments in charge (Headquarters/Divisions)	Group Corporate Planning Department
Frequency/likelihood	High	Risk impact	Large
Current status and risk scenarios	Renewable Energy Business is still at a growing stage compared to its core business of Real Estate Business, but the government is also working to revitalize the market by investing in subsidies. Therefore, we are focusing on further business expansion and business diversification. Specific risk scenarios include subsidies associated with policy changes, changes in FIT system, the impact on business profitability of changes in business opportunities due to the resumption of operations at nuclear power plants, the impact on profitability, the downside risk of electricity sales due to electric power companies curbing output, and the impact on business continuity in the event that the global trend toward decarbonization changes and the loss of the advantage of renewable energy due to the return to fossil fuels and the emergence of new energy sources.		
Opportunity	This will provide us with significant opportunities to increase revenues from electricity sales, increase corporate value through environmentally conscious branding, improve property competitiveness through strengthening BCP response and responding to new systems, and create new sources of earnings, such as the storage facility business.		
Countermeasures	By entering into long-term power sales contracts with electric utilities (off-takers), we believe we can secure stable earnings and mitigate this risk. In addition, by supplying energy on a nationwide scale, we will hedge against a decline in revenues due to curbing output in specific areas, and consider measures to cover losses in the event of curbing output by introducing storage batteries, etc.		

5.Crisis management system (crisis management)

We have established a crisis management system to enable us to respond quickly and accurately in the event of an unforeseen event. Crisis management is divided into the following 4 levels according to the degree of impact of damage on the business, and a Crisis Management Team is established to respond.

(1)Committee Structure

In the event of a crisis, the chief of the countermeasure organization will order the establishment of a countermeasure organization immediately according to the level of crisis management and ending the situation at an early stage.

<table>
<tr><th colspan="2"></th><th>Management level A</th><th>Control level B</th><th>Control level C</th><th>Management level D</th></tr>
<tr><td rowspan="5">Measures
Organization</td><td>Installation Category</td><td colspan="2">Establishment of countermeasure organization</td><td colspan="2">Each department</td></tr>
<tr><td rowspan="2">Head of countermeasure organization (*1)</td><td colspan="2">President</td><td colspan="2" rowspan="2">Officer in charge of general affairs and the Officer in charge of corporate planning</td></tr>
<tr><td colspan="2">Secretary: Officer in charge of general affairs (*2)</td></tr>
<tr><td>Secretariat</td><td colspan="2">General affairs department</td><td colspan="2">-</td></tr>
<tr><td>Supervising department</td><td colspan="4">Department directly responsible for the crisis or the department designated as the countermeasures organization</td></tr>
</table>

Contact point	General affairs department

Setting the management level	Approval at the control level shall be made by the president. (In the event of absence, it shall be CRO of the Group. In the event of absence, the director in charge of general affairs will act on behalf of the Company.)

※1 In the event that the head of the countermeasure organization is absent due to business trips, etc., the Group CRO shall act for Control Level A and B, and in the event that the head of the countermeasure organization is absent, the director in charge of general affairs shall act for this.

In Control Levels C and D, the person in the highest rank corresponding to the position based on the crisis that occurred shall act on behalf of the manager.

※2 In the event that the Director General is absent, such as acting as the head of the countermeasures organization, the head of the department in charge of general affairs shall act for Control Level A and B.

(2)Committee structure (members)

Risk Management Level A and Level B shall consist of the president of the Countermeasures Organization and the general manager of the general affairs division. Risk Management Level C and Level D shall constitute the committees of each department responsible for emergencies based on the Division of Duties Table.

(3)Operational standards

The president, who is the head of the countermeasure organization, sets the management level for the subject crisis. Management Levels A and B establish a secretariat with the head of the countermeasure organization as the president, and Management Levels C and D designate the responsible department as the head of each business division (or headquarters) to respond to crises.

<Business Continuity Planning (BCP)>

In the event of a major natural disaster, such as an earthquake, an infectious disease, or an artificial disaster (such as a war, terrorist attack, or accident), we are working to formulate a business continuity plan (BCP) in order to ensure the safety of the lives of our executives, employees, and other personnel, minimize damage to our corporate Assets, and ensure the continuity and early recovery of our business.

(1)Basic Policy

Our basic Policy is to fulfill our social responsibilities to our stakeholders by ensuring the safety of our employees, maintaining the business activities of the entire organization as much as possible, and endeavoring to recover as quickly as possible.

Specifically, we will build and operate a business continuity system based on the following 3 pillars.

① Prioritize the safety of human life.

② Continue and quickly restore critical operations to minimize management losses.

③ Contribute to the safety and reconstruction of local communities.

(2)Operational System (Cycle)

We identify material matters that may affect the Group as a whole as an immediate Report and make decisions as needed. The items applicable to Immediate Report are as follows:

Item number	Item	Examples
1	Serious matters concerning human life	Death occurring among employees and businesses
2	Significant Matters Relating to the Preservation of Assets	Significant damage including fires and collapses occurred at Assets and construction sites.
3	Significant matters related to business continuity	Situations that make it difficult to continue critical business (e.g., system failures, exhaustion of funds, Head Office on-site ban, etc.)
4	Matters concerning credit as a company	Items including the risk of legal disputes such as Individuals information leaks, matters that may lead to reputational risks such as customer problems, and matters related to external public relations
5	Matters that may cause serious damage to Other	

Items that do not qualify as immediate Report are classified as regular Report as the first report 3 hours after the occurrence of the accident, and are monitored every 3 hours until 17:00 and 1 week after the day of the accident.

We will establish a business continuity management (BCM) system in conjunction with the formulation of a business continuity plan (BCP).

(3)Target risk

We are not limited to natural disasters such as large earthquakes and storms and floods, but cover risks that significantly reduce our capacity utilization rate.

(4)Scope of BCP

The scope of our response is the phase in which the capacity utilization of our organization as a whole declines markedly and it takes time to recover.

(5)Activation criteria

We assume that the chief of the relevant organization will exercise BCP in the event of an earthquake with a seismic intensity of less than 6 or in the event of an emergency such as the inability to maintain business continuity of the entire organization due to unforeseen circumstances.

(6)Establishment of Business Continuity Management (BCM) System

We regularly review and improve business continuity planning (BCP) related documents based on inspections and drills during normal times. Business continuity planning (BCP) shall also be revised in the event of a major change or restructuring of business, business expansion, relocation of bases, or change in critical operations. By establishing these PDCA cycles, we will build a business continuity management (BCM) system.

4[Management's Discussion and Analysis of Financial Condition, Results of Operations and Cash Flows]

(1) Summary of Business Results and Others

① Business results

In Current Consolidated Fiscal Year, the Japanese economy recovered moderately due to factors such as brisk capital investment, particularly in labor-saving and digitization among corporations, and as well as strong inbound demand. On the other hand, the outlook for the economic environment going forward remains uncertain, as evidenced by sluggish growth in Individuals spending due to domestic price increases and uncertainty in the situation abroad. This situation remains to be monitored closely.

In the business environment in the real estate industry to which our group belongs, in the market for new condominiums, although sales prices are rising against the backdrop of the procurement environment, which is characterized by rising construction costs due to the high cost of raw materials and serious labor shortages, the willingness of actual demand groups to purchase remains high. The diversification of end-user lifestyles and the promotion of compact cities in regional core cities led to continued growth in demand for compact condominiums in addition to needs for location and convenience of living. As a result, sales of condominiums were firm.

According to research by the Real Estate Economic Institute, Units of newly built condominiums launched nationwide in 2024 was 59,467 units, down 8.6% from the previous year. Annual sales of Units fell below 60,000 units for the first time in 4 years. However, the average condominium price in 2024 was 60.82 million yen (up 2.9% from 59.1 million yen in 2023), marking the eighth consecutive year of increase, the highest level since the survey began in 1973.

According to a survey by the Institute, Units for launching condominiums nationwide in 2025 is expected to be approximately 62,000 units, and we believe that the market for newly built condominiums will continue to be in a relatively good supply-demand balance. Against this backdrop, in 2024 we were ranked seventh nationwide in the supply Units by seller group, and we are responsible for providing a stable supply of newly built condominiums.

In October 2023, we formulated a long-term vision for the fiscal year ending March 2030 to realize our Group-wide 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 between the Group, such as "Real Estate Business," "Energy Business," and "Asset Management Business," by reflecting Target of each company and the daily operations of each employee, as well as the ideal image that each Group company should take until 2030, 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.

Current Consolidated Fiscal Year's results of operations were as follows: Net sales 196,523 Millions of yen (up 6.1% year on year), Operating income 14,364 Millions of yen (down 7.1% year on year), Ordinary income 12,427 Millions of yen (down 4.3% year on year) and Net income attributable to owners of parent 8,207 Millions of yen (up 0.4% year on year).

(Net sales)

In Real Estate Business segment, 178,512 Millions of yen consisted of 2,339 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 79,624 managed units.

Energy Business sales totaled 9,921 Millions of yen due to the sales of power generation facilities and other factors.

Asset Management Business account is 1,162 Millions of yen due to management fees and other factors.

Other Businesses accounts for 6,927 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 196,523 Millions of yen, up 6.1% year on year.

(Cost of sales)

This was 154,212 Millions of yen, an increase of 6.6% year on year, mainly due to an increase in the delivery of newly built condominiums.

(Selling, general and administrative expenses)

Selling, general and administrative expenses increased 11.2% year on year to 27,946 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 was 1,340 Millions of yen, an increase of 12.3% year on year, mainly due to an increase in insurance income.

Non-operating expenses decreased 10.6% year on year to 3,278 Millions of yen due to a decrease in arrangement fees and other factors.

(Extraordinary income/losses)

Extraordinary income was 144 Millions of yen , a decrease of 565 Millions of yen year-on-year, mainly due to the recording of gain on sales of stock of affiliates in the previous consolidated accounting period, despite the recording of gain on the exchange of fixed assets.

Extraordinary loss was 1,014 Millions of yen, an increase of 459 Millions of yen year on year, mainly due to the recording of valuation losses on shares in affiliated companies and construction indemnification, and an increase in office relocation expenses.

Operating results by segment are as follows.

(Real Estate Business)

This segment's Net sales was 178,512 Millions of yen, up 9.6% year on year, 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.

(Energy Business)

Net sales for this segment was 9,921 Millions of yen (-28.4% year on year) due to the postponement of the planned sale of facilities in operation and the incurrence of repair costs and cable theft measures.

(Asset Management Business)

As for management fees, Net sales for this business increased by 58.2% year on year to 1,162 Millions of yen, due to the steady accumulation of assets under management.

(Other Businesses)

Net sales for this segment was 6,927 Millions of yen (-11.2% year on year) due to construction subcontracting, orders for large-scale repair work, and revenues from various fees and commissions.

② Financial Condition

Our current consolidated fiscal year's assets, liabilities and net assets were 372,508 Millions of yen, an increase of 35,060 Millions of yen compared to the end of the previous financial year, due to the purchase of assets for newly built condominium business and income-generating properties.

(Current Assets)

Current assets amounted to 215,263 Millions of yen, an increase of 23,325 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 157,198 Millions of yen, an increase of 11,756 Millions of yen compared to the end of the previous year, mainly due to the steady purchase of assets for business use.

(Current Liabilities)

Current liabilities amounted to 134,075 Millions of yen, an increase of 11,537 Millions of yen compared to the end of the previous year, mainly due to an increase in Short-term borrowings and other factors .

(Fixed Liabilities)

Fixed liabilities amounted to 149,325 Millions of yen, an increase of 6,084 Millions of yen compared to the end of previous year, mainly due to the increase in Long-term loans payable associated with new purchases and other factors.

(Net Assets)

Due to the issuance of new Equity securities through public offering and third-party allotment, the recording of Net income attributable to owners of parent, and Disposal of Treasury stock, Total of Net assets has increased by 17,438 Millions of yen to 89,107 Millions of yen compared to the end of Previous Consolidated Accounting Period.

③ Cash Flow

Cash and cash equivalents ("Funds") in end of the consolidated financial year increased by 5,123 Millions of yen to 47,008 Millions of yen compared to the end of Previous Consolidated Accounting Period.

(Cash flows from operating activities)

The increase in net cash provided by operating activities was 7,877 Millions of yen (previous year ; an increase of 36,777 Millions of yen). This was mainly due to a decrease in notes and accounts receivable-trade.

(Cash flows from investing activities)

The net cash used in investing activities was 24,807 Millions of yen (previous year; a decrease of 26,329 Millions of yen). This was mainly due to the purchase of properties, plants and equipments.

(Cash flows from financing avtivities)

Net cash provided by financing activities was 22,042 Millions of yen (previous year; a decrease of 15,464 Millions of yen). This was mainly due to proceeds from issuance of equity securities and increased short-term borrowings.

④ Actual in manufacturing, orders received and sales

a)Net sales's Actual

Segment name	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)	Year on year (%)
Real Estate Business (Millions of yen)	178,512	109.6
Energy Business (Millions of yen)	9,921	71.6
Asset Management Business (Millions of yen)	1,162	158.2
Reportable segments Total (Millions of yen)	189,596	106.9
Other (Millions of yen)	6,927	88.8
Total (Millions of yen)	196,523	106.1

(NOTE)Transactions between Segment are offset and eliminated.

b)Units under contract during the period

Segment name	End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)		Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)		Year on year (%)
	Units	Amount (Millions of yen)	Units	Amount (Millions of yen)	
Real Estate Business	2,513	134,283	3,103	170,575	127.0
Total	2,513	134,283	3,103	170,575	127.0

c)Contract Balance

Segment name	End of Previous Consolidated Accounting Period (As of March 31 2024)		End of the consolidated financial year (As of March 31 2025)		Year on year (%)
	Units	Amount (Millions of yen)	Units	Amount (Millions of yen)	
Real Estate Business	1,554	71,979	1,727	81,568	113.3
Total	1,554	71,979	1,727	81,568	113.3

(2) Details of analyzing and examining the status of operating results, etc. from the management's perspective

The following is a summary of details of management's assessment and analysis of the Group's operating results.

The forward-looking statements contained in this report are based on judgments made as of the end of the fiscal year under review.

① Recognition, Analysis, and Review of Current Consolidated Fiscal Year's Operating Results

Our Group's Current Consolidated Fiscal Year operating results, etc. reflect the Group's core business of Real Estate Business's newly built condominiums. By carefully selecting sites nationwide, such as major city centers and near train stations in central Tokyo, we were eager to purchase high-value-added properties in line with customer needs. Sales proceeded favorably, and we delivered 2,339 units (including JV' equity). In Energy Business, a tender offer for Takara Leben Infrastructure Fund Inc.'s Investment units was completed for November, 2022, and Policy was transformed from a flow-based business model in which the Company developed and sold power generation facilities to a recurring revenue-based business model in which the Company holds power generation facilities and generates ongoing electricity sales revenue. We will continue to diversify our sources of energy-such as Non-Fit, wind power, and biomass-based power generation-to grow further as a second pillar of of our businesses.

Factors that may have a significant impact on the Group's operating results include the market environment in the external environment. In the internal environment, we are paying particular attention to the dependence on borrowings. Real Estate Business, our core business, is based on borrowings. To ensure stable business growth while securing appropriate equity capital, we have set a numerical target as one of our key management indicators regarding the dependency on borrowings. In light of the fact that borrowings increased as a result of Takara Leben Infrastructure Fund Inc.'s tender offer for Investment units, LTV Target of this target is set at less than 65% in principle under the new medium-term management plan announced on May 12, 2025. LTV in End of the consolidated financial year was 60.9%.

With regard to our Group's capital resources and fund liquidity, our Group's core business, Real Estate Business, has borrowed a portion of the funds for acquiring land and constructing it from financial institutions and other sources. In addition, the Company has entered into commitment line agreements with major banks and other parties, which allow for prompt funding. While borrowings have been increasing in recent years due to the expansion of our business domains and the growth of our investment business, we believe that we will be able to secure stable funding by establishing an investment recovery cycle, improving our Equity ratio, and building an appropriate portfolio.

② Critical accounting estimates and the assumptions used in those estimates

Accounting estimates used in the preparation of the consolidated financial statements and the assumptions used in these estimates that are significant are described in "V Accounting 1. Consolidated Financial Statements, etc. (1) Notes Matters (Critical Accounting Estimates)."

(3)Factors with a significant impact on management performance

Our mainstay Real Estate Business tends to be influenced by buyer sentiment and supplier trends. Purchaser confidence is affected by factors such as economic trends, interest rate trends, housing tax, consumption tax, and land price trends. In addition, supplier supply trends are susceptible to changes in the outsourcing prices of land suppliers, general contractors and other subcontractors, the failure of subcontractors, and financial trends. Therefore, any changes in these trends could have a material impact on operating results.

5[Significant Contracts]

Not applicable.

In addition, "Cabinet Office Ordinance on Disclosure of Corporate Details, etc. and Cabinet Office Ordinance on Partial Revision of the Cabinet Office Ordinance on Disclosure of Details, etc. of Specified Securities" (Cabinet Office Ordinance No. 81 of December 22, 2023) Supplementary Provisions III Article IV Clause, contracts concluded before March 31 of 2024 are omitted.

6[R&D activities]

Not applicable.

III. [Status of Facilities]

1[Overview of Capital Expenditures]

Capital expenditures and other expenditures made under Current Consolidated Fiscal Year totaled 21,670 Millions of yen, and were mainly for acquiring 21,022 Millions of yen of Assets for business use and Other 648 Millions of yen.

2[Status of major facilities]

The major facilities of our group are as follows.

(1) Submitting Company

As of March 31 2025

Site name (Location)	Segment name	Details of facilities	Book value (Millions of yen)						Number of employees (People)
			Buildings and structures	Machinery and equipment	Land (Area ㎡)	Lease Assets	Other	Total	
Head Office (Chiyoda-ku, Tokyo)	Real Estate Business	General business facility	162	0	- (-)	-	549	711	33 (2)
Rental condominiums, etc. (Chuo-ku, Tokyo, etc.)	Real Estate Business	Condominiums for rent, rental stores, and offices	5,261	10	6,981 (5,319.84)	-	700	12,953	-
Mega solar facility (Hachimantaira City, Iwate Prefecture, etc.)	Energy Business	Mega solar Facilities	20	2,880	529 (268,213.30)	-	17	3,448	-

(NOTE)1. Of the book value, "Other" is mainly Construction in progress, etc.

2.Figures in parentheses in Number of employees column indicate the annual average number of temporary employees (equivalent to 8 hours a day per employee).

(2) Domestic subsidiaries

As of March 31 2025

Company Name	Site name (Location)	Segment name	Details of facilities	Book value (Millions of yen)						Number of employees (People)
				Buildings and structures	Machinery and equipment	Land (Area ㎡)	Leased assets	Other	Total	
Takara Leben Co., Ltd.	Head Office (Chiyoda-ku, Tokyo)	Real Estate Business	General business facility	261	-	- (-)	3	262	527	545 (7)
Leben Community Co., Ltd.	Head Office (Minato-ku, Tokyo)	Real Estate Business	General business facility	147	2	- (-)	-	185	335	415 (80)
Leben Home Build Co., Ltd.	Head Office (Yokohama, Kanagawa)	Real Estate Business	General business facility	45	-	- (-)	-	13	58	138 (2)
Takara Leben Realnet Co., Ltd.	Head Office (Chuo-ku, Tokyo)	Real Estate Business	General business facility	25	-	- (-)	-	25	50	60 (6)
Leben Zestock Co., Ltd.	Head Office (Chiyoda-ku, Tokyo)	Real Estate Business	General business facility	30	-	- (-)	-	5	35	32
Leben Trust Co., Ltd.	Head Office (Minato-ku, Tokyo)	Real Estate Business	General business facility	124	0	- (-)	0	18	144	125 (13)
MIRARTH Energy Solutions Inc..	Head Office (Shinjuku-ku, Tokyo)	Energy Business	General business facility	20	-	- (-)	-	11	32	52
MIRARTH Asset Management Inc..	Head Office (Chiyoda-ku, Tokyo)	Asset Management Business	General business facility	26	-	- (-)	-	1	28	18 (1)
MIRARTH Real Estate Advisory Co., Ltd.	Head Office (Chiyoda-ku, Tokyo)	Asset Management Business	General business facility	37	-	- (-)	0	29	66	13 (1)
Green Energy LLC, etc.	Mega solar Facilities (Nasu-gun, Tochigi, etc.)	Energy Business	Mega solar facility	239	40,933	8,073 (5,150,287.45)	-	5,615	54,860	-

(NOTE)1. Of the book value, "Other" mainly consists of Tools, furniture and fixtures, Construction in progress, and Software.

2.Figures in parentheses in Number of employees column indicate the annual average number of temporary employees (equivalent to 8 hours a day per employee).

(3) Foreign subsidiaries

This information is omitted because it is not material.

3[Plans for new construction, retirement, etc.]

(1) Construction of major facilities

Not applicable.

(2) Disposal of major facilities

Not applicable.

IV. [Status of the Filing Company]

1[Status of Equity securities]

(1)[Total number of Equity securities]

①[Total number of Equity securities]

Type	Number of authorized shares (shares)
Common stock	248,000,000
Total	248,000,000

②[Issued shares]

Type	As of the end of the fiscal year Issuance (Shares) (2025 March 31)	Number of shares issued as of the filing date (shares) (June 2025, 2025)	Stock exchange on which the company is listed	Details
Common stock	140,300,000	140,300,000	Tokyo Stock Exchange Prime market	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Total	140,300,000	140,300,000	-	-

(2)[Status of Subscription rights to shares]

①[Details of Stock options system]

Subscription rights to shares issued in accordance with the Companies Act are as follows:

1. 1st Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	June 22, 2012
Category and number of grantees (persons)	Directors 7 Executive Officers 1
Number of Subscription rights to shares (units)*	76
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 30.4 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From July 10, 2012 to July 9, 2052
For shares issued upon the exercise of Subscription rights to shares Issue price and amount designated as capital (Yen) *	Issue price 51,700 Amount included in capital 25,850 (NOTE) 3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① A. Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

2. 1. Regardless of the conditions, Subscription rights to shares person may not exercise Subscription rights to shares allocated to Subscription rights to shares person if any of the following conditions apply.

(i)Causes other than the death of Subscription rights to shares (excluding the cases of resignation, etc. stipulated in ii below for Within 3 years from the date of allotment) If Subscription rights to shares loses any of our Director and Executive Officers status and 10 days have elapsed from the day following the date of such loss

(ii)In the event Subscription rights to shares loses any of the status of Director and Executive Officers of the Group to Within 3 years from the date of allotment of Subscription rights to shares due to resignation or retirement for personal reasons or dismissal or disciplinary action pursuant to Ordinary General Meeting of Shareholders resolution or Board of Directors resolution of our Group.

② In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

On July 1, 6.2013, Common stock 1 Shares was split into 4 Shares by Equity securities. Accordingly, the number of shares targeted by Subscription rights to shares is adjusted from 100 Shares to 400 Shares per unit.

2. Second Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	April 8, 2013
Category and number of grantees (persons)	Directors 7 Executive Officers 1
Number of Subscription rights to shares (units)*	70
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 28 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From May 15, 2013 to May 14, 2053
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 123,100 Amount included in capital 61,550 (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① A. Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

2. 1. Regardless of the conditions, Subscription rights to shares person may not exercise Subscription rights to shares allocated to Subscription rights to shares person if any of the following conditions apply.

(i)Causes other than the death of Subscription rights to shares (excluding the cases of resignation, etc. stipulated in ii below for Within 3 years from the date of allotment) If Subscription rights to shares loses any of our Director and Executive Officers status and 10 days have elapsed from the day following the date of such loss

(ii)In the event Subscription rights to shares loses any of the status of Director and Executive Officers of the Group to Within 3 years from the date of allotment of Subscription rights to shares due to resignation or retirement for personal reasons or dismissal or disciplinary action pursuant to Ordinary General Meeting of Shareholders resolution or Board of Directors resolution of our Group.

② In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

On July 1, 6.2013, Common stock 1 Shares was split into 4 Shares by Equity securities. Accordingly, the number of shares targeted by Subscription rights to shares is adjusted from 100 Shares to 400 Shares per unit.

3. Third Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	April 11, 2014
Category and number of grantees (persons)	Directors 7 Executive Officers 2
Number of Subscription rights to shares (units)*	69
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 27.6 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From May 2014, 2014 to May 13, 2054
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 74,800 Amount included in capital 37.4 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① A. Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

2. 1. Regardless of the conditions, Subscription rights to shares person may not exercise Subscription rights to shares allocated to Subscription rights to shares person if any of the following conditions apply.

(i)Causes other than the death of Subscription rights to shares (excluding the cases of resignation, etc. stipulated in ii below for Within 3 years from the date of allotment) If Subscription rights to shares loses any of our Director and Executive Officers status and 10 days have elapsed from the day following the date of such loss

(ii)In the event Subscription rights to shares loses any of the status of Director and Executive Officers of the Group to Within 3 years from the date of allotment of Subscription rights to shares due to resignation or retirement for personal reasons or dismissal or disciplinary action pursuant to Ordinary General Meeting of Shareholders resolution or Board of Directors resolution of our Group.

② In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.

2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.

3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

4. 4th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	June 24, 2015
Category and number of grantees (persons)	Directors 7 Executive Officers 3
Number of Subscription rights to shares (units)*	80
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 32 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From July 2015, 2015 to July 14, 2055
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 189,200 Amount included in capital 94.6 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① A. Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

2. 1. Regardless of the conditions, Subscription rights to shares person may not exercise Subscription rights to shares allocated to Subscription rights to shares person if any of the following conditions apply.

(i)Causes other than the death of Subscription rights to shares (excluding the cases of resignation, etc. stipulated in ii below for Within 3 years from the date of allotment) If Subscription rights to shares loses any of our Director and Executive Officers status and 10 days have elapsed from the day following the date of such loss

(ii)In the event Subscription rights to shares loses any of the status of Director and Executive Officers of the Group to Within 3 years from the date of allotment of Subscription rights to shares due to resignation or retirement for personal reasons or dismissal or disciplinary action pursuant to Ordinary General Meeting of Shareholders resolution or Board of Directors resolution of our Group.

② In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.

2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.

3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

5. 5th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	April 11, 2016
Category and number of grantees (persons)	Directors 7 Executive Officers 2
Number of Subscription rights to shares (units)*	80
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 32 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From May 11, 2016 to May 10, 2056
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 192,400 Amount included in capital 96.2 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① A. Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

2. 1. Regardless of the conditions, Subscription rights to shares person may not exercise Subscription rights to shares allocated to Subscription rights to shares person if any of the following conditions apply.

(i)Causes other than the death of Subscription rights to shares (excluding the cases of resignation, etc. stipulated in ii below for Within 3 years from the date of allotment) If Subscription rights to shares loses any of our Director and Executive Officers status and 10 days have elapsed from the day following the date of such loss

(ii)In the event Subscription rights to shares loses any of the status of Director and Executive Officers of the Group to Within 3 years from the date of allotment of Subscription rights to shares due to resignation or retirement for personal reasons or dismissal or disciplinary action pursuant to Ordinary General Meeting of Shareholders resolution or Board of Directors resolution of our Group.

② In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

6. 6th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	June 27, 2017
Category and number of grantees (persons)	Directors 6 Executive Officers 5
Number of Subscription rights to shares (units)*	190
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 76 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From July 12, 2017 to July 11, 2057
For shares issued upon the exercise of Subscription rights to shares Issue price and amount designated as capital (Yen) *	Issue price 126,800 Amount included in capital 63.4 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event we merge or split after the date of allotment of Subscription rights to shares, or in the event of Equity securities gratuitous allotment, or in the event Grant Equity securities count needs to be adjusted according to Other, Grant Equity securities count shall be appropriately adjusted to the extent reasonable. Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group due to the resignation of Within 3 years from the date of Subscription rights to shares allocation for personal reasons (excluding retirement due to the expiration of Term of Office or retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

7. Seventh Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	August 2, 2018
Category and number of grantees (persons)	Directors 7 Executive Officer 7
Number of Subscription rights to shares (units)*	210
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 84 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From August 29, 2018 to August 28, 2058
For shares issued upon the exercise of Subscription rights to shares Issue price and amount designated as capital (Yen) *	Issue price 101,600 Amount included in capital 50.8 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, corporate split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group due to the resignation of Within 1 year from the date of Subscription rights to shares allocation for personal reasons (excluding retirement due to the expiration of Term of Office or retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (each of which becomes a split company), or a Equity securities transfer (each of which becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with respect to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

(h) 8th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 1, 2019
Category and number of grantees (persons)	Directors 7 Executive Officers 6
Number of Subscription rights to shares (units)*	210
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 84 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From July 31, 2019 to July 30, 2059
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 116,400 Amount included in capital 58.2 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, corporate split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group due to the resignation of Within 1 year from the date of Subscription rights to shares allocation for personal reasons (excluding retirement due to the expiration of Term of Office or retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

Re. 9th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 13, 2020
Category and number of grantees (persons)	Directors 7 Executive Officers 5
Number of Subscription rights to shares (units)*	299
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 119.6 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	400(NOTE) 2
Strike term of Subscription rights to shares *	From August 2, 2020 to August 1, 2060
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 91,600 Amount included in capital 45.8 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 400 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, corporate split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group due to the resignation of Within 1 year from the date of Subscription rights to shares allocation for personal reasons (excluding retirement due to the expiration of Term of Office or retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

N. 10th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 12, 2021
Category and number of grantees (persons)	Directors 7 Our Executive Officers 4
Number of Subscription rights to shares (units)*	1,352
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 135.2 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From August 1, 2021 to July 31, 2061
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 24,200 Amount included in capital 12.1 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 100 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, company split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group from the date of Subscription rights to shares allocation due to Within 1 year's resignation at its own discretion, etc. (excluding retirement due to the expiration of Term of Office and retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

Le. 11th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 29, 2022
Category and number of grantees (persons)	Directors 7 Executive Officer 7
Number of Subscription rights to shares (units)*	1,637
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 163.7 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From August 24, 2022 to August 23, 2062
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 26,200 Amount included in capital 13.1 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 100 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, company split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2.The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 (1) yen resulting from the calculation shall be rounded up.

② The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

② Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group from the date of Subscription rights to shares allocation due to Within 1 year's resignation at its own discretion, etc. (excluding retirement due to the expiration of Term of Office and retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5.In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥ Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

(o) 12th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 3, 2023
Category and number of grantees (persons)	Our Director 2 Subsidiary Director 6 Subsidiary Executive Officers 8
Number of Subscription rights to shares (units)*	1,708
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 170.8 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From August 2, 2023 to August 1, 2063
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 32,100 Capital-capitalized amount 16,050 (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 100 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, company split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2. The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 ① yen resulting from the calculation shall be rounded up.

②The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

②Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group from the date of Subscription rights to shares allocation due to Within 1 year's resignation at its own discretion, etc. (excluding retirement due to the expiration of Term of Office and retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights

③In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5. In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

①Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

②Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

Wa. 13th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 8, 2024
Category and number of grantees (persons)	Our Director 1 Executive Officers 1 Director 8 of the group companies Executive Officers 5 of the group companies
Number of Subscription rights to shares (units)*	1,503
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 150.3 thousand (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From July 31, 2024 to July 30, 2064
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 34,200 Capital-capitalized amount 17.1 thousand (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the end of Current fiscal year (2025 March 31) is shown. As of the end of the previous month (May 31, 2025), there was no change in Details that should be stated from Details as of the end of Current fiscal year, the description related to the end of the previous month of the filing date has been omitted.

(NOTE)1. Class of shares that is the object of Subscription rights to shares shall be our Common stock and the target Equity securities per Subscription rights to shares (hereinafter referred to as "Grant Equity securities") shall be 100 Shares.

In addition, in the event we conduct a Equity securities split or Equity securities reverse split of our Common stock after the allocation date of Subscription rights to shares, Grant Equity securities count shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, company split, Equity securities split, or Equity securities reverse split, or Other free allotment, or in the event Grant Equity securities count needs to be adjusted accordingly, Grant Equity securities count shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for Subscription rights to shares that are not Exercise of rights at that point in time and that are the target Equity securities numbers.

2. The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be The amount shall be 1 yen per share that can be delivered upon exercise of the Stock Acquisition Rights and multiplied by the total number of Granted Shares..

3.① The amount of Capital stock to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, etc. calculated in accordance with Article 17 I of the Company Accounting Rules, and any fraction less than 1 ① yen resulting from the calculation shall be rounded up.

②The amount of Legal capital surplus to be increased when issuing Equity securities upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in ① above from the maximum amount of Capital stock to be increased as set forth in ① above.

4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subsidiaries and associates after the day following the date on which the relevant Subscription rights to shares Person lost any of the positions of Director and Executive Officers of our group (which means us and our group. The same shall apply hereinafter).

②Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period
2. In the event of disciplinary punishment not less than suspension from work
3. In the event of the loss of either Director or Executive Officers status of our group from the date of Subscription rights to shares allocation due to Within 1 year's resignation at its own discretion, etc. (excluding retirement due to the expiration of Term of Office and retirement or retirement due to the convenience of our group)
4. In the event that any of Director and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares

5. When the Subject Person requests to waive his/her rights

③In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5. In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a Equity securities transfer (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by consolidation with regard to the merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by transfer; and the date of incorporation of Equity securities transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger contract, absorption-type demerger contract, incorporation-type demerger plan, Equity securities replacement contract or Equity securities transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

①Number of Subscription rights to shares of Reorganized Companies to be Delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

②Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares that is the object of Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1. above after taking into consideration the terms of the restructuring and other factors.

③Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of Equity securities subject to the respective Subscription rights to shares. The exercise price after the reorganization shall be 1 yen as the amount of Equity securities 1 Shares Per share of the reorganized companies that can be delivered by exercising the delivered Subscription rights to shares.

④Matters pertaining to obtaining Subscription rights to shares

In the event that an Absorption-type Merger Agreement, an Incorporation-type Merger Agreement, an Absorption-type Company Split Agreement in which we become a splitting company, an Incorporation-type Company Split Plan, or an Equity securities Exchange Agreement or a Equity securities Transfer Plan in which we become a wholly owned subsidiary is approved in our Ordinary General Meeting of Shareholders (our Board of Directors in the event that the approval of Ordinary General Meeting of Shareholders is not required), a Subscription rights to shares that has not been Exercise of rights as of the same date may be acquired without charge as of the date separately determined by our Board of Directors.

⑤Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.

⑥Matters relating to the increasing Capital stock and Legal capital surplus in cases where Equity securities is issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

②[Details of rights plan]

Not applicable.

③[Status of For Other Subscription rights to shares]

Not applicable.

(3)[Exercise Status of Corporate Bonds with Subscription rights to shares with Exercise Price Adjustment Clause]

Not applicable.

(4)[Trends in Number of issued shares and Capital stock]

Date	Issued shares Total number increase/decrease (Shares)	Number of issued shares Balance (Shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
June 4, 2024 (NOTE)1	16,000,000	137,000,000	3,512	8,332	3,512	8,329
July 2, 2024 (NOTE)2	3,300,000	140,300,000	724	9,056	724	9,054

(NOTE)1. General subscriptions for a fee (subscriptions using the book-building method)

Issue price 458 yen

Issue price 439.08 yen

Amount included in capital 219.54 yen

Paid-in amount 7025 Millions of yen

2.Private placement to third parties (capital increase through third-party allotment in connection with offering through over-allotment)

Issue price 439.08 yen

Amount included in capital 219.54 yen

Allottee SMBC Nikko Securities Co., Ltd.

(5)[Breakdown of Shareholders]

As of March 31 2025

Category	Status of shares (100 Shares per unit)								Shares less than 1 unit Status (Shares)
	Government and Municipalities	Financial institutions	Financial instruments firms	Other Corporation	Foreign Juridical Person, etc.		Individuals Other	Total	
					Other than individuals	Individuals			
Number of shareholders	-	26	37	342	111	383	74,479	75,378	-
Number of shares held (unit)	-	225,764	71,597	325,473	131,062	2,924	644,497	1,401,317	168,300
Percentage (%) of shares held	-	16.11	5.11	23.23	9.35	0.21	45.99	100	-

(NOTE)1. 4,444,408 Shares of Treasury stock is included in 44,444 units under Individuals Other and 8 Shares under Shares less than 1 unit.

2.The "Other Corporation" column includes 16 units of Equity securities in the name of the JASDEC.

(6)[Status of Major Shareholders]

As of March 31 2025

Name / Company Name	Address	Number of shares held (Thousands of Shares)	Percentage of the number of shares held to the total number of issued shares (excluding Treasury stock) (%)
General Incorporated Association Murayama Asset Management	2-12-4, Nagatacho, Chiyoda-ku, Tokyo	25,633	18.87
The Master Trust Bank of Japan, Ltd. (Trust account)	Akasaka 1-8-1, Minato-ku, Tokyo	15,476	11.39
Custody Bank of Japan, Ltd. (Trust account)	1-8-12, Harumi, Chuo-ku, Tokyo	3,469	2.55
Morgan Stanley MUFG Securities, Co., Ltd.	1-9-7, Otemachi, Chiyoda-ku, Tokyo	2,076	1.53
Goldman Sachs Securities Co., Ltd. BNYM (Standing proxy: The Bank of Mitsubishi UFJ, Ltd.)	Minato-ku, Tokyo Toranomon 2-6-1 (Marunouchi, Chiyoda-ku, Tokyo 1-4-5)	2,052	1.51
Murayama Kikaku Co., Ltd.	4-33-10, Narumasu, Itabashi-ku Tokyo	1,800	1.32
MIRARTH Holdings Business Partner Shareholding Association	1-8-2, Marunouchi, Chiyoda-ku, Toky	1,478	1.09
Kazuichi Shimada	Adachi-ku, Tokyo	1,299	0.96
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT (Standing proxy: Citibank, N.A. Tokyo Branch)	BAHNHOFSTRASSE 45, 8001 ZURICH, SWITZERLAND (6-27-30, Shinjuku, Shinjuku-ku, Tokyo)	1,250	0.92
MIRARTH Holdings Employee Shareholding Association	1-8-2, Marunouchi, Chiyoda-ku, Toky	1,241	0.91
Total	-	55,778	41.06

(NOTE)1. Of The Master Trust Bank of Japan, Ltd. (Trust account)'s Number of shares held, there are 15476000 Shares of Equity securities in the trust business.

2.Of Custody Bank of Japan, Ltd. (Trust account)'s Number of shares held, there are 3469000 Shares of Equity securities in the trust business.

(7)[Status of voting rights]

①[Issued shares]

As of March 31 2025

Category	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	-	-	-
Shares with limited voting rights (including treasury shares)	-	-	-
Shares with restricted voting rights (other than the above)	-	-	-
Shares with full voting rights (including treasury shares)	Common stock 4,444,400	-	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Shares with full voting rights (other than the above)	Common stock 135,687,300	1,356,873	Same as above
Shares less than 1 unit	Common stock 168,300	-	Shares less than 1 unit (100 shares)
Number of issued shares	140,300,000	-	-
Voting rights of all shareholders	-	1,356,873	-

(NOTE)The column "Shares with full voting rights (other than the above)" includes 1600 Shares of Equity securities in the name of the JASDEC. In addition, the "Number of voting rights" column includes 16 voting rights of shares with full voting rights held under the name of Japan Securities Depository Center, Inc.

②[Treasury stock, etc.]

As of March 31 2025

Name of shareholder	Address of shareholder	Own name Number of Shares Owned (Shares)	Name of another person Number of Shares Owned (Shares)	Total number of shares held (shares)	Ratio of shares held to total number of shares issued (%)
MIRARTH Holdings Co., Ltd.	Tekko Building 16F 1-8-2, Marunouchi, Chiyoda-Ku, Tokyo, Japan	4,444,400	-	4,444,400	3.17
Total	-	4,444,400	-	4,444,400	3.17

2[Acquisitions of Treasury stock]

[Class of shares, etc.] Acquire Common stock that falls under Article 155, VII of the Companies Act

(1)[Acquisitions by resolution of Ordinary General Meeting of Shareholders]

Not applicable.

(2)[Status of Acquisitions by Board of Directors resolution]

Not applicable.

(3)[Details of items not based on Ordinary General Meeting of Shareholders resolution or Board of Directors resolution]

Category	Shares (Shares)	Total value (Yen)
Acquired Treasury stock in Current fiscal year	1	501
Acquired Treasury stock in Current term	-	-

(NOTE)Acquisition Treasury stock in Current term does not include Equity securities from the purchase of Shares less than 1 unit from June 1, 2025 to Securities Report Statement filing date (June 2025, 2025).

(4)[Processing and holding status of acquired Treasury stock]

Category	Current fiscal year		Current term	
	Shares (Shares)	Total value disposed (Yen)	Shares (Shares)	Total value disposed (Yen)
Acquisition for which subscribers were solicited: Treasury stock	6,000,000	2,238,000,000	-	-
Acquired Treasury stock disposed of by retirement	-	-	-	-
Acquired Treasury stock with respect to mergers, share exchanges, share grants, and corporate splits	-	-	-	-
Other (Exercise of Subscription rights to shares Rights)	458,300	170,945,900	-	-
Treasury stock held	4,444,408	-	4,444,408	-

(NOTE)1. Current fiscal year's Acquisition for which subscribers were solicited: Treasury stock is Disposal of Treasury stock 6 million Shares in a public offering with a payment date of June 4, 2024.

2.Treasury stock held in Current term does not include Equity securities acquired or processed from June 1, 2025 through Securities Report Statement filing date (June 2025, 2025).

3[Dividend Policy]

Returning profits to Profit is 1 of the Company's most Important issue, and the Company's basic Policy is to pay stable and continuous dividends in line with business performance, while securing sufficient retained earnings to develop its business and strengthen its management base.

In addition, our basic policy is to pay dividends from surplus twice a year, consisting of interim dividends and Term end dividends.

The decision-making body for the dividend of these surpluses is Ordinary General Meeting of Shareholders for Term end dividends and Board of Directors for interim dividends.

We have stipulated in the Articles of Incorporation that "we may pay interim dividends on September 30 of each year as Record Date by resolution of Board of Directors."

In addition, we have established the Articles of Incorporation to the effect that "the matters set forth in each item of Article 459 I of Dividend of surplus and Other Companies Act may be determined by a resolution of Board of Directors unless otherwise provided by laws and regulations." In Current fiscal year, Term end dividends were determined by a resolution of Ordinary General Meeting of Shareholders.

In the fiscal year under review, we plan to pay dividends that balance internal reserves for future growth, while building a structure that can weather changes in the external environment with our own company strength.

Dividends of retained earnings related to the current fiscal year are as follows.

Resolution Date	Total dividends (Millions of yen)	Per share dividends (yen)
November 11, 2024 Board of Directors resolution	949	7.0
June 2025, 2025 Annual Shareholders' Meeting resolution	3,124	23.0

4[Status of Corporate Governance]

(1)[Overview of Corporate Governance]

① Basic Approach to Corporate Governance

We regard "To design sustainable environments for a happier future for both people and our planet." as a "Our Purpose" and recognize that addressing Sustainability issues is a critical management issue. Accordingly, we will not merely pursue Profit, but also comply with laws and corporate ethics. We will fulfill our social responsibilities as a member of the corporate society, and aim to sustainably increase our corporate value.

To this end, our Group's basic approach to corporate governance is to constantly consider the happiness of all stakeholders, including customers, employees, business partners, local communities, and shareholders, and to make swift decisions in order to respond flexibly to changes in the business environment. At the same time, we promote sound corporate activities through thorough compliance and ensure transparency in decision-making.

② Overview of Corporate Governance Structure and Reasons for adopting this system

a. Overview of Corporate Governance Structure

In order to ensure appropriate Supervise and Audit in the execution of business, we have adopted a system that clarifies Supervise's responsibilities for Board of Directors's Supervise and Audit's Audit system, and a Executive Officers system to clarify Director's management Supervise and Audit's responsibilities for business execution.

(Board of Directors)

Board of Directors is authorized to implement the following key roles and responsibilities: "to show the major direction of corporate strategy, etc.," "to develop an environment that supports appropriate risk-taking by senior management," and "to conduct highly effective Supervise of management and Director from an independent and objective standpoint." Director is currently 7 members including 4 Outside Director, and is chaired by Representative Director Kazuichi Shimada. Director Daisuke Nakamura, Shoichi Akizawa, Outside Director, Naohito Yamagishi, Kaname Uchida, Yuko Kanamaru, and Yasuko Ono. In principle, Board of Directors is held at the frequency of monthly Once and, if needed, extraordinary Board of Directors is held to make careful and prompt decisions. The Directors monitor each other’s performance of their duties.

Attendance Status of Director to Board of Directors in Fiscal Year 2024 is as follows:

Title	Name Title	Attendance Status
		Board of Directors
Representative Director	Kazuichi Shimada	19 times/19 times (100%)
Director	Daisuke Nakamura	15 times/15 times (100%)
Director	Shoichi Akisawa	15 times/15 times (100%)
Outside Director	Keiko Yamahira	17 times/19 times (89%)
Outside Director	Naohito Yamagishi	19 times/19 times (100%)
Outside Director	Kaname Uchida	15 times/15 times (100%)
Outside Director	Yuko Kanamaru	15 times/15 times (100%)
Director	Masashi Yamamoto	4 times/4 times (100%)
Outside Director	Kenji Kawada	4 times/4 times (100%)
Outside Director	Chiaki Tsuji	4 times/4 times (100%)

(NOTE)1. Director Daisuke Nakamura, Shoichi Akisawa, Outside Director Kaname Uchida, and Yuko Kanamaru Board of Directors's Attendance Status are based on the number of Board of Directors held in Fiscal Year 2024 since appointment on June 26, 2024.

2.Director Masashi Yamamoto, Kenji Kawada, Outside Director and Chiaki Tsuji Board of Directors's Attendance Status are based on the number of Board of Directors held in Fiscal Year 2024 by their retirement on June 26, 2024.

Specific Details for Fiscal Year 2024 under Board of Directors were as follows: Strengthening the management system as a holding company, speeding up management decisions by promoting the separation of management and executive functions, clarifying profitability and business responsibilities for each Segment, and effectively utilizing management resources. We also examined the optimization of the holding company structure to further strengthen governance. In addition, as the basic Policy of management, we are promoting corporate activities based on the "part-pass" concept, which shows our raison d'etre and values. For important management issues, we shared information and exchanged views not only between Outside officers but also between internal and external directors and Executive Officers and others. The items discussed by Board of Directors as key management issues are as follows.

・In formulating our management strategy, we conducted Election of the heads of each of our group companies to clarify management responsibilities. In addition, the NTA actively exchanges views on wage base pay increases and other matters as an investment in human resources.

・As part of the execution of our management strategy, we made decisions on the execution of important business operations, such as various transactions and the establishment of companies in our Group companies, and, taking into account the financial condition of each of our Group companies, made investments and loans, and executed debt guarantees, etc. as appropriate.

・Other evaluated the effectiveness of Board of Directors, and then discussed future initiatives to strengthen the Group governance system and enhance discussions on management strategies, including crisis-management systems and human capital-investment throughout the Group.

(Audit & Supervisory Board)

Audit & Supervisory Board is empowered to carry out Audit of the execution of Director's duties and the proper implementation of the accounting Audit from an independent and objective standpoint as its main roles and responsibilities. In principle, Audit & Supervisory Board meets at the monthly Once frequency and currently consists of 3 members: Yuko Miura, Standing Audit & Supervisory Board Members Masaki Kimura, and Akihito Watanabe Part-time Audit, all of whom are outside Audit & Supervisory Board members. This ensures a system for more appropriate Audit, including the status of Board of Directors operations and the status of Director's business operations. For information on the activities of Audit & Supervisory Board Members and Audit & Supervisory Board, please refer to (3) Audit Status ① Audit & Supervisory Board Members Audit Status.

(Other Commission)

Other, we have established the Nomination Advisory Committee and the Compensation Advisory Committee, which are voluntary advisory bodies, with the aim of enhancing the objectivity and transparency of the decision-making process concerning personnel, compensation, etc. for Director, etc. and further enhancing and strengthening our corporate governance system. The Nominating Advisory Board is composed of Outside Director Naohito Yamagishi as Chair and Representative Director Kazuichi Shimada as members. The Compensation Advisory Committee is composed of Outside Director Naohito Yamagishi and Representative Director Kazuichi Shimada as members.

Attendance Status of each member to the Nomination Advisory Committee and the Compensation Advisory Committee in Fiscal Year 2024 is as follows.

Title	Name Title	Attendance Status	
		Appointment Advisory Committee	Compensation Advisory Committee
Outside Director (Compensation Advisory Board Chair)	Keiko Yamahira	10 times/11 times (91%)	10 times/11 times (91%)
Outside Director (Nomination Advisory Board Chair)	Naohito Yamagishi	11 times/11 times (100%)	11 times/11 times (100%)
Outside Director	Kaname Uchida	8 times/8 times (100%)	8 times/8 times (100%)
Outside Director	Yuko Kanamaru	6 times/8 times (75%)	6 times/8 times (75%)
Representative Director	Kazuichi Shimada	10 times/11 times (91%)	10 times/11 times (91%)
Outside Director	Kenji Kawada	3 times/3 times (100%)	3 times/3 times (100%)
Outside Director	Chiaki Tsuji	3 times/3 times (100%)	3 times/3 times (100%)

(NOTE)1. Attendance Status of the Nomination Advisory Committee and the Compensation Advisory Committee for Kaname Uchida and Yuko Kanamaru of Outside Director is based on the number of Nomination Advisory Committee and Compensation Advisory Committee meetings held in Fiscal Year 2024 since their appointment on June 26, 2024.

2.Attendance Status of the Nomination Advisory Committee and the Compensation Advisory Committee for Kenji Kawada and Chiaki Tsuji is based on the number of Nomination Advisory Committee and Compensation Advisory Committee meetings held in Fiscal Year 2024 by the time of his retirement on June 26, 2024.

Specific review by the Nomination Advisory Committee for Fiscal Year 2024 As a Details, we decided on a succession plan to train and select successors for CEO and other countries. Based on this plan, we conducted training for successor candidates and 360-degree audits, and interviewed successors by Outside Director, a member of the committee, as Other needed. With this information as a reference, we reviewed Election of Director, including all Group companies. We also reviewed and determined the skill matrix.

The Compensation Advisory Committee's specific review of Fiscal Year 2024 Details focused on improving the executive remuneration system, which is based on current executive remuneration systems and issues related to executive evaluations, to increase the emphasis on performance, and to improve the executive remuneration system, which is based on awareness of compliance. We also examined the introduction of cross-back and mars provisions for the purpose of preventing misconduct by our executives. Based on the performance of Other companies and the evaluation of executives, we examined the provision of incentives to individual executives.

Compliance Committee meets on a monthly Once basis, and Risk Management Committee meets on a quarterly basis in principle. Once meets whenever necessary. The system ensures the appropriateness of Subsidiaries and associates operations by ensuring thorough compliance, risk assessment and management, and by having the general manager of the Group's Internal Audit Office and Audit & Supervisory Board members regularly conduct Audit to Subsidiaries and associates. Compliance Committee consists of Yuko Kanamaru, Outside Director, Yasuko Ono, Director, Shoichi Akisawa, and Go Yamaji Executive Officers, and Risk Management Committee, Managing Director Go Yamaji, as Chair, and Director, Daisuke Nakamura, Yuko Kanamaru, and Yasuko Ono.

Compliance Committee and Attendance Status to Risk Management Committee by each member in Fiscal Year 2024 are as follows.

Title	Name Title	Attendance Status	
		Compliance Committee	Risk Management Committee
Representative Director (Chair)	Kazuichi Shimada	10 times/12 times (83%)	4 times/5 times (80%)
Group CRO (Deputy Chair)	Go Yamaji	11 times/12 times (92%)	5 times/5 times (100%)
Director	Daisuke Nakamura	9 times/9 times (100%)	4 times/4 times (100%)
Director	Shoichi Akisawa	9 times/9 times (100%)	4 times/4 times (100%)
Outside Director	Keiko Yamahira	10 times/12 times (83%)	4 times/5 times (80%)
Outside Director	Naohito Yamagishi	12 times/12 times (100%)	5 times/5 times (100%)
Outside Director	Kaname Uchida	9 times/9 times (100%)	4 times/4 times (100%)
Outside Director	Yuko Kanamaru	7 times/9 times (78%)	3 times/4 times (75%)
Standing Audit & Supervisory Board Members	Yuko Miura	12 times/12 times (100%)	5 times/5 times (100%)
Standing Audit & Supervisory Board Members	Masaki Kimura	9 times/9 times (100%)	4 times/4 times (100%)
Part-time Audit	Akihito Watanabe	9 times/9 times (100%)	4 times/4 times (100%)
Director	Masashi Yamamoto	3 times/3 times (100%)	Once/Once (100%)
Outside Director	Kenji Kawada	3 times/3 times (100%)	Once/Once (100%)
Outside Director	Chiaki Tsuji	Twice per 3 times (67%)	Once/Once (100%)
Standing Audit & Supervisory Board Members	Makoto Endo	3 times/3 times (100%)	Once/Once (100%)
Part-time Audit	Asami Honma	3 times/3 times (100%)	Once/Once (100%)

(NOTE)1. Attendance Status of Compliance Committee and Risk Management Committee for Daisuke Nakamura, Shoichi Akisawa, Outside Director Kaname Uchida, Yuko Kanamaru, Standing Audit & Supervisory Board Members Masaki Kimura and Akihito Watanabe Part-time Audit are based on the number of Compliance Committee and Risk Management Committee held in Fiscal Year 2024 since his appointment on June 26, 2024.

2.Attendance Status of Compliance Committee and Risk Management Committee of Masashi Yamamoto Director, Kenji Kawada Outside Director, Chiaki Tsuji, Makoto Endo Standing Audit & Supervisory Board Members, and Asami Honma Part-time Audit are based on the number of Compliance Committee and Risk Management Committee held in Fiscal Year 2024 by the time of their resignation on June 26, 2024.

Specific Details for Fiscal Year 2024 at Compliance Committee included prompt and appropriate investigations into the facts. These investigations were conducted to ensure thorough legal compliance and ethical behavior in business activities. These investigations were carried out promptly and appropriately in response to reports received through the whistle-blowing hotline. Collaboration of related departments and departments was followed in response to Details of reports, and corrective measures and remedial measures were taken. In addition, in order to protect whistleblowers who have made internal reports, we have thoroughly ensured the anonymity of whistleblowers and prohibited disadvantageous treatment. In addition, we shared information on and discussed disputes that we face, and discussed measures to disseminate laws and regulations to be observed by our Group companies and employees.

As a concrete Details for Fiscal Year 2024 in Risk Management Committee, we identified potential risks in business activities from a company-wide perspective in order to appropriately manage the various risks surrounding our Group's businesses and maintain and improve corporate value, and assessed the likelihood and impact of these risks. Based on these evaluations, we have identified the risks that should be prioritized and prepared a risk assessment. In addition, in order to effectively operate the risk assessment we created, our group has established and implemented a system to reassess risks on a quarterly basis. We regularly monitor changes in risks and the emergence of new risks in each organization. We Report the findings to Risk Management Committee to continuously improve our company-wide risk management system.

Furthermore, in addition to holding quarterly Once meetings in principle, Sustainability committee meets whenever needed to formulate Policy related to our Sustainability, identify and regularly review materiality as a Important issue, determine environmental Policy and measures, and Report our Sustainability promotion activities to Board of Directors. Sustainability committee consists of Representative Director Kazuichi Shimada as Chair and Daisuke Nakamura as deputy Chair and Shoichi Akisawa, Outside Director Naohito Yamagishi, Kaname Uchida, Yuko Kanamaru and Yasuko Ono.

Attendance Status of Sustainability committee members in Fiscal Year 2024 was as follows.

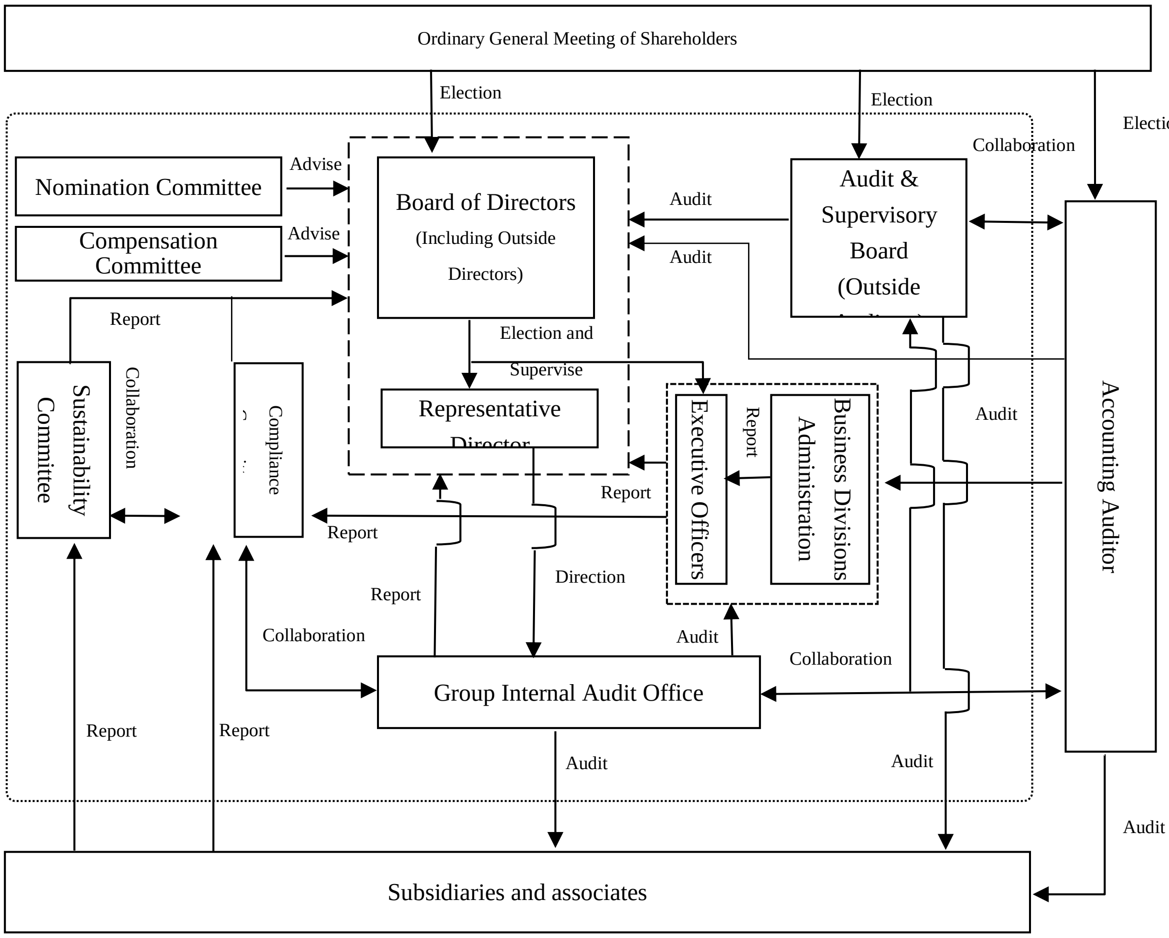
Title	Name Title	Attendance Status
		Sustainability committee
Representative Director (Chair)	Kazuichi Shimada	3 times/4 times (75%)
Director	Daisuke Nakamura	3 times/3 times (100%)
Director	Shoichi Akisawa	3 times/3 times (100%)
Outside Director	Keiko Yamahira	4 times/4 times (100%)
Outside Director	Naohito Yamagishi	4 times/4 times (100%)
Outside Director	Kaname Uchida	3 times/3 times (100%)
Outside Director	Yuko Kanamaru	3 times/3 times (100%)
Director	Masashi Yamamoto	Once/Once (100%)
Outside Director	Kenji Kawada	Once/Once (100%)
Outside Director	Chiaki Tsuji	0 times/Once (0%)

(NOTE)1. Director Daisuke Nakamura, Shoichi Akisawa, Outside Director Kaname Uchida, and Yuko Kanamaru Sustainability committee's Attendance Status are based on the number of Sustainability committee held in Fiscal Year 2024 since appointment on June 26, 2024.

2.Director Masashi Yamamoto, Kenji Kawada, Outside Director and Chiaki Tsuji Sustainability committee's Attendance Status are based on the number of Sustainability committee held in Fiscal Year 2024 by their retirement on June 26, 2024.

Specific review of Sustainability committee in Fiscal Year 2024 As a Details, we set Sustainability related KPI and monitored the progress. We disclosed TCFD and decided on items related to the disclosure of various Sustainability information. We also answered CDP Climate Change Questionnaire. In response to climate change, we discussed obtaining SBT certification for Target to reduce greenhouse gas emissions, which was revised in March 2024. We also decided to disclose environmental accounting data, monitored the progress of reduction Target and reduction plans, and formulated a Policy for reduction measures.

The corporate governance structure of our group is shown below.



1. Reasons for adopting this system

We have adopted the above-mentioned system to Supervise and Audit the decision-making and the execution thereof, and to ensure the system that enables prompt decision-making, while striving to manage risks, ensure thorough compliance and improve internal controls for the entire Group.

③ Corporate Governance For Other Matters

a. Internal Control System

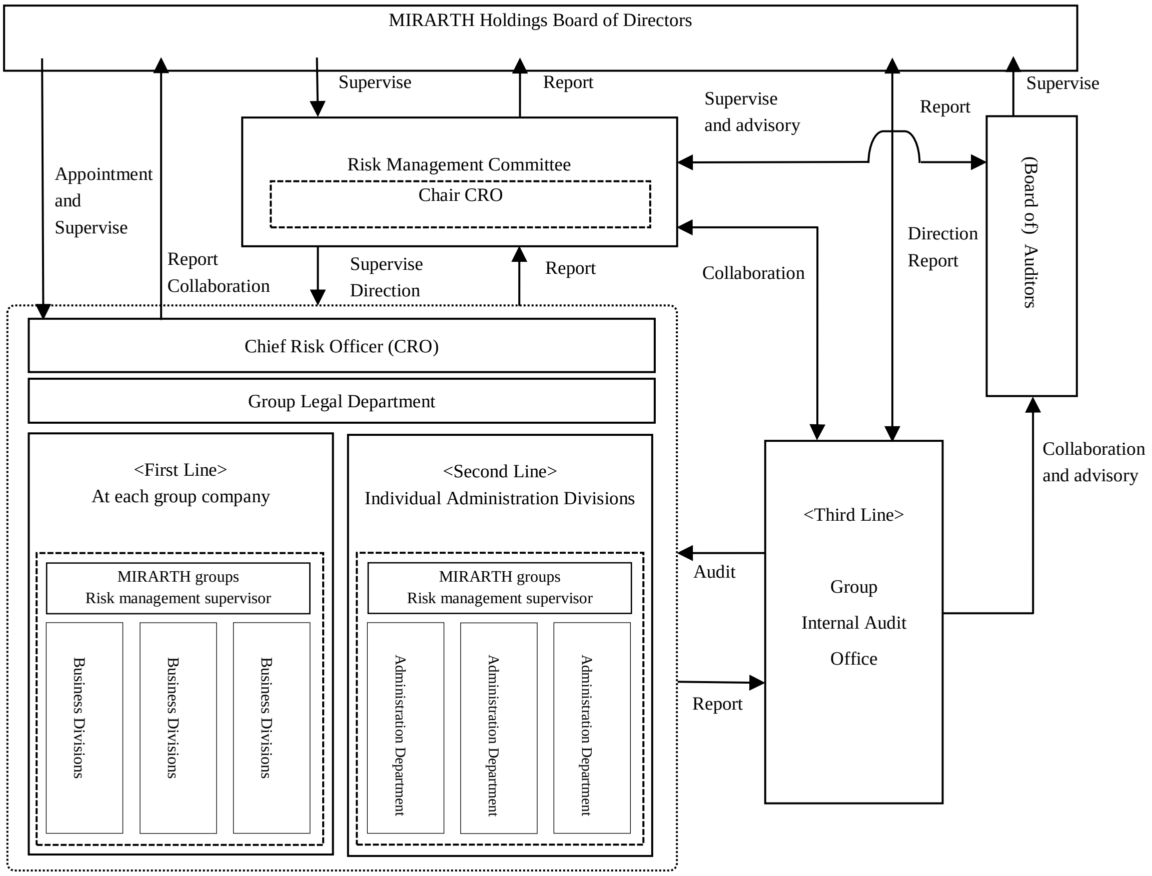
We have established the Internal Control Basic Regulations, which stipulate the basic systems, maintenance, operation, evaluation, and renewal of internal controls to ensure the appropriateness of the operations of us, Consolidated subsidiaries, and equity-method affiliates, as well as the basic matters and procedures incidental to these.

1. Risk Management System

a)Risk Management System

We have established the Risk Management Regulations to manage the Group's risks and to ensure the sustainable improvement of our corporate value. Based on these regulations, we have established Risk Management Committee with the Chief Risk Management Officer (CRO) as Chair, which verifies and Report all risks related to overall management, and discusses or decides on the measures and management to be implemented to avoid or reduce these risks. in order to strengthen internal controls and thoroughly prevent scandals related to operations as a whole, including financial reporting, and non-compliance incidents. In order to develop and continuously improve the Group's risk management system, the Committee appoints a Group CRO (Chief Risk Management Officer) from among Director or Executive Officers, and requests the convening authority to convene Risk Management Committee as needed. In this way, the Committee makes proactive proposals according to individual risk management. In addition, discussions and decisions made at Risk Management Committee are verified in accordance with Risk Management Committee Regulations as appropriate, and Report to Board of Directors is made as Details to make a This system enables prompt decision making when risks materialize..

Our Group's risk management system is shown below.



b)Countermeasures against Antisocial Forces

Our basic Policy is to respond decisively to anti-social forces that threaten the order and safety of society. Under the guidance of our advisory Attorney-at-law, we actively participate in activities to eliminate Boryokudans. In addition, the Company has established a system for antisocial forces in Collaboration with the relevant police stations and external specialist organizations such as the Adviser Attorney-at-law. In order to prevent damage caused by anti-social forces, the NTA endeavors to gather information by participating in seminars and other events on anti-social forces held by police stations and relevant organizations in peacetime.

In addition, we will ask our business partners to exchange a Memorandum of Understanding on Insulation with Antisocial Forces, or include "Antisocial Forces Elimination Clauses" in various contract documents, etc. and make a of anti-social forces in agreements to enhance measures to eliminate anti-social forces..

U. Status of Development of Systems to Ensure Appropriateness of Subsidiaries' Operations

In the Regulations Governing Affiliated Companies, we have stipulated Subsidiaries and associates management Policy and management organization. We have dispatched our Director, Executive Officers and Audit & Supervisory Board Members to Subsidiaries and associates and regularly held Report meetings to share information. In this way, we are working to streamline management.

E. Outline of Details of Limited Liability Agreement

We have concluded an agreement with Director (excluding those who are executive Director, etc.), Outside Audit & Supervisory Board Members, and Accounting Auditor to limit liability for damages as set forth in Article 423 I of the Companies Act pursuant to the provisions of Article 427 I of the Companies Act. The amount of liability for damages under the applicable agreement is the minimum liability amount as provided by laws and regulations, provided that such liability is limited to the cases where the performance of duties caused by such Director (excluding those who are executive Director, etc.), Outside Audit & Supervisory Board Members, and OOE are performed in good faith and without gross negligence.

O. Outline of Details of the Officer Liability Insurance Contract concluded with the Officer, etc. as the insured

We have entered into liability insurance contracts with insurance companies for directors and statutory auditors, as defined in Section 430-3 I of the Companies Act, with employees who are insured by us and all of our subsidiaries (except MIRARTH Real Estate Advisory Inc..), who are Director, directors and Audit officers, Executive Officers, and employees who are responsible for administrative Supervise and directing.

A summary of Details of such policies is as follows:

・In the event of a company lawsuit, a shareholder representative lawsuit, or a third party lawsuit, the Company will indemnify the insured against any damages, including compensation for damages and litigation expenses, which are incurred by the insured.

・As a measure to ensure that the appropriateness of the execution of duties by the insured officer is not impaired, the damage caused by the criminal act or misconduct of the officer shall not be covered.

Ka. Fixed number of directors

We have stipulated in our Articles of Incorporation that we shall have no more than 15 directors.

Ki. Resolution Requirements for Election and Dismissal of Directors

The Articles of Incorporation of the Company stipulate that Director's Election resolution shall be made by a majority of the votes of shareholders present who hold 1-third or more of the voting rights of all shareholders with voting rights.

In addition, the Articles of Incorporation provide that Election resolutions of Board of Directors shall not be made by cumulative voting.

Q. Ordinary General Meeting of Shareholders resolutions that can be resolved by Board of Directors

・Decision-making body for Dividend of surplus, etc.

We have stipulated in the Articles of Incorporation that matters stipulated in Article 459 I of the Companies Act, including Dividend of surplus, may be stipulated by a resolution of Board of Directors without a resolution of Ordinary General Meeting of Shareholders, unless otherwise stipulated by law. The objective is to flexibly return Profit to shareholders by allowing Dividend of surplus, etc. to be determined by Board of Directors resolutions.

・Interim dividend

We have stipulated in the Articles of Incorporation that interim dividends may be paid by Board of Directors resolution pursuant to Article 454, Paragraph 5 of the Corporation Act. This is to enable flexible return of incomes to shareholders.

・To acquire its own Equity securities

We have stipulated in the Articles of Incorporation that we may acquire our own Equity securities by a resolution of Board of Directors pursuant to Article 165 II of the Companies Act. The aim of this is to acquire treasury Equity securities through market transactions and other means in order to enable the execution of flexible capital policies in response to changes in the business environment.

・Exemption from Liability of Director and Audit

Pursuant to the provisions of Article 426 I of the Companies Act, the Company's Articles of Incorporation provide that the Company may, by resolution of Board of Directors, exempt Director (including former Director) and Audit (including former Audit) from their liabilities with respect to the acts set forth in Article 423 I of the Companies Act to the extent permitted by laws and regulations. The objective of this program is to create an environment in which Director and Audit can fulfill their expected roles by fully exercising their capabilities in carrying out their duties.

Ke. Extraordinary Resolution Requirements of Ordinary General Meeting of Shareholders

The Articles of Incorporation of the Company provide that Extraordinary Resolution Requirements of Ordinary General Meeting of Shareholders set forth in Article 309 II of the Companies Act shall be implemented by 2-thirds or more of the voting rights of shareholders present who hold 1-third or more of the shareholders with voting rights. This is aimed at facilitating the smooth operation of Ordinary General Meeting of Shareholders by easing the fixed number of extraordinary resolutions in Ordinary General Meeting of Shareholders.

(2)[Status of Directors and Audit & Supervisory Board Members]

① Board of Directors

Male: 7 Female: 3 (Ratio of female directors: 30.0%)

Title	Name Title	Date of birth	Brief History	Term of Office	Number of shares held (Thousands of Shares)
Representative Director, Group CEO, Group COO, President and Executive Officers	Kazuichi Shimada	Born on December 4, 1965	May 1987 Joined our company June. 1998 Director and General Manager of Development Dept. of the Company June. 2000 Managing Director and General Manager of Development Division of the Company Head Office Development Department Manager and Construction Department Manager June. 2006 Vice President and General Manager of R&D Division of Representative Director April. 2012 Vice President and Chief Operating Officer of Representative Director (COO) Chief Financial Officer (CFO) and General Manager of Corporate Planning Division April, 2014 Our President and Chief Executive Officer (CEO) and Chief Operating Officer (COO) and Chief Financial Officer (CFO) Representative Director April. 2019 President and Chief Executive Officer of our Representative Director (CEO) June, 2019 Our Representative Director and Chief Executive Officer (CEO) and President and Executive Officers October, 2022 Our Representative Director, Group CEO, Group COO and President and Executive Officers (to present) Takara Leben Co., Ltd. Representative Director and CEO, President and Executive Officers June. 2024 Vice Chairman, Takara Leben Co., Ltd. Director (current position) Housing Industry Credit Guarantee Co., Ltd. Outside Director (to present) June 2025 (1 company) Director of the National Housing Industry Association (to present)	(NOTE)3	1,299
Director, Group CFO, Senior Managing Director Executive Officers, and General Manager of Sustainability Promotion Office	Daisuke Nakamura	Born on February 12, 1968	April. 1991 Joined Taiyo Kobe Mitsui Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation) April, 2014 Tokorozawa General Manager of Corporate Sales Dept. April. 2016 General Manager of Corporate Strategy Dept. April, 2017 General Manager, Nihonbashi East Corporate Sales Dept. April. 2019 General Manager, Kanda Corporate Sales Department I April. 2020 General Manager, Kanda Corporate Sales Department I, Executive Officers April, 2021 Bank Executive Officers East Japan First Corporate Sales Division Manager April. 2023 Executive Vice President, Wholesale, Executive Officers Managing Director, General Manager of Executive Officers Wholesale Business Divisions Business Divisions, Sumitomo Mitsui Financial Group, Inc. May 2024 Managing Executive Officers of the Company June. 2024 Director, Group CFO and Managing Director, Executive Officers (in charge of Group Finance Dept. and Group Accounting Dept.) Takara Leben Co., Ltd. Director and Senior Managing Director, Executive Officers April. 2025 Director, Senior Managing Director, CFO and Executive Officers, Head of Sustainability Promotion Office (to present)	(NOTE)3	1

Title	Name Title	Date of birth	Brief History	Term of Office	Number of shares held (Thousands of Shares)
Director (in charge of Real Estate Segment)	Shoichi Akisawa	Born May 10, 1965	Joined April, 1988 Towa Real Estate Co., Ltd. (currently Mitsubishi Estate Residence Co., Ltd.) May 1997 Atec Representative Director, LLC January 2002 Inters Director Co., Ltd. February. 2004 Pacific Management Co., Ltd. (Pacific Holdings Co., Ltd. Executive Officers) June. 2008 Representative Director, Pacific Realty Co., Ltd. Pacific Properties Investment Representative Director, LLC. January. 2011 General Manager, Strategic Business Department, Star Mica Co., Ltd. February 2012 General Manager of Director Strategic Business Division Fun Investment Co., Ltd. (currently Star Mica Property Co., Ltd.) Representative Director December. 2014 Representative Director, Star Mica Co., Ltd. June, 2016 Rising Force, Inc. (currently Daito Trust Asset Solution Co., Ltd.) Representative Director June, 2019 Our Director and General Manager of Executive Officers Investment/Development Division April. 2020 Senior Vice President, Director and General Manager of Executive Officers Investment/Development Division April, 2021 Our Director and Managing Director, General Manager of Business Unit, Executive Officers Business Unit October, 2022 Our Executive Officers Takara Leben Co., Ltd. Representative Director and COO and Vice President Executive Officers June. 2024 Director (in charge of Real Estate Segment) (to present) Takara Leben Co., Ltd. Representative Director and President & Executive Officers (to present)	(NOTE)3	221
Director	Naohito Yamagishi	Born August 5, 1961	April. 1986 Joined National Policy Agency April. 1990 Director, Investigation Section 2, Criminal Department, Kagawa Prefectural Police Headquarters August. 1991 Chief, Public Security Division 1, Saitama Prefectural Police Headquarters August. 1993 Deputy Chief, Transportation Regulation Division, Transportation Bureau, National Police Agency August 1994 Assistant to Chief of Road Administration Division, Road Bureau, Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism) September 1996 Assistant Director, Driving License Section, Traffic Bureau, National Police Agency August. 1998 General Manager, Police Department, Nara Prefectural Police Headquarters August. 2000 Vice President, Security Department, Hyogo Prefectural Police Headquarters August 2002 Director-General, Security Department, National Police Agency August 2004, with National Police Agency (Cabinet Information Research Office) September. 2006 General Manager, Security Dept., Kanagawa Prefectural Police Headquarters August 2008 Counselor, Personnel and Pension Bureau, Ministry of Internal Affairs and Communications August. 2010 General Manager, Wakayama Prefectural Police Division August. 2012 General Manager, Police Department, Kanagawa Prefectural Police Headquarters August. 2013 Chief of Driver's License Section, Transportation Bureau, National Police Agency June. 2014 Deputy General Manager, Imperial Guard Headquarters February. 2016 Chief, Niigata Prefectural Police Division Director, March, 2018 College of National Police Agency Deputy Director-General of the National Police Agency (in charge of measures for crime victims) January. 2019 General Manager, Hokkaido Police Division Resigned in August 2020 January. 2021 Adviser, Mitsui Sumitomo Insurance Co., Ltd.	(NOTE)3	5

			June. 2022 Director of the Company (to present) December. 2022 Counselor, National Association of Road Signs and Marking Dealers May 2023 (1 company) Senior Executive Director, National Road Signs and Signage Association (present) June. 2023 Auditor, UTMS Institute (part-time) (current)			

Title	Name Title	Date of birth	Brief History	Term of Office	Number of shares held (Thousands of Shares)
Director	Kaname Uchida	Born June 14, 1954	April. 1978 Joined Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism) July 2004 Director, Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism August. 2005 Director, General Affairs Division, Policy Bureau, Ministry of Internal Affairs and Communications July 2006 Chief of the General Affairs Division and Deputy Director-General of the Minister's Secretariat (Minister's Secretariat) July. 2007 Deputy Vice-Minister of Minister and Secretariat (Policy Bureau) July. 2009 Deputy Director-General of the Minister's Secretariat August. 2010 Director, Land & Water Resources Department July. 2011 Director, Land and Bureau of Construction, Trade and Industry July 2012 Vice President, Urban Renaissance Agency July. 2014 Senior Vice President, Cabinet Secretariat, and General Manager, Regional Revitalization Integrated Secretariat January, 2015 Cabinet Secretariat, Cabinet Secretary, Cabinet Secretary, General of Regional Revitalization (Cabinet Secretary, Cabinet Secretariat, General Manager of the World Heritage Registry Promotion Office) Coupled with the Cabinet Office, Head of Regional Revitalization Promotion Office July 2015 Resignation November 2015 Executive Vice President of Real Estate Association Visiting Professor, Reizawa University, April, 2017 (to present) July 2023 (Single Company) Advisor to the Real Property Association (current) July 2023 Director-General of Land Corporate R & D Laboratories June 2024 Director of the Company (to present)	(NOTE)3	-
Director	Yuko Kanamaru	Born August 25, 1979	October. 2006 Registered as Attorney-at-law (belonging to the Second Tokyo Attorney-at-law Association) Joined Mori Hamada & Matsumoto February, 2013 Registered as Attorney-at-law, New York, USA Partner-Partner January, 2018 Mori Hamada Matsumoto Attorney-at-law July 2022 External Audit of Acuris Pharma Co., Ltd. (current) January. 2023 Partner of Gaien Law Office Attorney-at-law (current) Outside February, 2023 Bleaf Co., Ltd. Audit & Supervisory Board Member June. 2023 Member of AI Outside Director Co., Ltd. (Audit and Supervisory Committee) (to present) July 2023 HEROZ Corporation Outside Director (Audit and Supervisory Committee Member) (current) June 2024 Director of the Company (to present)	(NOTE)3	-
Director	Yasuko Ono	Born on November 4, 1965	April. 1989 Joined The Taiyo Kobe Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation) April. 1997 Acting General Manager, Financial Markets Division of the Bank November 2006 Deputy General Manager, Sumitomo Mitsui Banking Corporation Europe (UK) (currently SMBC Bank International plc) December. 2009 Loan Officer, International Corporate Sales Department, Sumitomo Mitsui Banking Corporation April. 2010 General Manager, International Corporate Sales Department April, 2012 Deputy General Manager, International Corporate Sales Dept. President of April, 2014 SMBC SSC (Malaysia) May 2016 Senior Promoter, General Affairs Department, Sumitomo Mitsui Banking Corporation April, 2017 General Manager, Assets Audit Department of Bank April. 2019 Adviser, SMBC Consumer Finance Co., Ltd. June, 2019 Company Standing Audit & Supervisory Board Members SMBC MOBIT Part-time Audit Co., Ltd. June. 2022 SMBC Credit Guarantee Co., Ltd. Part-time Audit July. 2023 Advisor, SMBC Consumer Finance Co., Ltd. May 2024 Outside Audit & Supervisory Board Member, Aeon Financial Service Co., Ltd. (current) June 2025 Director of the Company (to present)	(NOTE)3	-

Title	Name Title	Date of birth	Brief History	Term of Office	Number of shares held (Thousands of Shares)
Standing Audit & Supervisory Board Members	Yuko Miura	Born on March 10, 1984	December. 2005 Joined ChuoAoyama Audit Corporation (currently PwC Japan LLC) May 2008 Registered as Certified Public Accountant February. 2012 Joined Novartis Pharma 0.0. Corporate Accounting Department June 2019 Stadist Audit, Inc., full-time, June. 2020 Full-time Audit & Supervisory Board Member of the Company (to present) October. 2020 Audit & Supervisory Board Member, Nikko Takara Corporation (currently Leben Home Build Co., Ltd.) Takara Leben Realnet Co., Ltd. Audit & Supervisory Board Members Outside Audit & Supervisory Board Member, 2022 March Co., Ltd. (currently Monster Lab Co., Ltd.) June 2022 Leben Zestock Co., Ltd. Audit & Supervisory Board Member (current position) October 2022 Takara Leben Co., Ltd. Audit & Supervisory Board Member (current position) December 2023 External Audit of Pacific Consultants Co., Ltd. (current) May 2024 Takara Leben Realnet Co., Ltd. Audit & Supervisory Board Members (current position)	(NOTE)4	-
Standing Audit & Supervisory Board Members	Masaki Kimura	Born on June 11, 1964	April. 1987 Joined Kyowa Bank, Ltd. (currently Resona Bank, Ltd.) April. 2006 General Manager, Hiroakiji Branch of the bank April. 2008 Member of Audit Department, Resona Holdings Co., Ltd. July. 2008 Senior Audit Representative of the Company's Audit Department July. 2011 Group Leader, Trust Business Administration Department, Resona Bank, Ltd. October. 2016 General Manager, Investment Management Office of the Bank General Manager, Trust Administration Office, April, 2017 Bank January. 2020 Manager of Investment Risk Management Department seconded to Resona Asset Management Co., Ltd. Assigned to April, 2021 Company; General Manager of Executive Officers Business Department; in charge of IT Strategy Department; and in charge of Investment Risk Management Department October. 2021 General Manager of Executive Officers Business Dept. in charge of IT Strategy Dept. and Investment Risk Control Dept. April. 2024 Joined Resona Bank, Ltd. Loan Advisor, Resona Asset Management Co., Ltd. June 2024 Standing Audit & Supervisory Board Members of the Company (to present) Takara Leben Co., Ltd. Audit (current position) Audit & Supervisory Board Member, MIRARTH Asset Management Inc.. (current position) Audit & Supervisory Board Member, MIRARTH Energy Solutions Inc.. (current position)	(NOTE)4	-
Part-time Audit	Akihito Watanabe	Born on December 3, 1961	April. 1984 Joined the Shoko Chukin Bank July. 2005 General Manager, Fukushima Branch of Savings Bank July. 2007 General Manager, Niigata Branch of the same safe July. 2010 Counselor, General Affairs Department, Bank July. 2011 Counselor, Banking Business Promotion Department June. 2012 General Manager, Compliance Office December. 2013 General Manager, Credit Control Dept., The Bank August 2015 Managing Director, Executive Officers, Shoko Chukin Keizai Inc. April. 2019 Managing Executive Officers, Shoko Chukin Lease Co., Ltd. June 2024 Part-time Audit of the Company (to present) Takara Leben Co., Ltd. Audit (current position) Leben Trust Co., Ltd. Audit (current position) June 2025 Leben Home Build Co., Ltd. Audit & Supervisory Board Member (current position) Audit & Supervisory Board Member, MIRARTH Real Estate Advisory Inc.. (current)	(NOTE)4	-
Total					1,527

(NOTE)1. 4 of Naohito Yamagishi, Director, Kaname Uchida, Yuko Kanamaru and Yasuko Ono are Outside Director.

2.Audit & Supervisory Board Member Yuko Miura, Masaki Kimura and Akihito Watanabe are 3 outside Audit & Supervisory Board members.

It is from the closing of Annual Shareholders' Meeting on June 25, 3.2025 to the closing of Within 1 year's final Business Year.

It is from the closing of Annual Shareholders' Meeting on June 26, 4.2024 to the closing of Within 4 years's final Business Year.

5.We Election a substitute Audit officer as stipulated in Article 329 III of the Companies Act in case the number of Audit officers as stipulated by law is not available. Brief history of Audit & Supervisory Board Member is as follows.

Name Title	Date of birth	Brief History	Number of shares held (Thousands of Shares)
Asami Honma	Born on January 21, 1959	April. 1981 Joined The Saitama Bank, Ltd. (currently Resona Bank, Ltd.) November 1999 General Manager, Shinsayama Branch, Asahi Bank, Ltd. (currently Resona Bank, Ltd.) October. 2001 General Manager, Ikebukuro Branch March. 2003 General Manager, Sales Department II, Ikebukuro Branch, Resona Bank, Ltd. September. 2005 Seconded to Resona Business Service Co., Ltd. February 2010 General Manager of Loan Support Department for Loans Transferred to the Company April. 2015 General Manager, Corporate Planning Department, Executive Officers April. 2016 Director April, 2017 Managing Director & Director June. 2018 Outside Audit & Supervisory Board Member of the Company April. 2019 Adviser, Resona Business Service Co., Ltd. June, 2019 Our Standing Audit & Supervisory Board Members October. 2019 Leben Trust Co., Ltd. Audit & Supervisory Board member May 2020 Takara Leben Co., Ltd. West (currently Takara Leben Co., Ltd.) Audit & Supervisory Board Member May 2022 Takara Leben Realnet Co., Ltd. Audit & Supervisory Board Members October, 2022 Our Part-time Audit June 2023 Leben Community Co., Ltd. Audit & Supervisory Board Member (current position)	-

6.We have introduced Executive Officers system, and in addition to the above, we have the following 9 Executive Officers.

Executive Officers Yoshitaka Tejima

Executive Officers Mamoru Takahashi

Executive Officers Mika Takara

Executive Officers Go Yamaji

Executive Officers Kensuke Suzuki

Executive Officers June Miura

Executive Officers Ken Yasuda

Executive Officers Shinya Yokota

Executive Officers Kosuke Yamamoto

② Status of Outside officers

We Election 4 Outside Director members, and all 3 of our Audit & Supervisory Board members are outside Audit & Supervisory Board members.

In addition, we have established independence standards for Election of Outside Director or Outside Audit & Supervisory Board Members. These standards include the fact that we do not have a personal relationship or business relationship with us, that we satisfy the independence requirements stipulated by Tokyo Stock Exchange, that there is no risk of Profit conflict with ordinary shareholders, that we have extensive experience and Actual at Financial institutions and other companies, and that we have a wide range of knowledge and views in various specialized fields such as tax, accounting and legal matters.

Yasuko Ono of Outside Director has a career as the general manager of Assets Audit Department of Sumitomo Mitsui Banking Corporation, our borrower, and the ratio of the amount borrowed from the bank to our borrowed amount (as of March 31 2025) is approximately 29.1%. However, more than 6 years have passed since he retired as the general manager of Assets Audit Department of Sumitomo Mitsui Banking Corporation. As a result, the Company has determined that this will not affect his independence.

Outside Audit & Supervisory Board Member Masaki Kimura was employed by Resona Bank, Ltd., our borrower. However, the ratio of the amount borrowed from the bank to our borrowed amount (as of March 31 of 2025) was approximately 2.95%, and since more than 1 year has already passed since he retired from the company, we have determined that this will not affect his independence.

Outside Audit & Supervisory Board Member Akihito Watanabe was the General Manager of the Credit Supervisory Department of the Shoko Chukin Bank, Ltd., which is our borrower. However, as the ratio of the amount of borrowings from the bank to our borrowings (as of March 31 2025) was approximately 0.13%, and since more than 9 years have passed since he retired as the General Manager of the Credit Supervisory Department of the Company, we have determined that his independence will not be affected.

There are no personal or business relationships between Other's Outside Director, Outside Audit & Supervisory Board Members and us. The number of shares of our company owned by each outside officer is described in "(2) Status of officers, ① List of officers."

③ Relationship between Supervise or Audit by Outside Director or Outside Audit & Supervisory Board Members and Internal Audit, Audit & Supervisory Board Members Audit and Accounting Audit, and Relations with Internal Control Divisions

Outside Audit & Supervisory Board Members constantly Audit and Board of Directors and other important meetings, and from that standpoint, express their views as needed to constantly Director's business operations and Supervise. With regard to Standing Audit & Supervisory Board Members, the Company has a deep understanding of management, is proactively working to improve Audit's environment and gather internal information. The Company routinely monitors the status of the establishment and operation of internal control systems, and objectively expresses its opinions and provides advice. The Company believes that management is sufficiently appropriate.

Outside Director interviews with Audit & Supervisory Board on a monthly basis to grasp the current situation and issues and make comments on Board of Directors, and outside Audit & Supervisory Board members follow Collaboration with Internal Audit Office and Accounting Auditor as well as Audit Policy and Audit planning group by Audit & Supervisory Board.

Outside Audit & Supervisory Board Members check Internal Audit Office's Audit Details and solicit opinions from them as necessary. They also monitor and verify whether Accounting Auditor conducts appropriate Audit, and Accounting Auditor receives Report and explanations on the status of the execution of their duties and Audit various financial statements in an effort to establish an effective and efficient OOG system.

(3)[Audit Status]

① Audit & Supervisory Board Members Audit Status

a. Audit & Supervisory Board Member Audit's organizational structure, personnel, and procedures

We are a company with Audit & Supervisory Board, and Audit & Supervisory Board is comprised of 3 outside Audit & Supervisory Board members who have been delivered to Tokyo Stock Exchange as independent Outside officers.

Yuko Miura is a Standing Audit & Supervisory Board Members qualified Certified Public Accountant and is involved in the field of tax and accounting at Audit corporations and general business companies. Also, Masaki Kimura and Akihito Watanabe, who are also Part-time Audit, have held the positions of branch manager and department manager at Financial institutions, and both have knowledge of finance, accounting, and organizational management, etc.

In addition, the above 3 Audit & Supervisory Board members also serve as Audit officers for Takara Leben Co., Ltd., a subsidiary. In effect, the Company and Takara Leben Co., Ltd. conduct Audit together under a system of 3 Standing Audit & Supervisory Board Members.

Frequency of Submitting Company's Audit & Supervisory Board Members' and Audit & Supervisory Board's activities in b. Current fiscal year, and Details, etc.

The above 3 outside Audit & Supervisory Board members Audit the status of execution of duties by Director and For Other employees in their respective Audit activities from the standpoint of legality and appropriateness. Audit & Supervisory Board Members' Audit results are summarized in Audit report after Report and discussions at Audit & Supervisory Board meetings held over the month Once and Audit & Supervisory Board Members' meetings held as appropriate. In Audit process, groups conduct efficient and effective Internal Audit Office by listening to Accounting Auditor's Details, as well as the outcome of the work conducted by our Accounting Auditor.

Specific activities of Audit & Supervisory Board Members Details include attending Board of Directors and holding Audit & Supervisory Board (see table below), attending and presenting opinions at key meetings such as Compliance Committee and Risk Management Committee (see Page 76) and Executive Committee, and enhancing the effectiveness of Cooperation and information sharing and Audit by holding Group Audit & Supervisory Board and Audit report meetings with Audit companies. We also engage in exchanges of views and recommendations through monthly interviews independently of our internal Director and Outside Director. We also conduct on-site audits of divisions and business sites (including Audit of subsidiaries-for which Audit also serves) to ascertain the status of Director and Executive Officers and other executives and employees through interviews. In addition, the Committee inspects and verifies important documents such as proposals and accounting, responds to whistle-blowing issues through the whistle-blowing system (Helpline), and verifies the status of the Company's response to cases and the effectiveness of preventing recurrence.

The specific Details of deliberations (resolution and consultation Details) at Audit & Supervisory Board in Fiscal Year 2024 are described below. At Audit & Supervisory Board, we discussed issues that were recognized as a result of Audit, and offered suggestions and suggestions at the meetings of Board of Directors and Compliance/Risk Management Committees, as well as through interviews with Representative Director and other senior employees.

<Major Report and consultation items including resolutions at Audit & Supervisory Board and Audit & Supervisory Board Members' meetings>

・Matters for Resolution

Audit & Supervisory Board Members Consent to Election Proposal, Approval of Audit Corporation's Audit Result Report, Approval of Standing Audit & Supervisory Board Members & Audit & Supervisory Board Chairman's Election and Audit Director Compensation, Approval of Audit & Supervisory Board Audit Plan, Consent to Audit Compensation of OOG Corporation

・Report and Consultation

The status of Board of Directors operations, the legality of agenda items, etc., and the status of Details reviews, statutory documents, disclosed documents, etc., Details reviews, information sharing on whistle-blowing cases, response status, and systems for preventing reoccurrence, etc., the ideal status of the compliance/risk management system, the status of business operations of Group subsidiaries, and the status of controls by the parent company, etc.

Attendance Status of Audit & Supervisory Board Members to Board of Directors and Audit & Supervisory Board are as follows:

Title	Name Title	Attendance Status	
		Board of Directors	Audit & Supervisory Board
Standing Audit & Supervisory Board Members	Yuko Miura	19 times/19 times (100%)	12 times/12 times (100%)
Standing Audit & Supervisory Board Members	Masaki Kimura	15 times/15 times (100%)	9 times/9 times (100%)
Part-time Audit	Akihito Watanabe	15 times/15 times (100%)	9 times/9 times (100%)
Standing Audit & Supervisory Board Members	Makoto Endo	4 times/4 times (100%)	3 times/3 times (100%)
Part-time Audit	Asami Honma	4 times/4 times (100%)	3 times/3 times (100%)

(NOTE)1. Standing Audit & Supervisory Board Members Masaki Kimura and Part-time Audit Akihito Watanabe, Board of Directors and Audit & Supervisory Board's Attendance Status are based on the number of Board of Directors and Audit & Supervisory Board held in Fiscal Year 2024 since their appointment on June

26, 2024.

2.Standing Audit & Supervisory Board Members Makoto Endo and Part-time Audit Asami Honma's Board of Directors and Audit & Supervisory Board's Attendance Status are based on the number of Board of Directors and Audit & Supervisory Board held in Fiscal Year 2024 before their retirement on June 26, 2024.

c. Current fiscal year Priority Audit Items, etc.

The key Audit defined by Audit & Supervisory Board in Current fiscal year are as follows.

Priority Audit Items	Audit Points
Audit Related to Legal Compliance, Risk Management, and Other Internal Control Systems (Corporate Law)	・Audit of internal control systems based on the provisions of the Companies Act
Audit of Internal Control Over Financial Report	・Audit of the Internal Control Report ・Determination of appropriateness of Accounting Auditor
Audit for group-management functions	・Strengthening and Promoting the Group Risk Management System ・Audit on Enhancing HD's Group-Management Functions ・Strengthen management oversight functions through HD Board of Directors

② Internal Audit Status

In order to enhance and strengthen our internal Audit, we have established a group-wide Internal Audit Office (7 persons) as an independent office under the direct control of the president. In addition, the Internal Audit Regulations have been established to coordinate with Audit & Supervisory Board Members Audit and Accounting Auditor Audit in planning and implementing internal Audit and to ensure the efficient operation of various functions. In addition, Audit & Supervisory Board Members strive to establish an effective and efficient Internal Audit Office system by confirming Audit Details and gathering opinions as necessary. With regard to reporting lines, the Group Internal Audit Office conducts regular Report of Audit activities directly to Board of Directors and Audit & Supervisory Board, and by operating this system, Collaboration system of the Group Internal Audit Office and Director and Audit & Supervisory Board Members is secured.

③ Financial Audit Status

A. Name of Audit Corporation

Grant Thornton Taiyo LLC.

I. Continuous Audit duration

From the fiscal year ended March 1999 onward

U. Certified Public Accountant who execute business

Designated Limited Liability Partners Managing Partner ISHIHARA TETSUYA

Designated Limited Liability Partners Managing Partner Takafumi Shimokawa

E. Composition of assistants for Audit services

We have 17 Certified Public Accountant and 13 Other as assistants in our Audit services.

O. Audit Corporation Selection Policy and Reasons

With regard to Accounting Auditor, we comprehensively evaluate and determine Accounting Auditor candidates by referring to the Practical Guidelines for Audit & Supervisory Board Members, etc. related to the formulation of standards for evaluating and selecting Accounting Auditor issued by the Japan Audit & Supervisory Board Members Association.

In the event Audit & Supervisory Board deems that Accounting Auditor falls under any of the items set forth in Article 340 I of the Corporation Law, Accounting Auditor shall be dismissed with the consent of all Audit.

There is no particular Interests between Audit Corporation and Managing Partner, an Audit corporation engaged by us. In addition, Managing Partner of Audit Corporation is not to be involved for more than a certain period of time. The Company has concluded an audit agreement and pays audit fees under the agreement.

On December 26, 2023, Grant Thornton Taiyo LLC., our Accounting Auditor, was disposed of by the Financial Services Agency for 3 months from January 1, 2024 to March 31 of the same year, except for renewal of the term of Audit contract and new contracts associated with the listing of Audit companies that have already signed Audit contracts. Audit & Supervisory Board received an explanation from Grant Thornton Taiyo LLC. regarding this disposition, but it has been judged that this will not affect our qualification as a Accounting Auditor.

Ka. Valuation of Audit & Supervisory Board Members and Audit & Supervisory Board Corporations

As mentioned above, Accounting Auditor is evaluated based on the Practical Guidelines for Audit & Supervisory Board Members on the Evaluation of Accounting Auditor and Establishment of Selection Standards published by the Japanese Institute of Audit & Supervisory Board Members.

We received Report from Audit Corporation regarding Audit plan and quarterly financial results, and verified its Details and asked and discussed major accounting issues. In addition, regarding the quality control system to ensure that the independence of Accounting Auditor and the execution of duties are carried out properly, which is of particular importance, we confirmed that there are no particular problems. We received briefings at Audit corporations on the outline of the quality control system and explanations on the status of subsequent improvements to the results of the most recent external reviews by the Japan Certified Public Accountant Association and Audit Review Board (Financial Services Agency).

Regarding Key Audit Considerations (KAM), which Accounting Auditor considers particularly important when conducting Audit in its Audit report documents, discussions with Audit & Supervisory Board over the course of the period were made on the following 2 items, focusing on items selected as candidates by Audit corporations and taking into account the impact on accounting treatment of various management measures implemented during the period.

・Impairment review of Fixed assets held for Energy Business

・Revenue Recognition for Sale Transactions of Real Estate and Generation Facilities

Audit & Supervisory Board confirmed the reasons for Audit Corporation's decisions regarding the ultimate KAM and our response to these items and Audit Corporation's assessment are appropriate.

In addition to the above issues, the Company has decided to reappoint Audit Corporation as well as determining Other Be related status of Collaboration between Audit Corporation and the Corporate Manager, the Accounting Division, and the Internal Audit Division.

④ Details of Audit compensation, etc.

a. Compensation for Audit Certified Public Accountant, etc.

Category	End of Previous Consolidated Accounting Period		Current Consolidated Fiscal Year	
	Compensation Based on Audit Certification Services (Millions of yen)	Non Audit Business-Based Compensation (Millions of yen)	Compensation Based on Audit Certification Services (Millions of yen)	Non Audit Business-Based Compensation (Millions of yen)
Submitting Company	34	-	36	2
Consolidated subsidiaries	39	-	24	-
Total	73	-	60	2

(End of Previous Consolidated Accounting Period)

Not applicable.

(Current consolidated fiscal year)

Our non Audit business, Details, is a comfort letter creation business.

1. Compensation for organizations belonging to the same network (Grantsonton) as Audit Certified Public Accountant, etc. (excluding A.

Not applicable.

U. Details of compensation based on Other's critical Audit certification services

(End of Previous Consolidated Accounting Period)

Not applicable.

(Current consolidated fiscal year)

Not applicable.

E. Policy for Determining Audit Compensation

Our Audit compensation for Audit corporations is determined after consultation with Audit & Supervisory Board, taking into account Audit system, the number of days spent, and other factors.

O. Reasons for Audit & Supervisory Board's consent to Accounting Auditor's compensation, etc.

With regard to Accounting Auditor's Audit compensation, based on the Practical Guidelines on Collaboration with Accounting Auditor published by the Japanese Audit & Supervisory Board Members Association, we have discussed and agreed on the status of Audit's Details and Audit operations in light of our size and business Details, and whether the basis for calculating the compensation estimates is appropriate.

(4)[Compensation of Directors and Audit & Supervisory Board Members]

① Matters pertaining to Policy concerning the amount of Remuneration, etc. for officers or the determination of the methods for calculating such amount;

When determining the amount of remuneration, etc., for executives, we aim to effectively function as a reward for expanding business performance and enhancing corporate value in order for us to achieve sustainable growth. As for the level of remuneration, based on Comparison with other companies in the same company and companies of the same size, we set a level commensurate with our business performance, and determine the amount of remuneration based on the degree of contribution of the respective Director to business performance, etc., with the aim of linking it to a sound, efficient, and stable going concern.

The following is an Details of the Company's specific basic policy on executive compensation.

(i) Decisions on Details of remuneration, etc. for each Individuals of Director: Matters concerning Policy

1. Determination method of decision policy

The decision-making policy is deliberated and approved by the Compensation Advisory Committee and is determined by Board of Directors in respect of Details approved by the Compensation Advisory Committee. At Board of Directors held on December 25, 2023, we resolved to Policy Details of Director's compensation by Individuals.

2. Summary of Details Decision-Making Policy

a. Basic Policy

The Company shall determine remuneration etc. for officers within a range resolved by the general meeting of shareholders, in comprehensive consideration of results, will be determined based on the advice of the Compensation Advisory Committee, which is a voluntary advisory body, comprehensively considering Director performance, potential risks, the degree of responsibility for group management, and the degree of progress in the medium-term management plan. With regard to business execution Director, a certain percentage of compensation will be linked to performance and the degree of contribution of the respective Director, so that it functions as an incentive for sustainable growth. This will lead to a sound, efficient, and stable going concern.

The details of the basic policy on remuneration for executive directors are as follows:

・It should contribute to the enhancement of our corporate value.

・The level of money and design that can attract and retain talented personnel.

・It should be designed to reflect our medium-and long-term management strategies and should be motivated to do so.

・To have transparency, fairness, and rationality for stockholders, employees, and other stakeholders, and to be determined through appropriate Collateral processes.

・In addition to Basic remuneration, it shall be determined based on the compensation system designed by introducing Individuals assessment-linked and performance-linked.

Policy (including a policy for the determination of time or conditions for granting remuneration, etc.) concerning the determination of the amount of remuneration, etc. by Individuals of b. Basic remuneration (monetary remuneration)

Our Director's Basic remuneration (monetary remuneration) is based on a Basic remuneration table that takes into account the industry level, the level of other companies, and the level of employee salaries comprehensively, depending on the position, responsibilities, and years of service. The monthly remuneration is based on an equal amount in December.

Details of c. performance-linked remuneration, etc. and non-monetary remuneration, etc. and Policy (including a policy for the determination of time or conditions for granting remuneration, etc.) for determining the methods of calculating the amount or number

Remuneration other than Basic remuneration for our Director shall be a cash Bonus and a Equity securities remuneration Stock options, and the payment or non-payment shall be determined according to the degree of achievement of the performance Target or ESG Target in the relevant period. In addition, each Business Year evaluates the following 5 assessment items ("P.C.F.P.A." assessments) on a 5-point scale, depending on the degree of achievement, and determines them upon consultation with the Compensation Advisory Committee, which is a voluntary advisory committee.

・Performance (Performance): Performance of own division

・Compliance (Compliance): Legal compliance, morals, etc.

・Foresight (Foresight): Ability to grasp and analyze the situation, and ability to plan business

・Strength (Physical): Business promotion capabilities

・Affinity (Affinity): Ability to build relations

The specific amount or number of payments to be paid will be determined based on individual evaluations of each business execution Director, but cash Bonus may be paid according to Target achievement status, etc. of the divisions in charge of each business execution Director, even if the performance Target for the relevant fiscal year is not achieved. Performance indicators, or targets, shall be set each year and shall be reviewed in response to changes in the environment as needed.

Equity securities compensation type Stock options shall be Class A Stock options exercisable after a certain period of time and Class B Stock options exercisable at the time of retirement.

Policy for Determining the Ratio of the Amount of d. Basic remuneration, Performance-Based Compensation, etc. or Non-Monetary Compensation, etc. to the Amount of Compensation, etc. by Individuals of Director

As a general rule, the percentage of Director compensation is as follows: "Director Basic remuneration: Cash Bonus: Class A Stock options: Class B Stock options = 5:2:2:1."

The Compensation Advisory Committee, an advisory body, determines the amount of individual compensation. The Compensation Advisory Board will Report the total amount to be paid at Board of Directors each time.

(ii) The matters concerning the delegation concerning the determination of remuneration, etc. according to Individuals of Director and the reasons why Board of Directors determined that Details of remuneration, etc. according to Individuals pertaining to Current fiscal year was in line with the said Policy

The amount of individual compensation for Director is determined by the Compensation Advisory Committee authorized by the resolution of Ordinary General Meeting of Shareholders based on Board of Directors's Individuals and other Details decisions and Policy determined by the resolution of Board of Directors. The reason for delegating Director's authority to determine Individuals compensation to the Compensation Advisory Committee is to enhance transparency and accountability in determining compensation.

As mentioned above, the Compensation Advisory Committee has decided on the amount of individual compensation for Director and has implemented measures to Board of Directors to Report the total amount paid. As the amount of compensation by Director's Individuals has been determined through these procedures, our Board of Directors has determined that Policy of compensation by Individuals of Director related to Current fiscal year is in line with the above-mentioned determination Individuals.

The members of the Compensation Advisory Committee are as follows.

Chair Satoshi Uchida (Outside Director) Member Naoto Yamagishi (Outside Director)

Kazuichi Shimada (Representative Director, Group CEO, Group COO, President and Executive Officers)

(iii) Details of non-monetary compensation, etc.

Our non-monetary compensation shall be Equity securities compensation type Stock options, and in principle shall be issued when the performance in the relevant fiscal year achieves Target, etc. The number of stock-based compensation-type stock options granted or not paid will be determined based on the performance achievement evaluation of each executive director. Target performance indicators are set each year and reviewed as appropriate in response to changes in the environment.

Equity securities compensation type Stock options is Class A Stock options exercisable after a certain period of time and Class B Stock options exercisable upon retirement.

(iv) Matters concerning the remuneration, etc. for Director and Audit: Matters concerning the provisions by resolution; and

Director's compensation limit is set at 600 Millions of yen per annum (excluding employee salaries) for up to 15 Director members as defined in the Articles of Incorporation in the 45th Annual Shareholders' Meeting held at June 27, 2017. At the conclusion of this Ordinary General Meeting of Shareholders, the number of directors was 10 (including 3 in Outside Director). In addition, it was resolved at 49th fiscal year Annual Shareholders' Meeting held by June 25, 2021 that the amount of Stock options compensation will be no more than 600 Millions of yen per year. The number of Directors excluding Outside Director as of the closing of Ordinary General Meeting of Shareholders is 8.

The maximum amount of Audit & Supervisory Board Members' compensation was resolved to be 60 Millions of yen per year for the number of Audit & Supervisory Board Members (up to 5) as stipulated in the Articles of Incorporation under the extraordinary Ordinary General Meeting of Shareholders held on July 16, 1999. At the closing of Ordinary General Meeting of Shareholders, there were 3 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members).

② Total Total amount of remuneration and Compensation by Type and Number of executives eligible for each Executive Category

Executive Category	Total amount of remuneration (Millions of yen)	Total (Millions of yen) of Compensation by Type				Number of executives eligible (People)
		Basic remuneration	Stock options	Bonus	Retirement bonuses	
Director (Excluding Outside Director)	282	129	84	68	-	3
Outside officers	65	65	-	-	-	10

(NOTE)1. The amount paid by Director does not include the employee's portion of the employee's salary of Director.

2.Stock options is the amount recorded as expenses in Current fiscal year for Subscription rights to shares allocated, and the number of persons to be paid is 2 Director.

③ Total amount of remuneration of a person whose Total amount of remuneration is 100 million yen or more

Name Title	Total amount of remuneration (Millions of yen)	Executive Category	Corporate Category	(Millions of yen) of Compensation by Type			
				Basic remuneration	Stock options	Bonus	Retirement bonuses
Kazuichi Shimada	193	Director	Submitting Company	90	57	46	-

(5)[Equity securities's holdings]

① Equity securities's Category standards and philosophy

Equity securities, which is held for the purpose of receiving Profit from changes in the value of Equity securities or dividends, is designated as investment Equity securities, which is the net investment objective, and the rest is designated as investment Category, which is the objective other than the net investment objective.

② Investment Equity securities held for purposes other than pure investment

a. Testing Details in Board of Directors, etc. regarding the appropriateness of holding Policy and the reasonableness of holding individual Brand

The main objective of our Equity securities holdings Policy is to facilitate business relationships. Based on the share price and other factors, we judge whether to continue holding the shares and make a It continues its cross-shareholding if the cross-holding is reasonable..

The Board of Directors and other bodies examine cross-shareholdings in detail to determine if their purpose is appropriate and the benefits and risks related to the cross-shareholdings are worth the capital cost. Summaries of these examinations are disclosed. is verified as appropriate.

b. Number of issues and Balance Sheet Amount Total

	Number of issues (issue)	Balance Sheet Amount Total amount (Millions of yen)
Unlisted stocks	8	315
Shares other than unlisted shares	7	2,339

(Issues with an increase in the number of shares in the current fiscal year)

	Number of issues (issue)	Acquisitions related to increased Equity securities Value Total Value (Millions of yen)	Reasons for increased Equity securities count
Unlisted stocks	-	-	-
Shares other than unlisted shares	1	-	Because Unlisted stocks that had been held was newly listed

(NOTE)The increase in Shares other than unlisted shares of Number of issues 1 is due to the new listing of Equity securities held by the Company, and there is no acquisition cost.

(Issues whose number of shares decreased in the current fiscal year)

	Number of issues (issue)	Sale related to the decrease in the number of shares Value Total Value (Millions of yen)
Unlisted stocks	1	-
Shares other than unlisted shares	-	-

(NOTE)Unlisted stocks reduction Number of issues 1 is a decline due to the new listing of Equity securities held by the Company, and there is no sale price.

c. Specified investment shares and Equity securities for each Brand and Balance Sheet Amount of deemed holdings

Specified investment shares

<table>
<tr><td rowspan="3">Brand</td><td>Current fiscal year</td><td>Prior taxable year</td><td rowspan="3">Outline of holding purpose, business alliance, etc., Quantitative holding effect And reasons for the increase in the number of shares</td><td rowspan="3">Holding of our shares</td></tr>
<tr><td>Shares (Shares)</td><td>Shares (Shares)</td></tr>
<tr><td>Balance Sheet Amount (Millions of yen)</td><td>Balance Sheet Amount (Millions of yen)</td></tr>
<tr><td rowspan="2">Takara Leben Real Estate Investment Corporation</td><td>14,385</td><td>14,385</td><td rowspan="2">We are the sponsor of this corporation and hold it to maintain and strengthen good relationships.</td><td rowspan="2">None</td></tr>
<tr><td>1,237</td><td>1,461</td></tr>
<tr><td rowspan="2">AS Partners Co., Ltd.</td><td>517,000</td><td>-</td><td rowspan="2">The Company held Equity securities prior to the listing of Brand on April 4, 2024, in order to gather data on industry trends and expansion of business domains.
As a result of the new listing, the Company has been classified as a Specified investment shares since Fiscal Year 2024.</td><td rowspan="2">None</td></tr>
<tr><td>960</td><td>-</td></tr>
<tr><td rowspan="2">Concordia Financial Group, Inc.</td><td>43,280</td><td>43,280</td><td rowspan="2">The Company maintains these assets to ensure continued smooth financing activities. engages in ongoing banking transactions with a focus on project-based financing</td><td rowspan="2">None (Note 2)</td></tr>
<tr><td>42</td><td>33</td></tr>
<tr><td rowspan="2">Tsukuba Bank, Ltd.</td><td>141,000</td><td>141,000</td><td rowspan="2">The Company conducts loans and other banking transactions mainly for projects in Ibaraki Prefecture, and holds them in order to continue to secure financing activities.</td><td rowspan="2">Yes</td></tr>
<tr><td>35</td><td>42</td></tr>
<tr><td rowspan="2">Musashino Bank, Ltd.</td><td>10,000</td><td>10,000</td><td rowspan="2">We have financed large-scale projects that extend over a long period of time. The Company will continue to hold these assets to ensure smooth financing activities.</td><td rowspan="2">Yes</td></tr>
<tr><td>32</td><td>29</td></tr>
<tr><td rowspan="2">Resona Holdings Co., Ltd.</td><td>20,000</td><td>20,000</td><td rowspan="2">We receive loans that are not constrained by area or business, and we continue to hold them to ensure smooth financing activities.</td><td rowspan="2">None</td></tr>
<tr><td>25</td><td>19</td></tr>
<tr><td rowspan="2">Tokyo Kiraboshi Financial Group, Inc.</td><td>1,000</td><td>1,000</td><td rowspan="2">We receive financing for a wide range of businesses, not limited to the new condominium business, mainly in Tokyo. The Company maintains these assets to ensure continued smooth financing activities.</td><td rowspan="2">None (Note 2)</td></tr>
<tr><td>5</td><td>4</td></tr>
</table>

(NOTE)1. Quantitative holding effect is not stated because it is difficult to measure. For details on the method of verifying the rationality of the holding purpose, please refer to the "Method of verifying the rationality of holding a. and Policy and Details of verifying the appropriateness of holding individual Brand at Board of Directors, etc."

2.The portfolio company does not own our Equity securities, but our affiliate owns our Equity securities.

③ Investment Equity securities held for net investment purposes

Not applicable.

V. [Status of Accounting]

1.Preparation of Consolidated Financial Statements and Financial Statements

(1) Our consolidated financial statements have been prepared in accordance with the Regulations Concerning Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Ministerial Order No. 28, 1976).

(2) Our financial statements have been prepared in accordance with the Regulations on Terminology, Forms and Preparation Methods of Financial Statements (Ordinance of the Ministry of Finance No. 59 of 1963; hereinafter referred to as the "Regulations on Financial Statements, etc.").

In addition, we are a company submitting special financial statements and prepare financial statements in accordance with the provisions of Article 127 of the Ordinance on Financial Statements, etc.

2.About Audit Certification

Pursuant to Article 193-2 I of the Financial Instruments and Exchange Act, we have received Audit from Grant Thornton Taiyo LLC. on the consolidated financial statements of Fiscal year (April 1, 2024 to March 31, 2025) and Business Year (April 1, 2024 to March 31, 2025) on a consolidated basis.

3.Special Efforts to Ensure Appropriateness of Consolidated Financial Statements

We make special efforts to ensure the appropriateness of our consolidated financial statements. Specifically, the Company joins the Financial Accounting Standards Corporation and participates in seminars and other events in order to establish a system that enables it to appropriately understand Details of accounting standards, etc., or to respond appropriately to changes in accounting standards, etc.

1[Consolidated Financial Statements]

(1)[Consolidated Financial Statements]

①[Consolidated Balance Sheets]

(Millions of yen)

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Assets		
Current assets		
Cash and deposits	※4 42,740	※4 48,044
Notes, accounts receivable-trade and contract assets	※1,※4 8,335	※1,※4 3,775
Real estate for sale	※4,※5 47,381	※4,※5 53,551
Power generation facilities for sale	※5 65	※5 65
Real estate for sale in progress	※4,※5 76,598	※4,※5 92,729
Costs incurred on uncompleted contracts	40	34
Other	17,053	17,359
Allowance for doubtful accounts	△277	△297
Total current assets	191,937	215,263
Fixed assets		
Property, plant and equipment		
Buildings and structures	33,724	33,508
Accumulated depreciation	△5,969	△5,969
Buildings and structures (net)	※4,※5 27,755	※4,※5 27,539
Machinery and equipment	63,287	71,697
Accumulated depreciation	△10,834	△15,380
Machinery, equipment and vehicles, net	※4,※5 52,453	※4 56,316
Tools, furniture and fixtures	1,265	1,673
Accumulated depreciation	△966	△1,070
Tools, furniture, and fixtures, net	※4,※5 299	※4,※5 602
Land	※4,※5 33,759	※4,※5 33,826
Leased assets	345	355
Accumulated depreciation	△118	△149
Lease assets, net	226	205
Construction in progress	※4,※5 3,264	※4,※5 8,711
Total property, plant and equipment	117,759	127,201
Intangible assets		
Goodwill	3,420	3,014
Other	※4 4,643	※4,※5 4,881
Total intangible assets	8,063	7,895
Investments and other assets		
Investment securities	2,597	3,125
Long-term loans receivable	200	-
Deferred tax assets	4,258	4,680
Other	※3,※5 12,563	※3 14,295
Allowance for doubtful accounts	△0	△0
Total investments and other assets	19,619	22,100
Total fixed assets	145,441	157,198
Deferred assets	68	47
Total assets	337,447	372,508

(Millions of yen)

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Liabilities		
Current liabilities		
Electronically recorded obligations-operating	17,346	19,899
Accounts payable	9,772	8,514
Short-term borrowings	※4 25,621	※4 43,238
Current portion of bonds payable	2,806	1,006
Current portion of long-term loans payable	※4 44,102	※4 39,462
Lease obligations	34	36
Income taxes payable	3,571	2,874
Advances received	※2 9,167	※2 7,321
Bonus Allowance	850	864
Compensation for completed construction Allowance	614	891
Other	8,648	9,963
Total current liabilities	122,537	134,075
Fixed liabilities		
Long-term loans payable	※4 130,673	※4 136,185
Bonds payable	7,008	6,887
Lease obligations	214	188
Directors' and corporate auditors' retirement benefits Allowance	100	59
Liabilities related to retirement benefits	1,314	1,408
Asset retirement obligations	200	534
Deferred tax liabilities	2,489	2,773
Other	1,239	1,287
Total Fixed liabilities	143,240	149,325
Total liabilities	265,778	283,401
Net assets		
Shareholders' equity		
Capital stock	4,819	9,056
Capital surplus	3,375	8,083
Retained earnings	61,514	66,783
Treasury stock	△4,066	△1,657
Total shareholders' equity	65,643	82,265
Accumulated other comprehensive income		
Net unrealized gains on available-for-sale securities	127	583
Foreign currency translation adjustments	△36	62
Remeasurements of defined benefit plans	△17	42
Total accumulated other comprehensive income	73	688
Subscription rights to shares	277	326
Non-controlling interest	5,674	5,826
Total net assets	71,669	89,107
Total liabilities and net assets	337,447	372,508

②[Consolidated Statements of Income and Consolidated Statements of Comprehensive income]

[Consolidated Statements of Income]

(Millions of yen)

	End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Net sales	※1 185,194	※1 196,523
Cost of sales	※2 144,603	※2 154,212
Gross profit	40,590	42,311
Selling, general and administrative expenses	※3 25,133	※3 27,946
Operating income	15,457	14,364
Non-operating income		
Interest income	34	23
Dividend income	174	153
Commission received	122	137
Income from insurance claim	228	422
Gain from equity method investment	238	272
Miscellaneous income	395	330
Total non-operating income	1,193	1,340
Non-operating expenses		
Interest expenses	2,795	3,017
Arrangement fee	646	-
Miscellaneous expenses	223	261
Total non-operating expenses	3,666	3,278
Ordinary income	12,984	12,427
Extraordinary income		
Gain on subsequent acquisitions	-	0
Gain on sales of investment securities	145	-
Negative Goodwill gains	-	0
Gain on Fixed assets swap	-	143
Gain on sales of stock of affiliates	563	-
Total extraordinary income	709	144
Extraordinary loss		
Loss on disposal of Fixed assets	-	※4 36
Impairment loss	※5 508	-
Office relocation expenses	31	189
Loss on sales of shares of associated company	14	-
Loss on valuation of Stocks of subsidiaries and affiliates	-	506
Loss on construction compensation	-	282
Extraordinary losses Total	554	1,014
Income before income taxes and minority interests from silent partnerships	13,139	11,557
Distribution of loss in partnership	147	230
Income before income taxes	12,991	11,326
Income taxes, inhabitant taxes and business taxes	4,470	3,843
Income tax adjustments	244	△815
Total income and other taxes	4,714	3,028
Net income	8,276	8,298
Net income attributable to non-controlling interests	98	90
Net income attributable to owners of parent	8,178	8,207

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Net income	8,276	8,298
Other comprehensive income		
Net unrealized gains on available-for-sale securities	198	456
Foreign currency translation adjustments	△40	98
Remeasurements of defined benefit plans	△25	60
Total other comprehensive income	※ 133	※ 614
Comprehensive income	8,409	8,913
(Comprising)		
Comprehensive profit attributable to owners of the parent	8,311	8,822
Comprehensive income attributable to noncontrolling interests	98	90

③[Consolidated Statements of Changes in Shareholders' equity and Others]

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	4,819	4,820	55,971	△4,174	61,436
Change during the year					
Dividend of surplus			△2,635		△2,635
Net income attributable to owners of parent			8,178		8,178
Change due to exclusion from consolidation			1		1
Increase (decrease) in equity due to capital increase of Consolidated subsidiaries		△1,301			△1,301
Change in treasury shares of parent arising from transactions with non-controlling interests		△174			△174
Disposal of Treasury stock		31		108	140
Net changes of items other than Shareholders' equity					
Total changes of items during the period	-	△1,444	5,543	108	4,207
Term end Balance	4,819	3,375	61,514	△4,066	65,643

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interest	Total net assets
	Net unrealized gains on available-for-sale securities	Foreign currency translation Adjustment account	Remeasurements of defined benefit plans	Other comprehensive income Accumulated Total			
Balance at the beginning of the period	△71	3	8	△59	220	3,544	65,142
Change during the year							
Dividend of surplus							△2,635
Net income attributable to owners of parent							8,178
Change due to exclusion from consolidation							1
Increase (decrease) in equity due to capital increase of Consolidated subsidiaries							△1,301
Change in treasury shares of parent arising from transactions with non-controlling interests							△174
Disposal of Treasury stock							140
Net changes of items other than Shareholders' equity	198	△40	△25	133	56	2,129	2,319
Total changes of items during the period	198	△40	△25	133	56	2,129	6,526
Term end Balance	127	△36	△17	73	277	5,674	71,669

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

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	4,819	3,375	61,514	△4,066	65,643
Change during the year					
Issuance of new shares	4,237	4,237			8,474
Dividend of surplus			△2,931		△2,931
Net income attributable to owners of parent			8,207		8,207
Change due to exclusion from consolidation			△7		△7
Obtaining a Treasury stock				△0	△0
Disposal of Treasury stock		470		2,408	2,879
Net changes of items other than Shareholders' equity					
Total changes of items during the period	4,237	4,707	5,268	2,408	16,622
Term end Balance	9,056	8,083	66,783	△1,657	82,265

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interest	Total net assets
	Net unrealized gains on available-for-sale securities	Foreign currency translation Adjustment account	Remeasurements of defined benefit plans	Other comprehensive income Accumulated Total			
Balance at the beginning of the period	127	△36	△17	73	277	5,674	71,669
Change during the year							
Issuance of new shares							8,474
Dividend of surplus							△2,931
Net income attributable to owners of parent							8,207
Change due to exclusion from consolidation							△7
Obtaining a Treasury stock							△0
Disposal of Treasury stock							2,879
Net changes of items other than Shareholders' equity	456	98	60	614	49	151	816
Total changes of items during the period	456	98	60	614	49	151	17,438
Term end Balance	583	62	42	688	326	5,826	89,107

④[Consolidated Statements of Cash Flows]

(Millions of yen)

	End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Cash flow from operating activities		
Income before income taxes	12,991	11,326
Depreciation and amortization	5,370	5,965
Impairment loss	508	-
Office relocation expenses	-	189
Loss on valuation of Stocks of subsidiaries and affiliates	-	506
Goodwill depreciation	509	405
Negative Goodwill gains	-	△0
Increase (decrease) in Allowance (decrease in △)	179	305
Increase (decrease) in Liabilities related to retirement benefits (decrease in △)	174	154
Interest income and Dividend income	△209	△177
Income from insurance claim	-	△422
Charges for stock compensation	196	293
Interest expenses	2,795	3,017
Gain on Fixed assets swap	-	△143
Decrease (increase) in notes and accounts receivable-trade (increase in △)	△4,892	4,567
Decrease (increase) in inventories (increase in △)	15,692	△12,926
Increase (decrease) in notes and accounts payable-trade (decrease in △)	10,934	1,308
Increase (decrease) in advances received (decrease in △)	△1,029	△1,845
Other	1,736	2,351
Subtotal	44,957	14,875
Interest and dividend received	192	162
Interest expenses paid	△2,695	△3,115
Income taxes paid	△5,676	△4,467
Insurance proceeds received	-	422
Cash flow from operating activities	36,777	7,877
Cash flow from investing activities		
Payments into time deposits	△35	△194
Proceeds from withdrawal of time deposits	-	230
Purchase of Property, plant and equipment	△25,589	△21,010
Proceeds from sale of Property, plant and equipment	1,271	2
Purchase of Intangible assets	△1,895	△1,079
Purchase of stocks of subsidiaries and affiliates	△604	△1,723
Proceeds from collection of Long-term loans receivable	380	-
Purchase of investment securities	△0	△0
Proceeds from sale of investment securities	0	-
Purchase of Membership	-	△35
Purchases of subsidiary stock due to changes in the scope of consolidation	△518	※3 △1,168
Proceeds from purchase of Investments in subsidiaries resulting in change in scope of consolidation	-	102
Proceeds from sales of Investments in subsidiaries resulting in change in scope of consolidation	445	-
Other	215	71
Cash flow from investing activities	△26,329	△24,807

(Millions of yen)

	End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Cash flow from financing activities		
Net change in Short-term borrowings (decrease in △)	△67,503	17,618
Proceeds from long-term debt	124,207	74,604
Repayment of Long-term loans payable	△75,498	△76,309
Proceeds from issuance of common Bonds payable	5,745	876
Payments for redemption of Bonds payable	△190	△2,806
Repayments of lease obligations	△34	△35
Proceeds from issuance of common Equity securities	-	8,474
Proceeds from Disposal of Treasury stock	-	2,634
Purchase of Treasury stock	-	△0
Payments for reimbursement to non-controlling interests	△4,768	-
Proceeds from share issuance to non-controlling shareholders	5,761	-
Cash dividends paid	△3,161	△2,928
Dividends paid to non-controlling interests	△22	△83
Cash flow from financing activities	△15,464	22,042
Translation Difference for Cash and cash equivalents	-	10
Increase (decrease) in cash and cash equivalents (decrease in △)	△5,017	5,123
Cash and cash equivalents at beginning of term	47,148	41,884
Decrease in Cash and cash equivalents due to exclusion of subsidiaries from consolidation	△246	-
Cash and cash equivalents's Term end Balance	※1 41,884	※1 47,008

[Notes]

(Significant Items Forming the Basis for Preparation of Consolidated Financial Statements)

1.Scope of consolidation

(1) 26 companies in Consolidated subsidiaries

Principal Consolidated Subsidiaries

Takara Leben Co., Ltd.

Leben Community, Inc.

Leben Home Build Co., Ltd.

Takara Leben Realnet Co., Ltd.

Leben Zestock Co., Ltd.

LebenTrust Co., Ltd.

Takara Leben(Thailand)Co.,Ltd.

MIRARTH Energy Solutions Inc..

MIRARTH Asset Management Inc..

MIRARTH Real Estate Advisory Inc..

Effective April 1, 2024, Leben Clean Energy Co., Ltd. changed its name to MIRARTH Energy Solutions, Inc.

Effective April 1, 2024, Takara Asset Management Co., Ltd. changed its name to MIRARTH Asset Management Inc..

Tsugaru Power Co., Ltd., Otobe Wind Development LLC, and 1 other company have been included in the scope of consolidation by Current Consolidated Fiscal Year due to the acquisition of Equity securities.

Takara Leben Infrastructure Fund Inc. and 3 other companies have been excluded from the scope of consolidation from Current Consolidated Fiscal Year due to the sale of our holdings and other factors.

(2) 3 companies in non Consolidated subsidiaries

Names of major non-consolidated subsidiaries

RS LLC.

SDX LLC.

LS Okayama Tsuyama LLC

(Reasons for exclusion from the scope of consolidation)

Non Consolidated subsidiaries is excluded from the scope of consolidation because Total assets, Net sales, net income or loss (amount corresponding to equity interest) and Retained earnings (amount corresponding to equity interest) have no material impact on the consolidated financial statements.

(3) Special purpose companies subject to disclosure

The outline of the special purpose company subject to disclosure, the outline of transactions using the special purpose company subject to disclosure, and the amount of transactions with the special purpose company subject to disclosure are described in the consolidated financial statements "Notes Matters (Related to Special Purpose Companies Subject to Disclosure)".

2.Application of the equity method

(1) Number of affiliates accounted for by the equity method: 9

Name of the principal company using equity method accounting

Minato LLC

SENTRO SOUTH PROPERTY VENTURES and 3 other companies have been included in the scope of application of the equity method by Current Consolidated Fiscal Year due to the acquisition of Equity securities, etc.

(2) Non-consolidated Subsidiaries and associates not accounted for by the equity method: 3

Names of non-consolidated Subsidiaries and associates not accounted for by the equity method

RS LLC.

SDX LLC.

LS Okayama Tsuyama LLC

(Reason for not applying the equity method)

Non-consolidated Subsidiaries and associates that are not accounted for by the equity method are excluded from the scope of application of the equity method because their impact on the consolidated financial statements is immaterial even if they are excluded from the scope of application of the equity method in terms of net income (amount corresponding to equity interest) and Retained earnings (amount corresponding to equity interest), etc.

3.Matters Relating to Business Year of Consolidated subsidiaries

(1) The fiscal year-end of Consolidated subsidiaries is as follows.

14 companies on March 31, 1 company on May 31, 1 company on August 31, 1 company on September 30, 7 companies on December 31, and 2 companies on January 31

(2) In preparing the consolidated financial statements, for Consolidated subsidiaries whose closing date differs from the consolidated closing date, the financial statements that have been provisionally settled in the same manner as the consolidated closing date are used. Significant transactions occurring between the provisional closing date and the consolidated closing date are adjusted for consolidation.

4.Accounting and Policy matters

(1) Valuation standards and methods for significant Assets

① Marketable securities

a. Held-to-maturity debt securities

Stated at amortized cost (straight-line method).

b. Other in Securities

Other than shares, etc. without market price

Stated at market value (all valuation differences are accounted for using the direct Net assets method, and the cost of securities sold is calculated using the moving-average method).

Stocks, etc. without market price

Stated at cost determined mainly by the moving-average method

② Inventory Assets

Stated at cost determined by the specific identification method. (The carrying amount on the balance sheet is written down to reflect the decline in profitability.)

(2) Depreciation methods for significant depreciation Assets

① Property, plant and equipment (excluding Leased assets)

Tangible assets are stated at cost. However, Buildings (excluding facilities attached to Buildings) acquired on or after April 1, 1998, and Buildings (excluding facilities attached to Structures) acquired on or after April 1, 2016: The straight-line method is used.

Power plants owned by consolidated subsidiaries are depreciated using the straight-line method.

Useful life for primary assets is as follows:

Buildings and structures 3 to 50 years

Machinery and equipment 2 to 25 years

② Intangible assets (excluding Leased assets)

Software for internal use is amortized using the straight-line method over the estimated useful life of 5 years.

③ Leased assets

Leased assets related to finance lease transactions with ownership transfer

The same depreciation methods applied to self-owned Fixed assets are used.

Leased assets under finance leases that do not transfer ownership

The straight-line method is used with the lease period as the useful life and the residual value as zero.

④ Long-term Prepaid expenses

The straight-line method is used.

(3) Accounting standards for significant Allowance

① Allowance for doubtful accounts

Allowance for doubtful accounts is provided at an amount equal to Actual rate for ordinary receivables and an amount equal to the estimated uncollectible amount for certain receivables such as doubtful receivables based on the individual collectability.

② Bonus Allowance

In order to provide for the payment of bonuses to employees, the Company records an estimated amount to be paid in the current fiscal year.

③ Compensation for completed construction Allowance

In order to provide for losses and compensation service expenses arising from defects after delivery of company-constructed buildings, etc., the Company records Actual for repair expenses and other expenses related to previous company-constructed buildings, etc.

④ Directors' and corporate auditors' retirement benefits Allowance

To prepare for the payment of Retirement bonuses by directors, the amount required to be paid under End of the consolidated financial year is recorded in accordance with the Directors' Retirement bonuses Regulations (internal regulations).

(4) Accounting method for retirement benefits

Liabilities related to retirement benefits is provided for employees' retirement benefits based on the estimated amount at the end of the fiscal year under review.

① Method of attributing expected retirement benefits to periods

In calculating retirement benefit obligations, the benefit formula basis is used to attribute estimated retirement benefits to the time until End of the consolidated financial year.

② Accounting for Differences in the mathematical calculations and Historical Service cost

Previous Service cost is amortized as incurred by the straight-line method over a certain period (mainly 6 years) which is shorter than the average remaining years of service of the employees.

Differences in the mathematical calculations is amortized on a straight-line basis over a certain number of years (mainly 6 years) which are shorter than the average remaining years of service of the eligible employees at the time of accrual of the consolidated Fiscal year from the following consolidated Fiscal year.

③ Accounting policies for Unrecognized actuarial loss and unrecognized historical Service cost

For Unrecognized actuarial loss and unrecognized prior Service cost, the tax effects are recorded in Remeasurements of defined benefit plans of Accumulated other comprehensive income in Net assets, after adjusting for the tax effects.

④ Adoption of simplified method for small enterprises, etc.

Certain Consolidated subsidiaries adopt a simplified method for calculating Liabilities related to retirement benefits and Retirement benefit expenses whereby the retirement benefit obligation equals the amount that would be required if all eligible employees voluntarily terminated their employment.

(5) The standards for recognition of significant revenues and expenses

Details of the principal performance obligations and the normal timing of recognizing revenue in our principal businesses are as follows:

① Real Estate Business

a. New condominium business

The new condominium business sells each condominium unit to general consumers and is obligated to deliver the property pursuant to a real estate sales contract with a customer. Such performance obligations are satisfied at a point in time when the property is delivered and earning is recorded at the time of such delivery.

The transaction price is determined by the real estate sales contract, and in such contracts, the delivery date is generally the same as the date when the entire amount of the sale price is received. Therefore, the payment of the sale price is received at the same time as the delivery of the property.

b. Securitization business

The securitization business is a business of acquiring rental residential properties and office buildings, increasing Assets value through leasing and renovation, and then selling them to operating companies, etc.

The performance obligations and the timing of satisfaction thereof, the method of determining transaction prices, and the timing of revenue recognition in the Liquidation Business are the same as in the new condominium business described above.

c. Property Management Business

The Real Estate Management segment is engaged in the management of condominiums, and is obligated to provide outsourced services based on contract Details with customers. Such performance obligations are satisfied at the time the services are performed and earning is recorded at that time.

② Energy Business

Energy Business is a business that derives revenues from the sale of operated power generation facilities and revenues from the sale of power generation facilities.

The timing of performance obligations and their satisfaction, the methods of determining transaction prices, and the timing of revenue recognition in the proceeds from the sale of the active power generation Facilities are the same as in the new condominium business described above. In addition, revenue from the sale of power at power generation facilities is recorded primarily at the time of delivery to customers pursuant to power purchase agreements.

③ Asset Management Business

Asset Management Business is a business that provides asset management services to Takara Leben Real Estate Investment Corporation, etc., and is obligated to conduct operations based on contracts with customers. Such performance obligations are satisfied over a period of time over which services are rendered and earning is accrued based on the progress of the satisfaction of performance obligations. In addition, the performance obligations of operations related to the acquisition and transfer of investment Assets are satisfied at a point in time when they are accepted or delivered, and earning is recorded at the time of such acceptance or delivery.

④ Other Businesses

Other Businesses is primarily a construction subcontracting business and is obligated to perform construction work pursuant to building construction contracts with customers. Under this Buildings contract, Assets is created or accreted by the performance of the Group's obligations, and the customers control Assets as Assets is created or accreted. As a result, the performance obligation is satisfied over a certain period of time, and the performance obligation is satisfied as the construction progresses over the contract period. Accordingly, in the Construction Subcontracting Business, revenues are recorded based on the progress of the construction work. Progress is measured using the input method based on the cost incurred as it is considered that the cost incurred contributes and is generally proportional to an entity's progress in satisfying performance obligations.

The transaction price is determined by Buildings contract. In this contract, the delivery date is usually the same as the receipt of the entire amount of the contract price. Therefore, the contract price is paid at the same time as Buildings delivery.

(6) Significant hedge accounting method

① Hedge accounting method

Interest rate swaps qualify for special treatment and, therefore, are accounted for using special treatment.

② Hedging instruments and hedged items

Hedging instruments: Interest rate swaps

Hedging items... Debt

③ Hedging Policy

The Company and its consolidated subsidiaries enter into interest rate swaps to hedge interest rate exposures on borrowings. These are Policy financial instruments that are not used for speculative purposes.

④ Method for evaluating effectiveness of hedging

The evaluation of effectiveness is omitted for interest rate swaps that are subject to special treatment.

(7) Amortization method and period of Goodwill

Amortization of Goodwill is amortized on a straight-line basis over a period not exceeding 15 years.

However, insignificant amounts are amortized in a lump sum in the fiscal year of occurrence.

(8) Scope of funds in consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, deposits that can be withdrawn on demand, and short-term investments that are readily convertible to known amounts of cash and are exposed to insignificant risk of changes in value and Maturity date maturing in 3 months or less at the time of purchase.

(9) Other Significant Matters for the Preparation of Consolidated Financial Statements

Accounting for consumption tax

Non-deductible consumption taxes related to assets are expensed in the period in which they are incurred.

(Critical Accounting Estimates)

・Fixed assets's Impairment loss

(1) Amount recorded as Impairment loss in the consolidated financial statements of Current Consolidated Fiscal Year

	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Machinery and equipment	13 Millions of yen	-Millions of yen
Land	494	-
Total	508	-

(2) Details of Significant Accounting Estimates for Identified Items

Our group groups each property individually as the smallest unit that generates cash by using assets.

For these Assets groups, Current Consolidated Fiscal Year has determined that there is no indication of Impairment loss and has not recorded an Impairment loss.

For Assets or Assets of Fixed assets with indicators of impairment, Impairment loss is measured using the appraisal value, etc. by a real estate appraiser or the value in use as the recoverable amount. The appraisal value, etc. is calculated based on the business plan of each asset group, comprehensively considering the surrounding environment, etc. The value in use is calculated based on future cash flows. Such future cash flows are estimated based on the income and expenditure plan approved by Be related companies' Executive Committee, etc. In estimating revenue and expenditure, Energy Business is calculated based on the projected volume of electricity sold and the unit price of electricity sold, as well as the operational streamlining through the expansion of business through medium-to long-term Energy Business strategies. For Assets with a negative value in use based on future cash flows, the recoverable amount is valued at zero.

If the assumptions used in these estimates were to need to be revised due to uncertain future changes in economic conditions or other factors, additional Impairment loss (Extraordinary loss) may occur in the consolidated financial statements after the next consolidated Fiscal year.

(Unapplied Accounting Standards, etc.)

・Accounting Standard for Lease (ASBJ Statement No. 34, September 13, 2024)

・Implementation Guidance on Accounting Standard for Lease (ASBJ Guidance No. 33, September 13, 2024, ASBJ), etc.

(1)Summary

As part of efforts to make Japanese GAAP internationally consistent, the ASBJ conducted a review based on international accounting standards to develop accounting standards for Lease that recognize Assets and Liabilities for all Lease of borrowers. As a basic Policy, the ASBJ issued Lease Accounting Standards, which aim to make the provisions of IFRS No. 16 basically unnecessary to be modified even when they are used in individual financial statements, and to adopt only the major provisions of IFRS No. 16 instead of adopting all the provisions of IFRS No. 16.

As a lessee, a single accounting model is applied to the method of expense allocation for the borrower's Lease, similar to IFRS No. 16, whereby the Company accounts for the interest equivalent on Depreciation and amortization and Lease Liabilities related to the right-of-use Assets for all Lease, regardless of whether Lease is a financed Lease or an operating Lease.

(2)Expected date of application

Effective from the beginning of the fiscal year ended March 31, 2028.

(3)Effect of adoption of this accounting standard

The Company is currently evaluating the impact of the adoption of Lease Accounting Standard on its consolidated financial statements.

(Changes in Presentation Method)

(Consolidated Balance Sheets)

Due to an increase in the monetary significance of Electronically Recorded Liabilities, which had been included in Notes and accounts payable-trade under Current liabilities until End of Previous Consolidated Accounting Period, the figures are presented Category under Electronically Recorded Liabilities and Accounts payable under Current Consolidated Fiscal Year. To reflect this change in presentation, the consolidated financial statements of End of Previous Consolidated Accounting Period have been reclassified.

Consequently, 27,119 Millions of yen under Notes and accounts payable-trade in Current liabilities under Consolidated Balance Sheets in End of Previous Consolidated Accounting Period has been reclassified as 17,346 Millions of yen for Electronically Recorded Obligations and 9772 Millions of yen for Accounts payable.

(Notes to Consolidated Balance Sheets)

※1 The amounts of Notes, accounts receivable-trade and contract assets receivables and Contract assets arising from contracts with customers are as follows:

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Accounts receivable	115 Millions of yen	174 Millions of yen
Accounts receivable-other of completed construction contracts	-	765
Contract assets	8,220	2,834

※2 Of Advances received, the amount of Contractual liabilities is as follows:

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Contractual liabilities	8,994 Millions of yen	7,143 Millions of yen

※3 Items related to non-consolidated Subsidiaries and associates are as follows.

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Investments and other assets Other (non Consolidated subsidiaries) And Investments in affiliates)	4,942 Millions of yen	6,283 Millions of yen

※4 Assets pledged as Collateral and corresponding liabilities are as follows:

(1)Assets pledged as Collateral

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Cash and deposits	2,226 Millions of yen	536 Millions of yen
Notes, accounts receivable-trade and contract assets	200	979
Real estate for sale	26,918	40,256
Real estate for sale in progress	63,755	79,994
Buildings and structures	23,616	21,385
Machinery and equipment	44,170	48,442
Tools, furniture and fixtures	78	97
Land	18,468	24,293
Construction in progress	2,002	5,298
Other (Intangible assets)	3,700	3,875
Total	185,138	225,160

(2)Debt to the above

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Short-term borrowings	22,788 Millions of yen	35,320 Millions of yen
Current portion of long-term loans payable	35,825	35,448
Long-term loans payable	118,832	124,698
Total	177,446	195,467

※5 Change in holding purpose of Assets

End of Previous Consolidated Accounting Period (March 31, 2024)

As a result of the change in the holding objective from resale to business Assets, a portion of the real estate owned was transferred to Current Consolidated Fiscal Year as follows: Real estate for sale in progress 7 Millions of yen, Power generation facilities for sale 85 Millions of yen to Buildings and structures 3 Millions of yen, Land 4 Millions of yen, and Machinery and equipment 83 Millions of yen, and long-term Prepaid expenses 2 Millions of yen ("Other" in Investments and other assets).

In addition, the Company transferred to Current Consolidated Fiscal Year and Buildings and structures 6031 Millions of yen, Tools, furniture and fixtures 22 Millions of yen, Land 13,343 Millions of yen, and Construction in progress 1795 Millions of yen of its real estate holdings in connection with the Company's change in the purpose of holding real estate from development/leasing to resale. Certain of Assets were sold in Current Consolidated Fiscal Year and 10,882 Millions of yen of the 20,342 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, as a result of the change in the intent to hold a portion of Mega solar power generation Facilities for resale, Current Consolidated Fiscal Year has transferred Buildings and structures 30 Millions of yen, Machinery and equipment 2576 Millions of yen, and long-term Prepaid expenses 11 Millions of yen ("Other" in Investments and other assets) to Power generation facilities for sale. Assets was sold in Current Consolidated Fiscal Year and 2617 Millions of yen was recorded as Cost of sales.

Current Consolidated Fiscal Year (March 31, 2025)

As a result of the change in the holding purpose from resale to Assets for business use, a portion of real estate owned has been transferred to 162 Millions of yen for Current Consolidated Fiscal Year for Real estate for sale 162 Millions of yen and Real estate for sale in progress 9 Millions of yen for Buildings and structures 9 Millions of yen and Land.

In addition, as a result of the change in the holding purpose from development and leasing to resale, a portion of the real estate owned was transferred to Current Consolidated Fiscal Year as follows: Buildings and structures 5,135 Millions of yen, Tools, furniture and fixtures 7 Millions of yen, Land 4,525 Millions of yen, Construction in progress 40 Millions of yen, and Software 0 Millions of yen ("Other" of Intangible assets"), to Real estate for sale and Real estate for sale in progress. Certain of Assets were sold in Current Consolidated Fiscal Year and 4,701 Millions of yen of the 9654 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, Land 6 Millions of yen and Construction in progress 51 Millions of yen were transferred to Power generation facilities for sale in Current Consolidated Fiscal Year as a result of a change in the intent to hold a portion of Mega solar power generation Facilities for resale. Assets was sold in Current Consolidated Fiscal Year, and 57 Millions of yen was recorded in Cost of sales.

6 Contingent liabilities

Guarantees for loans from financial institutions

	End of Previous Consolidated Accounting Period (March 31, 2024)	Current Consolidated Fiscal Year (March 31, 2025)
Joint and several guarantee obligations to financial institutions, etc. until the completion of the registration of the establishment of mortgages on our group customer housing loans	11.7 thousand Millions of yen	18,582 Millions of yen
Minato Vietnam Co., Ltd.	647	-
WISE ESTATE 3 Co., Ltd.	524	47
WISE ESTATE 8 Co., Ltd.	367	-
WISE ESTATE 10 Co., Ltd.	489	-
WISE ESTATE 13 Co., Ltd.	-	614
Total	13,730	19,244

7 In order to raise working capital efficiently, we have entered into overdraft and loan commitment contracts with 59 Financial institutions companies (End of Previous Consolidated Accounting Period 63 companies). Balance of undisbursed borrowings at the end of the consolidated fiscal year under these contracts are as follows:

	End of Previous Consolidated Accounting Period (March 31, 2024)	Current Consolidated Fiscal Year (March 31, 2025)
Maximum overdraft amount and loans Commitments Total amount	84,333 Millions of yen	90,728 Millions of yen
Loan balance	53,894	55,521
Net amount	30,439	35,207

(Consolidated Statements of Income)

※1 Revenue arising from contracts with customers

For Net sales, Category of Revenue arising from contracts with customers and other revenues is not presented. The amounts of Revenue arising from contracts with customers are described in the Consolidated Financial Statements "Notes Matters (Revenue Recognition) 1. Breakdown of Revenue arising from contracts with customers."

※2 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.

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
16 Millions of yen	67 Millions of yen

※3 The approximate percentages of expenses in selling expenses are End of Previous Consolidated Accounting Period 34%, Current Consolidated Fiscal Year 33%, and the approximate percentages of expenses in general and administrative expenses are End of Previous Consolidated Accounting Period 66% and Current Consolidated Fiscal Year 67%.

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

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31,2025)
Advertising expenses	5,336 Millions of yen	5,416 Millions of yen
Promotion expenses	2,398	2,811
Salary allowance	4,536	5,050
Bonus Allowance provision	1,082	1,174
Retirement benefit expenses	213	227
Provision for Allowance of directors' retirement benefits	26	1
Allowance for doubtful accounts provision	1	19

※4 Details of loss on disposal of Fixed assets is as follows:

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 ,2025)
Buildings and structures	-Millions of yen	34 Millions of yen
Tools, furniture and fixtures	-	0
Other (Intangible assets)	-	0
Total	-	36

※5 Impairment loss

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

Our group recorded Impairment loss (508 Millions of yen) for the following Assets or Assets group in Current Consolidated Fiscal Year due to a decline in the profitability of rental properties, power generation Facilities and Hotel, etc.

Application	Type	Location	Amount (Millions of yen)
Rental real estate	Land	Matsuyama City, Ehime Prefecture	39
Power generation Facilities	Machinery and equipment	Kayabe-gun, Hokkaido	13
Hotel	Land	Kyoto city, kyoto prefecture	408
	Land	Kyoto city, kyoto prefecture	46
Total			508

The breakdown by account title is Land 494 Millions of yen and Machinery and equipment 13 Millions of yen.

We group rental properties, power generation Facilities and Hotel on a property-by-property basis.

The recoverable amount is measured based on the net selling price. The net selling price is based on the appraisal value, etc. by a real estate appraiser. of rental properties and Hotel In addition, the recoverable amount of power generation Facilities is measured at value in use, and the recoverable amount is evaluated as zero because future cash flows are expected to be negative.

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

Not applicable.

(Consolidated Statements of Comprehensive Income)

※ Reclassification adjustments for Other comprehensive income and income taxes and Income tax effect

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 2025)
Net unrealized gains on available-for-sale securities:	,	
Arising during the year	222 Millions of yen	665 Millions of yen
Reclassification adjustments	0	-
Income taxes and Before-tax	222	665
Income taxes and Income tax effect	△23	△208
Net unrealized gains on available-for-sale securities	198	456
Foreign currency translation adjustments:		
Arising during the year	△40	98
Adjustments to retirement benefits		
Arising during the year	△33	-
Reclassification adjustments	0	73
Income taxes and Before-tax	△33	73
Income taxes and Income tax effect	7	△13
Remeasurements of defined benefit plans	△25	60
Total other comprehensive income	133	614

(Consolidated Statements of Changes in Shareholders' equity, etc.)

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

1.Matters concerning Type and total number of Issued shares and the number of Class of shares and Equity securities

	Current Consolidated Fiscal Year (Shares) of shares at beginning of period	Current Consolidated Fiscal Year Increased shares (Shares)	Current Consolidated Fiscal Year Decreased shares (Shares)	Current Consolidated Fiscal Year (Shares) of shares at end of year
Issued shares				
Common stock	121,000,000	-	-	121,000,000
Total	121,000,000	-	-	121,000,000
Treasury stock				
Common stock (Note)	11,192,607	-	289,900	10,902,707
Total	11,192,607	-	289,900	10,902,707

(NOTE)Common stock's Equity securities reduction of 289.9 thousand Shares in Treasury stock is due to the exercise of stock options.

2.Matters concerning Subscription rights to shares and treasury

Category	Breakdown of Subscription rights to shares	Class of shares that is the object of Subscription rights to shares	Number of shares subject to Subscription rights to shares: (Shares)				Current consolidated accounting Year-end Balance (Millions of yen)
			Current consolidated accounting Beginning of the fiscal year	Current consolidated accounting Annual increase	Current consolidated accounting Yearly decrease	Current consolidated accounting Year-end	
Submitting Company (Parent Company)	Subscription rights to shares as stock-option	-	-	-	-	-	277
Total		-	-	-	-	-	277

3.Matters concerning dividends

(1)Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	1 Shares Per share Dividends (Yen)	Record Date	Effective date
June 23, 2023 Annual Shareholders' Meeting	Common stock	1,976	18	March 31,2023	June 26,2023
October 30, 2023 Board of Directors	Common stock	659	6	September 30, 2023	December 4, 2023

(2)Dividends whose record date falls in the current financial year and whose effective date is in the following financial year

(Resolution)	Class of shares	Total dividends (Millions of yen)	Source of dividends	Per share dividends (yen)	Record Date	Effective date
June 26, 2024 Annual Shareholders' Meeting	Common stock	1,981	Retained earnings	18	2024 March 31	June 27, 2024

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

1.Matters concerning Type and total number of Issued shares and the number of Class of shares and Equity securities

	Current Consolidated Fiscal Year (Shares) of shares at beginning of period	Current Consolidated Fiscal Year Increased shares (Shares)	Current Consolidated Fiscal Year Decreased shares (Shares)	Current Consolidated Fiscal Year (Shares) of shares at end of year
Issued shares				
Common stock (Note) 1.	121,000,000	19,300,000	-	140,300,000
Total	121,000,000	19,300,000	-	140,300,000
Treasury stock				
Common stock (Note) 2.3.	10,902,707	1	6,458,300	4,444,408
Total	10,902,707	1	6,458,300	4,444,408

(NOTE)1. Common stock's increase in the total number of Issued shares of 19.3 million Shares is an increase of 16 million Shares due to the issuance of new shares through a public offering and an increase of 3.3 million Shares due to the issuance of new shares through a third-party allotment.

2.Common stock's Treasury stock increased Equity securities by 1 Shares due to the purchase of Shares less than 1 unit.

3.The 6,458.3 thousand Shares decrease in Common stock's Treasury stock's Equity securities is 6 million Shares decrease due to Disposal of Treasury stock from the public offering and 458.3 thousand Shares decrease due to the exercise of stock options.

2.Matters concerning Subscription rights to shares and treasury

Category	Breakdown of Subscription rights to shares	Class of shares that is the object of Subscription rights to shares	Number of shares subject to Subscription rights to shares: (Shares)				Current consolidated accounting Year-end Balance (Millions of yen)
			Current consolidated accounting Beginning of the fiscal year	Current consolidated accounting Annual increase	Current consolidated accounting Yearly decrease	Current consolidated accounting Year-end	
Submitting Company (Parent Company)	Subscription rights to shares as stock-option	-	-	-	-	-	326
Total		-	-	-	-	-	326

3.Matters concerning dividends

(1)Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share dividends (yen)	Record Date	Effective date
June 26, 2024 Annual Shareholders' Meeting	Common stock	1,981	18	March 31, 2024	June 27, 2024
November 11, 2024 Board of Directors	Common stock	949	7	September 30, 2024	December 3, 2024

(2) Dividends whose record date falls in the current financial year and whose effective date is in the following financial year

(Resolution)	Class of shares	Total dividends (Millions of yen)	Source of dividends	Per share dividends (yen)	Record Date	Effective date
June 25, 2025 Annual Shareholders' Meeting	Common stock	3,124	Retained earnings	23	March 31 ,2025	June 27, 2025

(Consolidated Statements of Cash Flows)

※1 Relation between Cash and cash equivalents's Term end Balance and the amount of items listed in Consolidated Balance Sheets

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 ,2025)
Cash and deposits account	42,740 Millions of yen	48,044 Millions of yen
Time deposits falling due in more than three months	△35	-
Deposits received from customers	△821	△1,035
Cash and cash equivalents	41,884	47,008

2 Details of significant non-cash transactions

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
Amount transferred from Real estate for sale and Real estate for sale in progress to Fixed assets due to change in holding purpose of real estate	93 Millions of yen	171 Millions of yen
Amount transferred from Fixed assets to Real estate for sale and Real estate for sale in progress due to change in holding purpose of real estate	21,193	9,708
Amount transferred from Fixed assets to Power generation facilities for sale due to change in holding purpose of real estate	2,617	57

※3 Major components of Assets and Liabilities of companies that became Consolidated subsidiaries as a result of acquiring Equity securities, etc.

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

This information is omitted because it is not material.

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

The breakdown of Assets and Liabilities at the time of consolidation of companies that became Consolidated subsidiaries as a result of acquisitions of Equity securities, etc. and the relation between net proceeds from investment and net disbursements are as follows.

Tsugaru Power Co., Ltd.

Current assets	384 Millions of yen
Fixed assets	4,489
Current liabilities	△35
Fixed liabilities	△3,349
Acquisition cost of the subsidiaries' stocks	1,489
Cash and cash equivalents	△320
Less: Purchases of subsidiary stock due to changes in the scope of consolidation	△1,168

Otobe Wind Development LLC

Current assets	815 Millions of yen
Acquisition cost of the subsidiaries' stocks	815
Cash and cash equivalents	△815
Less: Purchases of subsidiary stock due to changes in the scope of consolidation	-

(Lease Transactions)

1.Financing Lease transactions (lessee)

(1) Financing for transfer of ownership and Lease transactions

① Leased assets's Details

(a) Property, plant and equipment

General business facilities ("buildings and structures," "tools, furniture and fixtures").

(1) Intangible assets

This is software.

② Depreciation of Leased assets

Significant matters forming the basis for preparing the consolidated financial statements as described in "(2) Depreciation methods for significant depreciation Assets" in "4. Accounting Policy."

(2) Financing and Lease transactions without transfer of ownership

① Leased assets's Details

(a) Property, plant and equipment

Tools, furniture, fixtures and vehicles at the general business facilities.

(1) Intangible assets

This is software.

② Depreciation of Leased assets

Significant matters forming the basis for preparing the consolidated financial statements as described in "(2) Depreciation methods for significant depreciation Assets" in "4. Accounting Policy."

2.Operating Lease Transactions

Future minimum lease payments under non-cancelable operating leases

(Millions of yen)

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Within 1 year	50	71
Over one year	70	88
Total	120	160

(Financial Instruments)

1.Matters relating to financial instruments

(1)Policy of efforts for financial instruments

Our group procures the necessary funds from banks and other financial institutions in light of the sales plan. Derivatives are used to avoid the risks described below, and are Policy that do not engage in speculative transactions.

(2)Details of Financial Instruments and Risks Related to Financial Instruments

Notes and accounts receivable, which are trade receivables, are exposed to customer credit risk.

Investment securities consist primarily of shares of companies with operational relationships and are exposed to the risk of market price fluctuations.

Most of the electronically recorded obligations-operating and Accounts payable are Within 1 year due.

Borrowings and Bonds payable primarily represent financing for operating transactions, and repayments and maturities are principally Within 3 years. Borrowings are exposed to the risk of fluctuations in interest rates, of which a portion is hedged using derivative transactions (interest rate swaps).

Derivative transactions are interest rate swaps used to hedge the risk of fluctuations in interest rates payable on borrowings. The evaluation method for the effectiveness of hedges satisfies the requirements for special treatment of interest rate swaps, and therefore the evaluation of effectiveness is omitted based on the evaluation.

(3)Risk management for financial instruments

① Monitoring of credit risk (the risk that customers or counterparties may default)

For trade receivables, our Business Divisions and Administration Divisions regularly monitor the status of major customers and manage the due date and Balance for each counterparty. We also seek to quickly identify and mitigate concerns about collection due to deterioration in financial conditions and other factors.

② Management of market risk (interest rate risk, etc.)

We regularly monitor the market value of Investment securities and the financial condition of issuers (client companies) and continuously review their holdings in consideration of market conditions and relations with client companies.

Borrowings and Bonds payable are monitored by preparing a list of interest rates for each financial institution. In addition, the Company manages its trade payables and borrowings by such means as preparing a cash plan statement in the Finance Department of the Company.

Derivative transactions are managed in accordance with the Derivative Management Regulations, which stipulate transaction authority and limits. Consolidated subsidiaries is also managed in accordance with our derivative-management rules.

③ Management of funding liquidity risk (the risk that payment will not be made when due)

Our Finance Department prepares and updates cash flow plans in a timely manner based on Report from each department, and manages liquidity risk by maintaining liquidity on hand and other means.

(4)Supplementary Explanations Concerning Fair Value of Financial Instruments

Since variable factors are incorporated in the calculation of the fair value of financial instruments, the fair value may change if different assumptions are adopted. In addition, the contract amounts, etc. related to derivative transactions under Notes under "Derivative Transactions" do not themselves represent the market risks associated with derivative transactions.

2.Fair Value of Financial Instruments

Carrying amounts, fair values and differences between these amounts are as follows: Disclosure of "Cash and deposits," "Notes and accounts receivable," "Short-term loans receivable ("Other" of Current assets," "Electronically recorded obligations," "Accounts payable," and "Short-term borrowings" is omitted because they are cash and because their fair values approximate their carrying amounts due to their short-term maturities.

End of Previous Consolidated Accounting Period (March 31, 2024)

	Carrying amount (Millions of yen)	Market value (Millions of yen)	Difference (Millions of yen)
(1) Investment securities (*1)	2,138	2,138	-
(2) Long-term loans receivable	200	200	-
Property Total	2,338	2,338	-
(3) Lease obligations, current	34	34	-
(4) Long-term loans payable (including Current portion of long-term loans payable)	174,776	174,719	△57
(5) Bonds payable (including Current portion of bonds payable)	9,815	9,886	71
(6) Lease obligations (fixed)	214	202	△12
Debt Total	184,841	184,843	2
Derivative transactions (*2)	-	-	-

Current Consolidated Fiscal Year (March 31, 2025)

	Carrying amount (Millions of yen)	Market value (Millions of yen)	Difference (Millions of yen)
(1) Investment securities (*1)	2,809	2,809	-
Property Total	2,809	2,809	-
(2) Lease obligations, current	36	36	-
(3) Long-term loans payable (including Current portion of long-term loans payable)	175,647	176,558	911
(4) Bonds payable (including Current portion of bonds payable)	7,894	7,763	△131
(5) Lease obligations (fixed)	188	177	△11
Debt Total	183,767	184,536	769
Derivative transactions (*2)	-	-	-

(*1) Shares and other securities without quoted market prices are not included in "(1) Investment securities." The carrying amounts of these financial instruments are as follows:

(Millions of yen)

Category	End of Previous Consolidated Accounting Period (March 31, 2024)	Current Consolidated Fiscal Year (March 31, 2025)
Unlisted stocks	458	316

(*2) The fair value of interest rate swaps with special treatment is included in the fair value of Long-term loans payable as they are accounted for as an integral part of the hedged item Long-term loans payable.

(NOTE)1. Redemption schedule for monetary receivables and securities with maturity dates subsequent to the consolidated balance sheet date

End of Previous Consolidated Accounting Period (March 31, 2024)

	Within 1 year (Millions of yen)	Over one year Within 5 years (Millions of yen)	Over five years Within 10 years (Millions of yen)	Due after 10years (Millions of yen)
Cash and deposits	42,740	-	-	-
Notes and accounts receivable	115	-	-	-
Short-term loans	250	-	-	-
Long-term loans receivable	-	200	-	-
Total	43,106	200	-	-

Current Consolidated Fiscal Year (March 31, 2025)

	Within 1 year (Millions of yen)	Over one year Within 5 years (Millions of yen)	Over five years Within 10 years (Millions of yen)	Due after10 years (Millions of yen)
Cash and deposits	48,044	-	-	-
Notes and accounts receivable	174	-	-	-
Short-term loans	450	-	-	-
Total	48,669	-	-	-

2.Amounts due after the consolidated balance sheet date of Short-term borrowings, Long-term loans payable, Bonds payable and Lease obligations

End of Previous Consolidated Accounting Period (March 31, 2024)

	Within 1 year (Millions of yen)	Over one year Within 2 years (Millions of yen)	Over 2 years Within 3 years (Millions of yen)	Due after 3 years Within 4 years (Millions of yen)	Due after 4 years Within 5 years (Millions of yen)	Over5 years (Millions of yen)
Short-term borrowings	25,621	-	-	-	-	-
Long-term loans payable	44,102	45,154	18,409	13,467	11,018	42,624
Bonds payable	2,806	1,006	2,736	3,265	-	-
Lease obligations	34	33	32	31	31	86
Total	72,565	46,194	21,178	16,764	11,049	42,710

Current Consolidated Fiscal Year (March 31, 2025)

	Within 1 year (Millions of yen)	Over one year Within 2 years (Millions of yen)	Over 2 years Within 3 years (Millions of yen)	Due after 3 years Within 4 years (Millions of yen)	Due after 4 years Within 5 years (Millions of yen)	Over5 years (Millions of yen)
Short-term borrowings	43,238	-	-	-	-	-
Long-term loans payable	39,462	35,376	35,368	13,390	10,204	41,846
Bonds payable	1,006	2,736	3,265	886	-	-
Lease obligations	36	36	34	31	31	54
Total	83,744	38,149	38,667	14,308	10,235	41,900

3.Breakdown of Fair Value of Financial Instruments by Level

The fair values of financial instruments are classified into the following 3 levels depending on the observability and significance of the inputs for determining fair value:

Fair value of Level 1: Fair value determined by quoted prices for Assets or Liabilities that are subject to valuation in active markets among the inputs related to the calculation of observable fair values

Fair value of Level 2: Fair value calculated using inputs for determining fair value other than Level 1 inputs among the inputs for determining observable fair value

Fair value of Level 3: Market value calculated using inputs related to the calculation of unobservable fair values

If multiple inputs are used that have a significant impact on the calculation of fair value, then the fair value is categorized as the lowest priority level in determining fair value among the levels to which each of those inputs belongs.

(1)Financial instruments recorded in Consolidated Balance Sheets at fair value

End of Previous Consolidated Accounting Period (March 31, 2024)

Category	Market value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Equity securities	2,138	-	-	2,138
Property Total	2,138	-	-	2,138

Current Consolidated Fiscal Year (March 31, 2025)

Category	Market value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Equity securities	2,809	-	-	2,809
Property Total	2,809	-	-	2,809

(2)Financial instruments other than financial instruments recorded in Consolidated Balance Sheets at fair value

End of Previous Consolidated Accounting Period (March 31, 2024)

Category	Market value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Long-term loans receivable	-	200	-	200
Property Total	-	200	-	200
Lease obligations, current	-	34	-	34
Long-term loans payable (including Current portion of long-term loans payable)	-	174,719	-	174,719
Bonds payable (including Current portion of bonds payable)	-	9,886	-	9,886
Lease obligations (fixed)	-	202	-	202
Debt Total	-	184,843	-	184,843

Current Consolidated Fiscal Year (March 31, 2025)

Category	Market value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Lease obligations, current	-	36	-	36
Long-term loans payable (including Current portion of long-term loans payable)	-	176,558	-	176,558
Bonds payable (including Current portion of bonds payable)	-	7,763	-	7,763
Lease obligations (fixed)	-	177	-	177
Debt Total	-	184,536	-	184,536

(NOTE) Explanation of valuation techniques used to calculate market prices and inputs related to the calculation of market prices

Investment securities

Listed stocks are valued using quoted prices. As listed shares are traded in active markets, their fair values are classified as Level 1 fair values.

Long-term loans receivable

The fair value of Long-term loans receivable is determined by the discounted present value method based on the interest rate obtained by adding the credit spread to the appropriate index such as the future cash flow and the yield on government bonds for each credit risk Category for credit control purposes, and is classified as the fair value of Level 2.

Bonds payable (including Current portion of bonds payable)

The discounted present value method is used to calculate the fair value of Level 2 based on Total amount of Bonds payable and principal and interest issued by the Company and the interest rate based on the remaining term of Bonds payable and credit risk.

Long-term loans payable (including Current portion of long-term loans payable), leased obligations

The fair value of these instruments is determined by the discounted present value method based on Total amount of principal and interest and the interest rate adjusted for the remaining term of the obligation and credit risk. The fair value of the instruments is classified as Level 2. Certain Long-term loans payable are subject to the exceptional treatment of interest rate swaps (see "Derivative Transactions" below) and are calculated using Total amount of principal and interest processed together with the interest rate swaps.

Derivative transactions

The fair value of interest rate swaps with special treatment is included in the fair value of Long-term loans payable as they are accounted for as an integral part of the hedged Long-term loans payable (see "Long-term loans payable" above).

(Notes to Securities)

1.Other in Securities

End of Previous Consolidated Accounting Period (March 31 ,2024)

	Type	Consolidated Balance Sheets Amount recorded (Millions of yen)	Acquisition cost (Millions of yen)	Difference (Millions of yen)
Securities whose carrying amount exceeds their Acquisition cost	(1) Equity securities	139	75	64
	(2) Bonds	-	-	-
	(3) Other	1,989	1,880	109
	Subtotal	2,129	1,955	173
Securities whose carrying amount does not exceed Acquisition cost	(1) Equity securities	9	13	△4
	(2) Bonds	-	-	-
	(3) Other	-	-	-
	Subtotal	9	13	△4
Total		2,138	1,969	169

Current Consolidated Fiscal Year (March 31 ,2025)

	Type	Consolidated Balance Sheets Amount recorded (Millions of yen)	Acquisition cost (Millions of yen)	Difference (Millions of yen)
Securities whose carrying amount exceeds their Acquisition cost	(1) Equity securities	1,115	79	1,035
	(2) Bonds	-	-	-
	(3) Other	-	-	-
	Subtotal	1,115	79	1,035
Securities whose carrying amount does not exceed Acquisition cost	(1) Equity securities	9	14	△4
	(2) Bonds	-	-	-
	(3) Other	1,684	1,880	△195
	Subtotal	1,694	1,894	△200
Total		2,809	1,974	835

2.Other securities sold

End of Previous Consolidated Accounting Period (March 31 ,2024)

Type	Proceeds from sales (Millions of yen)	Total gain on sales (Millions of yen)	Total losses on sales (Millions of yen)
(1)Equity securities	146	145	0
(2)Bonds	-	-	-
(3)Other	-	-	-
Total	146	145	0

Current Consolidated Fiscal Year (March 31, 2025)

Not applicable.

3.Marketable securities impaired

In End of Previous Consolidated Accounting Period, Not applicable.

In Current Consolidated Fiscal Year, 506 Millions of yen (Stocks of subsidiaries and affiliates 506 Millions of yen) of marketable securities were written down.

When the fair value of Term end declines by 50% or more from Acquisition cost level, all impairment losses are recognized. When the fair value of Term end declines by 30% to 50%, impairment losses are recognized for the amount deemed necessary considering the possibility of recovery.

(Derivative Transactions)

1.Derivative financial instruments for which deferred hedged accounting has not been applied

End of Previous Consolidated Accounting Period (March 31, 2024)

Not applicable.

Current Consolidated Fiscal Year (March 31, 2025)

Not applicable.

2.Derivative financial instruments for which deferred hedged accounting has been applied

Interest rate-related

End of Previous Consolidated Accounting Period (March 31, 2024)

Hedge accounting method	Type of the transaction	Principal items hedged	Contract amount, etc. (Millions of yen)	Of the contract amount Over one year (Millions of yen)	Market value (Millions of yen)
Swap rates applied to underlying debt	Interest rate swaps Receive floating, pay fixed	Long-term loans payable	39,785	39,785	(NOTE)

(NOTE)The fair value of interest rate swaps with special treatment is included in the fair value of Long-term loans payable as they are accounted for as an integral part of the hedged item Long-term loans payable.

Current Consolidated Fiscal Year (March 31, 2025)

Hedge accounting method	Type of the transaction	Principal items hedged	Contract amount, etc. (Millions of yen)	Over one year of contract amount, etc. (Millions of yen)	Market value (Millions of yen)
Swap rates applied to underlying debt	Interest rate swaps Receive floating, pay fixed	Long-term loans payable	39,785	39,785	(NOTE)

(NOTE)The fair value of interest rate swaps with special treatment is included in the fair value of Long-term loans payable as they are accounted for as an integral part of the hedged item Long-term loans payable.

(Retirement Benefits)

1.General outline of the retirement allowance system adopted

Our Group has a retirement lump-sum payment plan as a defined benefit plan and a defined contribution pension plan and a small business retirement benefit mutual aid plan as defined contribution plans. The lump-sum severance payment plans adopted by the Company and certain Consolidated subsidiaries are calculated using the simplified method for Liabilities related to retirement benefits and Retirement benefit expenses.

2.Defined benefit plan

(1) Reconciliation of Beginning Balance of projected benefit obligation and Term end Balance (excluding plans to which the simplified method listed in (2) is applied)

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 ,2025)
Beginning Balance of projected benefit obligation	1,003 Millions of yen	1,215 Millions of yen
Service cost	158	191
Interest cost	9	13
Actuarial gain or loss arising	37	△65
Benefits paid	△70	△110
Transfer due to change from simplified method to principle method	46	-
Amortization due to change from simplified method to principle method	30	-
Term end Balance in projected benefit obligation	1,215	1,243

(2) Reconciliation of Liabilities related to retirement benefits Beginning Balance and Term end Balance for plans applying the simplified method

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
Liabilities related to retirement benefits Beginning Balance	97 Millions of yen	99 Millions of yen
Retirement benefit expenses	61	63
Benefits paid	△7	△27
Contributions to the SME Retirement Benefit Mutual Aid Plan	△5	△10
Transfer due to change from simplified method to principle method	△46	-
Increase due to absorption-type company split	-	39
Liabilities related to retirement benefits's Term end Balance	99	164

(3) Reconciliation of Assets for Term end Balance and Consolidated Balance Sheets for Retirement Benefit Obligations and Liabilities related to retirement benefits for Retirement Benefits

	End of Previous Consolidated Accounting Period (March 31, 2024)	Current Consolidated Fiscal Year (March 31, 2025)
Retirement benefit obligation for unfunded plans	1,353 Millions of yen	1,448 Millions of yen
Estimated amount to be paid under the SME Retirement Benefit Mutual Aid Plan	△39	△39
Net amount of liabilities and assets recorded in the consolidated balance sheets	1,314	1,408

(4) Amount of Retirement benefit expenses and its breakdown

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31,2025)
Service cost	158 Millions of yen	191 Millions of yen
Interest cost	9	13
Amortization of actuarial loss	0	8
Retirement benefit expenses calculated by the simplified method	56	53
Amortization due to change from simplified method to principle method	30	-
Retirement benefit expenses for defined benefit plans	254	265

(5) Remeasurements of defined benefit plans

The components of items recognized in Remeasurements of defined benefit plans (prior to income taxes and tax benefits) are as follows:

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 ,2025)
Differences in the mathematical calculations	36 Millions of yen	△73 Millions of yen
Combined Total	36	△73

(6) Remeasurements of defined benefit plans

The components of items recognized in Remeasurements of defined benefit plans (prior to income taxes and tax benefits) are as follows:

	End of Previous Consolidated Accounting Period (2024 March 31)	Current Consolidated Fiscal Year (2025 March 31)
Unrecognized actuarial loss	25 Millions of yen	△ 48 Millions of yen
Combined Total	25	△48

(7) Assumptions used in actuarial calculations

Major actuarial assumptions (weighted average)

	End of Previous Consolidated Accounting Period (March 31, 2024)	Current Consolidated Fiscal Year (March 31, 2025)
Discount rate	1.05～1.15 %	1.75～1.87 %
Expected rate of salary increase	2.34～2.95	2.34～2.46

3.Defined contribution plan

The required contribution to our defined contribution plan is Current Consolidated Fiscal Year 1 Millions of yen.

In addition, the required contributions to our SME Retirement Benefit Mutual Aid Plan are End of Previous Consolidated Accounting Period 5 Millions of yen and Current Consolidated Fiscal Year 10 Millions of yen.

(Stock options, etc.)

1.Amount and line item of expense related to stock options

(Millions of yen)

	End of Previous Consolidated Accounting Period (From April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Selling, general and administrative expenses	196	293

2.Details and size of stock options and their changes

(1) Details of stock options

	1st Class B Subscription rights to shares	Second Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name 1 of our Executive Officers	Directors 7 Name 1 of our Executive Officers
(NOTE)1 of stock options by Class of shares ,2	Common stock 130 thousand Shares	Common stock 120.4 thousand Shares
The grant date	July 9,2012	May 14,2013
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From July 10, 2012 to July 9, 2052	From May 15, 2013 to May 14, 2053

	Third Series Class B Subscription rights to shares	4th Series Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name 2 of our Executive Officers	Directors 7 Name Our 3 Executive Officers
(NOTE)1 of stock options by Class of shares	Common stock 129.2 thousand Shares	Common stock 133.6 thousand Shares
The grant date	May 13, 2014	July 14, 2015
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From May 2014, 2014 to May 13, 2054	From July 2015, 2015 to July 14, 2055

	5th Series Class B Subscription rights to shares	6thSeries Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name 2 of our Executive Officers	Our 6 directors 5 of our Executive Officers
(NOTE)1 of stock options by Class of shares	Common stock 125.2 thousand Shares	Common stock 128 thousand Shares
The grant date	May 10, 2016	July 11, 2017
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From May 11, 2016 to May 10, 2056	From July 12, 2017 to July 11, 2057

	7thSeries Class B Subscription rights to shares	8thSeries Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name Executive Officer 7 Name	Directors 7 Name Our 6 Executive Officers
(NOTE)1 of stock options by Class of shares	Common stock 164 thousand Shares	Common stock 156 thousand Shares
The grant date	August 28, 2018	July 30, 2019
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From August 29, 2018 to August 28, 2058	From July 31, 2019 to July 30, 2059

	9thSeries Class B Subscription rights to shares	10th Series Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name 5 of our Executive Officers	Directors 7 Name 4 of our Executive Officers
(NOTE)1 of stock options by Class of shares	Common stock 159.6 thousand Shares	Common stock 158.1 thousand Shares
The grant date	August 1, 2020	July 31, 2021
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From August 2, 2020 to August 1, 2060	From August 1, 2021 to July 31, 2061

	11th Series Class B Subscription rights to shares	12th Series Class B Subscription rights to shares
Category and number of persons granted	Directors 7 Name Executive Officer 7 Name	2 of our Director 6 Director of affiliates 9 Executive Officers of affiliates
(NOTE)1 of stock options by Class of shares	Common stock 188 thousand Shares	Common stock 176.7 thousand Shares
The grant date	August 23, 2022	August 1, 2023
Vesting conditions	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From August 24, 2022 to August 23, 2062	From August 2, 2023 to August 1, 2063

	12th Series Class A Subscription rights to shares	13th Series Class B Subscription rights to shares
Category and number of persons granted	1 of our Director 1 of our Executive Officers 15 Director from group-wide companies 5 Executive Officers at Group Companies	1 of our Director 1 of our Executive Officers Director of 8 group companies 5 Executive Officers at Group Companies
(NOTE)1 of stock options by Class of shares	Common stock 455, 1 thousand Shares	Common stock 150.3 thousand Shares
The grant date	July 30, 2024	July 30, 2024
Vesting conditions	There are no vesting conditions.	As a general rule, both our Director and Executive Officers positions have been lost since the day following that date.
The requisite service period	The applicable service period is not specified.	The Company does not consider the applicable service period as it is difficult to reasonably predict the vesting date.
The exercise period	From July 31, 2024 to July 30, 2064	From July 31, 2024 to July 30, 2064

(NOTE)1. Figures are converted into Equity securities numbers.

As Equity securities split was conducted at the rate of 4 Shares per Shares on July 1, 2.2013, the adjusted formula by the relevant Equity securities split is presented.

(2) Size of stock options and their changes

Stock options that existed in Current Consolidated Fiscal Year (for the year ended March 31, 2025) are translated into Equity securities.

① Number of stock options

	Series 1 Class B Subscription rights to shares	Series 2Class B Subscription rights to shares	Series 3 Class B Subscription rights to shares	Series 4 Class B Subscription rights to shares	Series 5 Class B Subscription rights to shares	Series 6 Class B Subscription rights to shares	Series 7 Class B Subscription rights to shares	Series 8 Class B Subscription rights to shares
Non-vested (Shares)								
End of End of Previous Consolidated Accounting Period	30,400	28,000	27,600	32,000	32,000	76,000	84,000	84,000
Grant	-	-	-	-	-	-	-	-
Lapse	-	-	-	-	-	-	-	-
Vesting	-	-	-	-	-	-	-	-
Unvested balance	30,400	28,000	27,600	32,000	32,000	76,000	84,000	84,000
(Shares) after vesting								
End of End of Previous Consolidated Accounting Period	-	-	-	-	-	-	-	-
Vesting	-	-	-	-	-	-	-	-
Exercise of rights	-	-	-	-	-	-	-	-
Lapse	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-

	Series 9 Class B Subscription rights to shares	Series 10 Class B Subscription rights to shares	Series 11 Class B Subscription rights to shares	Series 12 Class B Subscription rights to shares	Series 12 Class A Subscription rights to shares	Series 13 Class B Subscription rights to shares
Non-vested (Shares)						
End of End of Previous Consolidated Accounting Period	119,600	135,200	163,700	176,700	-	-
Grant	-	-	-	-	455,100	150,300
Lapse	-	-	-	-	-	-
Vesting	-	-	-	5,900	455,100	-
Unvested balance	119,600	135,200	163,700	170,800	-	150,300
(Shares) after vesting						
End of End of Previous Consolidated Accounting Period	-	-	-	-	-	-
Vesting	-	-	-	5,900	455,100	-
Exercise of rights	-	-	-	5,900	452,400	-
Lapse	-	-	-	-	2,700	-
Outstanding balance	-	-	-	-	-	-

(NOTE)Equity securities split was conducted at the rate of 4 Shares per Shares on July 1, 2013. Accordingly, the figures for Equity securities after Equity securities split are shown.

② Unit price information

	Series 1 Class B Subscription rights to shares	Series 2 Class B Subscription rights to shares	Series 3 Class B Subscription rights to shares	Series 4 Class B Subscription rights to shares	Series 5 Class B Subscription rights to shares	Series 6 Class B Subscription rights to shares	Series 7 Class B Subscription rights to shares	Series 8 Class B Subscription rights to shares
Exercise Price (Yen)	1	1	1	1	1	1	1	1
Average Stock Price at Exercise (Yen)	-	-	-	-	-	-	-	-
Fair in The grant date Valuation unit price (Yen)	128	306	186	472	480	316	253	290

	Series 9 Class B Subscription rights to shares	Series 10 Class B Subscription rights to shares	Series 11 Class B Subscription rights to shares	Series 12Class B Subscription rights to shares	Series 12 Class A Subscription rights to shares	Series 13 Class B Subscription rights to shares
Exercise Price (Yen)	1	1	1	1	1	1
Average Stock Price at Exercise (Yen)	-	-	-	500	495	-
Fair in The grant date Valuation unit price (Yen)	228	241	262	321	536	342

(NOTE)Exercise of rights value is 1 Shares Per share value. The figures are converted into prices after the stock split on July 1, 2013 (ratio of 4 Shares per Shares).

3.Method of estimating the fair value of stock options

The fair value estimation methodology for the 12th Series Class A Subscription rights to shares that was Grant in Current Consolidated Fiscal Year is as follows:

① Black-Scholes valuation technique used

② Main basic figures and estimation method

	12th Series Class A Subscription rights to shares
Stock Price Volatility (NOTE)1	25.9%
Expected remaining maturity(NOTE)2	0.0028 years
Expected dividend rate (NOTE)3	3.89%
Risk-free rate (NOTE)4	0.078%

(NOTE)Calculated based on the stock price Actual from August 1, 1.2022 to July 29, 2024.

2.The period from Subscription rights to shares allocation date to The exercise period commencement date is used.

3.Calculated based on the dividends Actual for the most recent 2010 years.

4.Since the expected life is very short, the averages of the overnight Collateral free rates are used.

The fair value estimation methodology for the 13th Series Class B Subscription rights to shares that was Grant in Current Consolidated Fiscal Year is as follows:

① Black-Scholes valuation technique used

② Main basic figures and estimation method

	13th Series Class B Subscription rights to shares
Stock Price Volatility (NOTE)1	37.3%
Expected remaining maturity(NOTE)2	11.5 years
Expected dividend rate (NOTE)3	3.89%
Risk-free rate (NOTE)4	1.228%

(NOTE)Calculated based on the stock price Actual from January 2024, 1.2013 to July 29, 2024.

2.The weighted-average of the expected remaining service lives of Subscription rights to shares employees is used.

3.Calculated based on the dividends Actual for the most recent 2010 years.

4.Calculated based on JGB yields with a term corresponding to the expected remaining term.

4.How to estimate Vesting of stock options

Basically, because it is difficult to reasonably estimate the number of future forfeitures, the Company has adopted a method to reflect only the actual number of forfeitures.

(Deferred tax accounting)

1.Breakdown of Deferred tax assets and Deferred tax liabilities by major source

	End of Previous Consolidated Accounting Period (March 31,2024)	Current Consolidated Fiscal Year (March 31, 2025)
Deferred tax assets		
Bonus Allowance in excess of tax limit	272 Millions of yen	271 Millions of yen
Allowance for doubtful accounts in excess of tax limit	84	93
Real estate for sale valuation loss denied	58	79
Denial of loss from membership revaluation	33	34
Liabilities related to retirement benefits in excess of tax limit	404	483
Retirement benefits for directors and corporate auditors Allowance in excess of tax limit	30	20
Excess depreciation expense disallowed for tax purpose	182	0
Impairment loss deny	292	488
Deferred consumption taxes	254	280
Income Taxes and Other Taxes Payable	220	213
Mandatory write-down of investment securities	3	3
Denial of asset retirement obligations	67	82
Tax loss carryforwards	-	387
Tax Deferred assets	246	373
Compensation for completed construction Allowance in excess of deductible expenses	48	122
Subscription rights to shares	84	102
Loss on compensation for construction contracts denied	66	152
Shares of the Successor Corporation in Split	290	299
Tax effect on elimination of unrealized gains on consolidation	360	25
Gain (loss) on transfer Adjustment account	210	116
Other	29	81
Subtotal deferred tax assets	3,240	3,713
Valuation allowance (Note)	△836	△848
Deferred income taxes Total assets	2,403	2,864
Deferred tax liabilities		
Valuation difference on assets received for merger	△551	△551
Net unrealized gains on available-for-sale securities	△43	△316
Gain (loss) on transfer Adjustment account	△38	△20
Other	-	△68
Deferred income taxes Total liabilities	△634	△957
Net deferred tax assets (△: liability)	1,769	1,906

(NOTE)The main Valuation allowance changes in Details were higher Adjustment account and Impairment loss related to gains and losses on dispositions.

2.Breakdown of significant differences between Statutory tax rate and Effective income tax rate by major item responsible for the difference

	End of Previous Consolidated Accounting Period (March 31,2024)	Current Consolidated Fiscal Year (March 31,2025)
Statutory tax rate	30.6%	30.6%
(Adjustment)		
Increase in valuation allowance	1.8	△1.0
Expenses not deductible for income tax purposes	0.4	0.4
Items that are not permanently included in gross profit, such as	△0.0	0.6
Dividend income	0.2	0.2
Per capita inhabitant tax	△0.5	0.3
Difference in tax rates of subsidiaries	1.2	1.1
Goodwill depreciation	2.2	△1.8
Effect of consolidation adjustments	0.4	△3.7
Other	36.3	26.7
Effective income tax rate		

3.Revisions to Deferred tax assets and Deferred tax liabilities due to changes in income tax rates

Following the enactment of the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 13 of 2025) in the Diet in March 31 2025, the consolidated Fiscal year beginning on or after 2026 April 1 will impose a "defensive extraordinary corporate tax."

Accordingly, Statutory tax rate has been changed from 30.6% to 31.5% for Deferred tax assets and Deferred tax liabilities related to temporary differences expected to be eliminated after the consolidation Fiscal year commencing on 2026 April 1.

The effect of this change on Current Consolidated Fiscal Year's Deferred tax assets amount (net of Deferred tax liabilities amount) is immaterial.

(Asset retirement obligations)

Our group recognizes the obligation to restore Land for office leases to its original state upon vacating under the property lease contract as an Asset retirement obligations, but the description is omitted because the total amount of the obligation is immaterial.

With respect to the obligation to restore an Head Office office to its original state upon vacating under a real estate lease contract, instead of recording it as an Liabilities, the Company reasonably estimates the amount that it ultimately cannot expect to recover Be related lease deposit in the real estate lease contract and records the amount belonging to the burden of consolidated Fiscal year in expenses.

(Rental and other real estate-related)

We and certain Consolidated subsidiaries have office buildings (including Land) for lease and condominiums for lease in For Other area of Tokyo. Rental income (loss) related to such rental properties in End of Previous Consolidated Accounting Period is 151 Millions of yen (rental income is recorded in Net sales and major rental expenses are recorded in Cost of sales). Rental income (loss) related to such rental properties in Current Consolidated Fiscal Year is 748 Millions of yen (rental income is recorded in Net sales and major rental expenses are recorded in Cost of sales).

In addition, the amounts reported on the consolidated balance sheets, the changes during the period, and the fair value of the rental properties are as follows.

(Millions of yen)

		End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)
Carrying amount			
	Beginning Balance	35,714	31,045
	Changes during the year	△4,668	△1,056
	Term end Balance	31,045	29,989
Term end Market Value		36,080	33,538

(NOTE)1. Carrying amount is Acquisition cost less accumulated Accumulated depreciation and Impairment loss.

2.Of Changes during the year, the main increase in End of Previous Consolidated Accounting Period was in real estate acquisitions (11,659 Millions of yen), while the main decrease was in transfers to Real estate for sale and Real estate for sale in progress (17,010 Millions of yen) and Depreciation and amortization (303 Millions of yen). The primary increase in Current Consolidated Fiscal Year was real estate acquisitions (8644 Millions of yen) and the primary decrease was transfers to Real estate for sale and Real estate for sale in progress (9546 Millions of yen) and Depreciation and amortization (367 Millions of yen).

3.The fair value of Term end is based on the appraisal value by an outside real estate appraiser.

4.Assets under construction is not included in the above table because it is extremely difficult to determine its fair value. Assets's End of Previous Consolidated Accounting Period and Current Consolidated Fiscal Year's Carrying amount under construction are 2165 Millions of yen and 4873 Millions of yen, respectively.

(Revenue Recognition)

1.Revenue arising from contracts with customers decomposition data

Information disaggregating revenue from contracts with customers is presented in "Notes (Segment Information, etc.)."

2.Understanding Revenue arising from contracts with customers is based on

The information that forms the basis for understanding Revenue arising from contracts with customers is as described in "(5) Basis of recognition of significant revenues and expenses" in "4. Basis of preparation of consolidated financial statements, Accounting Policy."

3.Information regarding the relationship between the satisfaction of performance obligations under contracts with customers and cash flows arising from such contracts and the amount and timing of revenue expected to be recognized from contracts with customers that exist in End of the consolidated financial year subsequent to the next consolidated Fiscal year

(1)Balance of Contract assets and Contractual liabilities, etc.

	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Receivables from contracts with customers (beginning Balance)	3,379 Millions of yen	8,220 Millions of yen
Receivables from contracts with customers (Term end Balance)	8,220	2,834
Contractual liability (beginning Balance)	10,172	8,994
Contractual liability (Term end Balance)	8,994	7,143

Contractual liabilities primarily relates to Advances received received from customers who are ordinary consumers who deliver the property pursuant to real estate purchase and sale contracts in Real Estate Business. Contractual liabilities are reversed upon recognition of revenue.

The amount of revenue recognized in End of Previous Consolidated Accounting Period that was included in Contractual liabilities Balance at the beginning of the period was 7420 Millions of yen.

The amount of revenue recognized in Current Consolidated Fiscal Year that was included in Contractual liabilities Balance at the beginning of the period was 6285 Millions of yen.

(2)Transaction price allocated to the remaining performance obligation

We and Consolidated subsidiaries have applied the practical expedient method to Notes the transaction prices allocated to the remaining performance obligations and do not include the initial expected contract term in the scope of Notes for Within 1 year contracts. The performance obligations relate to the delivery of the property pursuant to a real estate purchase and sale agreement in Real Estate Business, and the total transaction prices allocated to the remaining performance obligations and the expected term of revenue to be recognized are as follows:

	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Within 1 year	26,656 Millions of yen	16, 823 million yen
Due in 1-2 years	31,714	33,455
Due after 2 years through 3 years	11,717	207
Total	70,089	50,485

(Segment information, etc.)

[Segment Information]

1.Reportable segments at a Glance

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 leasing 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 those described in "Basis of Presenting the 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

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments				Other (NOTE)	Total
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net sales						
Revenue arising from contracts with customers	156,933	13,849	734	171,517	7,805	179,322
Other revenue	5,871	-	-	5,871	-	5,871
Net sales to customers	162,804	13,849	734	177,388	7,805	185,194
Intersegment net sales or transfers	-	-	-	-	-	-
Total	162,804	13,849	734	177,388	7,805	185,194
Segment income (loss) (△)	13,790	2,026	△34	15,782	△325	15,457
Segment assets	178,033	113,998	935	292,967	7,264	300,232
Segment liabilities	157,048	117,604	110	274,763	3,562	278,325
Items in Other						
Depreciation and amortization	344	4,585	5	4,935	84	5,020
Amortization of goodwill	78	-	-	78	-	78
Interest expenses	1,315	1,544	0	2,860	2	2,862
Increased amount of Property, plant and equipment and Intangible assets	16,320	22,960	0	39,281	1,231	40,513

(NOTE)"Other" Category is a business Segment not included in Reportable segments and includes businesses such as construction and Hotel operations.

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

(Millions of yen)

	Reportable segments				Other (NOTE)	Total
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net 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
Net sales to customers	178,512	9,921	1,162	189,596	6,927	196,523
Intersegment net sales or transfers	-	-	-	-	-	-
Total	178,512	9,921	1,162	189,596	6,927	196,523
Segment income (loss) (△)	13,130	1,110	268	14,509	△144	14,364
Segment assets	204,206	114,317	2,528	321,052	5,912	326,965
Segment liabilities	177,441	121,844	291	299,577	2,622	302,199
Items in Other						
Depreciation and amortization	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
Increased amount of Property, plant and equipment and Intangible assets	12,259	8,600	102	20,961	48	21,010

(NOTE)"Other" Category is a business Segment not included in Reportable segments and includes businesses such as construction and Hotel operations.

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	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	177,388	189,596
Net sales of Category in Other	7,805	6,927
Elimination of inter-segment transactions	-	-
Net sales of Consolidated Financial Statements	185,194	196,523

(Millions of yen)

Profit	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	15,782	14,509
Benefits of Other's Category	△325	△144
Elimination of inter-segment transactions	-	-
Amortization of goodwill	-	-
Operating income of Consolidated Financial Statements	15,457	14,364

(Millions of yen)

Assets	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	292,967	321,052
Other's Category property	7,264	5,912
Offset and Elimination of Obligations to Administration Divisions of Head Office	△62,756	△59,419
Corporate assets (Note)	99,971	104,961
Total assets of Consolidated Financial Statements	337,447	372,508

(NOTE)Corporate Assets is a Assets that is 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	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Reportable segments Total	274,763	299,577
Other's Category Debt	3,562	2,622
Offset and Elimination of Obligations to Administration Divisions of Head Office	△44,596	△42,725
Corporate liabilities (Note)	32,049	23,926
Total liabilities of Consolidated Financial Statements	265,778	283,401

(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	
	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Depreciation and amortization	4,935	4,930	84	89	350	945	5,370	5,965
Amortization of goodwill	78	19	-	-	430	386	509	405
Interest expenses	2,860	2,757	2	6	△66	253	2,795	3,017

Items in Other	Reportable segments Total		Other		Adjusted amount		Carrying value	
	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year	End of Previous Consolidated Accounting Period	Current Consolidated Fiscal Year
Increased amount of Property, plant and equipment and Intangible assets (NOTE)	39,281	20,961	1,231	48	△13,871	660	26,641	21,670

(NOTE)Increased amount of Property, plant and equipment and Intangible assets's Adjusted amount is the amount of Goodwill accrued, Head Office Buildings and other capital expenditures that are not allocated to Reportable segments, and the amount of elimination of transactions between Segment.

[Related Information]

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1)Net sales

This information is omitted because Net sales to customers in Japan accounts for more than 90% of Net sales in the consolidated statements of income.

(2)Property, plant and equipment

Disclosure is omitted because the amount of Property, plant and equipment located in Japan exceeds 90% of the amount of Property, plant and equipment on the consolidated balance sheet.

3.Information for each major customer

Not applicable.

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

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1)Net sales

This information is omitted because Net sales to customers in Japan accounts for more than 90% of Net sales in the consolidated statements of income.

(2)Property, plant and equipment

Disclosure is omitted because the amount of Property, plant and equipment located in Japan exceeds 90% of the amount of Property, plant and equipment on the consolidated balance sheet.

3.Information for each major customer

Not applicable.

[About Fixed assets's Impairment loss per Reportable segments]

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Real Estate Business	Energy Business	Asset Management Business	Others (Note)	Corporate and eliminations	Total
Impairment loss	39	13	-	455	-	508

(NOTE)The amount of "Other" is related to Hotel business.

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

Not applicable.

[Amortization of goodwill and unamortized Balance per Reportable segments]

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Real Estate Business	Energy Business	Asset Management Business	Other	Corporate and eliminations (Note)	Total
Amortization for the year	78	-	-	-	430	509
Term end Balance	19	-	-	-	3,400	3,420

(NOTE)The amount of Corporate and eliminations is amortized and unamortized Balance related to corporate Goodwill not attributable to Reportable segments.

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

(Millions of yen)

	Real Estate Business	Energy Business	Asset Management Business	Other	Corporate and eliminations (Note)	Total
Amortization for the year	19	-	-	-	386	405
Term end Balance	-	-	-	-	3,014	3,014

(NOTE)The amount of Corporate and eliminations is amortized and unamortized Balance related to corporate Goodwill not attributable to Reportable segments.

[About Negative Goodwill gains per Reportable segments]

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

Not applicable.

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

In Other, the Company acquired Equity securities of Leben Hotels Co., Ltd. and made it a Consolidated subsidiaries, resulting in a Negative Goodwill gains of 0 Millions of yen.

[Related party information]

Related party transactions

(1)Consolidated Financial Statements Submitting Company and Related party transactions

Officers and Major Shareholders of the Company Submitting Consolidated Financial Statements (limited to individuals), etc.

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

Not applicable.

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

Not applicable.

(2)Consolidated Financial Statements Submitting Company's Consolidated subsidiaries and Related party transactions

Officers and Major Shareholders of the Company Submitting Consolidated Financial Statements (limited to individuals), etc.

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

Not applicable.

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

Not applicable.

(Affiliates of Special Purpose Companies Subject to Disclosure)

1.Outline of Special Purpose Companies Subject to Disclosure and Outline of Transactions Using Special Purpose Companies Subject to Disclosure

Our group securitizes real estate for the purpose of diversifying our funding sources and procuring funds in a stable manner. In securitization, our group transfers real estate (including trust beneficiary rights) to 1 special purpose company (LLC) and receives the proceeds from the sale of the funds raised by the special purpose company by borrowing, etc. backed by the real estate. For special purpose companies, the Company concluded a silent partnership agreement and invested in it based on the agreement. Our Group does not have any voting capital, and does not dispatch any directors or employees.

2.Amount of transactions with special purpose companies, etc.

End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31, 2024)

Not applicable.

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

	Amount or End of the consolidated financial year Balance of major transactions (Millions of yen)	Major profit and loss items	
			Amount (Millions of yen)
Gain on sale of transferred real estate	2,847		216
Silent partnership Investments in capital	142	-	-

(NOTE)1. Transaction amounts related to the transferred real estate are stated at the transfer price at the time of transfer. In addition, the gain on the sale of the transferred Assets was recorded in Gross profit.

2.Transaction amounts related to the silent partnership Investments in capital are stated based on the amount of investment in Current Consolidated Fiscal Year.

(Per Share Information)

	End of Previous Consolidated Accounting Period (From April 1, 2023 to March 31 ,2024)	Current Consolidated Fiscal Year (From April 1, 2024 to March 31 ,2025)
1 Shares Per share Net assets	596 . 90 yen	610 .61 yen
Net income per share	7,439 yen	6,269 yen
Diluted Net income per share	7,372 yen	6,213 yen

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

		End of Previous Consolidated Accounting Period (April 1, 2023 To: March 31 in 2024)	Current Consolidated Fiscal Year (April 1, 2024 To: March 31 2025)
Net income per share			
Net income attributable to owners of parent	(Millions of yen)	8,178	8,207
Net income not applicable to common shareholders	(Millions of yen)	-	-
Net income attributable to owners of parent related to Common stock	(Millions of yen)	8,178	8,207
Average number of shares during the period	(Thousands of Shares)	109,938	130,926
Diluted Net income per share			
Net income attributable to owners of parent Adjustments	(Millions of yen)	-	-
Common stock growth	(Thousands of Shares)	990	1,174
(Subscription rights to shares (Thousands of Shares))		(990)	(1,174)
Summary of dilutive shares not included in the calculation of diluted Net income per share because they have no dilutive effect		-	-

(Significant Subsequent Events)

Not applicable.

⑤[Consolidated Supplementary Schedule]

[Bonds payable Schedule]

Company Name	Brand	Issue Date	Balance at the beginning of the period (Millions of yen)	Term end Balance (Millions of yen)	Interest rate (%)	Collateral	Maturity date
MIRARTH Holdings Co., Ltd.	Second Unsecured Bonds payable	January 24, 2020	2,600 (2,600)	-	1.50	No	March 24, 2020
MIRARTH Holdings Co., Ltd.	Third Unsecured Bonds payable	October 6, 2023	2,000	2,000	1.45	No	October 6, 2026
MIRARTH Holdings Co., Ltd.	Fourth Series of Unsecured Bonds payable	October 6, 2023	3,000	3,000	1.60	No	October 6, 2027
MIRARTH Holdings Co., Ltd.	5th Unsecured Bonds payable	March 11, 2025	-	886	0.10	No	March 11, 2030
Takara Leben Co., Ltd.	Second Unsecured Bonds payable	June 30, 2020	250	250	0.30	No	June 30, 2027
Takara Leben Co., Ltd.	Third Unsecured Bonds payable	September 30, 2020	100	100 (100)	0.02	No	September 30, 2025
Takara Leben Co., Ltd.	Fourth Series of Unsecured Bonds payable	March 25, 2021	300	300 (300)	0.30	No	March 25, 2026
Takara Leben Co., Ltd.	5th Unsecured Bonds payable	September 24, 2021	50 (50)	-	0.37	No	September 25, 2024
Takara Leben Co., Ltd.	11th Unsecured Bonds payable	June 30, 2020	100	100 (100)	0.37	No	June 30, 2025
Takara Leben Co., Ltd.	13th Unsecured Bonds payable	September 18, 2020	100	100 (100)	0.60	No	September 18, 2025
Takara Leben Co., Ltd.	14th Unsecured Bonds payable	September 30, 2020	100	100 (100)	0.40	No	September 30, 2025
Takara Leben Co., Ltd.	15th Unsecured Bonds payable	January 20, 2021	100	100 (100)	0.39	No	January 20, 2026
Takara Leben Co., Ltd.	16th Unsecured Bonds payable	February 5, 2021	40 (20)	20 (20)	0.19	No	February 5, 2026
Takara Leben Co., Ltd.	17th Unsecured Bonds payable	February 19, 2021	50	50 (50)	0.36	No	February 19, 2026
Takara Leben Co., Ltd.	18th Unsecured Bonds payable	December 15, 2021	60 (20)	40 (20)	0.05	No	December 15, 2026
Takara Leben Co., Ltd.	19th Unsecured Bonds payable	January 20, 2022	60 (20)	40 (20)	0.27	No	January 20, 2027
Takara Leben Co., Ltd.	20th Collateral Bonds payable	September 25, 2023	300	300	0.57	No	September 25, 2026
Takara Leben Co., Ltd.	No Collateral Bonds payable at 21st	October 25, 2023	300	300	0.25	No	October 25, 2026
MIRARTH Energy Solutions Inc..	First Unsecured Bonds payable	September 29, 2022	105 (30)	75 (30)	0.70	No	September 29, 2027
MIRARTH Energy Solutions Inc..	Second Unsecured Bonds payable	December 29, 2023	200 (66)	133 (66)	0.70	No	December 29, 2026
Total	-	-	9,815 (2,806)	7,894 (1,006)	-	-	-

(NOTE)1.() Figures in this document represent scheduled redemption amounts of Within 1 year.

2.The redemption schedule for the 5 years after the consolidated balance sheet date is as follows:

Within 1 year (Millions of yen)	Due in 1-2 years (Millions of yen)	Due after 2 years through 3 years (Millions of yen)	Due after 3 years through 4 years (Millions of yen)	Due after 4 years through 5 years (Millions of yen)
1,006	2,736	3,265	-	886

[Schedule of Borrowings]

Category	Balance at the beginning of the period (Millions of yen)	Term end Balance (Millions of yen)	Average interest rate (%)	Maturity
Short-term borrowings	25,621	43,238	1.22	-
Long-term loans payable due within 1 year	44,102	39,462	1.40	-
Lease obligations due within 1 year	34	36	-	-
Long-term loans payable (excluding those to be repaid within 1 year)	130,673	136,185	1.53	From April,2026 to May 2058
Lease obligations (excluding obligations due within 1 year)	214	188	-	From April, 2026 to December 2031
Total	200,647	219,111	-	-

(NOTE)1. For Average interest rate, the weighted Average interest rate for Term end borrowing Balance is presented.

2.Lease obligations's Average interest rate is not presented because Lease obligations is recorded in Consolidated Balance Sheets at the amount prior to deducting the interest equivalent included in the total Lease fee.

3.The aggregate annual maturities of Long-term loans payable and Lease obligations (excluding obligations due within 1 year) for the 5 years following the consolidated balance sheet date are as follows:

	Due in 1-2 years (Millions of yen)	Due after 2 years through 3 years (Millions of yen)	Due after 3 years through 4 years (Millions of yen)	Due after 4 years through 5 years (Millions of yen)
Long-term loans payable	35,376	35,368	13,390	10,204
Lease obligations	36	34	31	31

[Schedule of asset retirement obligations]

The amounts of Asset retirement obligations at the beginning of Current Consolidated Fiscal Year and End of the consolidated financial year are not more than 100 times less than Total amounts of Liabilities and Net assets at the beginning of Current Consolidated Fiscal Year and End of the consolidated financial year, and therefore are omitted in accordance with Article 92-2 of the Ordinance on Consolidated Financial Statements.

(2)[Other]

Semiannual data in Current Consolidated Fiscal Year, etc.

	Interim Consolidated Accounting period	Current Consolidated Fiscal Year
Net sales (Millions of yen)	86,363	196,523
Interim (current term) Profit before income taxes (Millions of yen)	3,344	11,326
Interim (current term) Profit (Millions of yen) attributable to owners of parent	2,077	8,207
1 Shares Per share Interim (current term) net Profit (Yen)	16.47	62.69

2[Financial Statements]

(1)[Financial Statements]

①[Balance Sheet]

(Millions of yen)

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Assets		
Current assets		
Cash and deposits	16,689	24,920
Accounts receivable	※1,※3 2,676	※1,※3 79
Accounts receivable-other	※3 676	※3 521
Real estate for sale	※1,※2 14,153	※1,※2 7,399
Real estate for sale in progress	※1,※2 31,949	※1,※2 18,794
Advance payments	2,380	698
Prepaid expenses	※3 620	※3 692
Short-term loans to affiliates	※3 7,585	※3 6,836
Other	※3 6,763	※3 6,264
Allowance for doubtful accounts	△275	△275
Total current assets	83,220	65,932
Fixed assets		
Property, plant and equipment		
Buildings	※1,※2 6,993	※1,※2 5,321
Structures	※1,※2 177	※1,※2 122
Machinery and equipment	※1 3,341	※1 2,891
Tools, furniture and fixtures	※1,※2 78	※1,※2 71
Land	※1,※2 11,814	※1,※2 7,510
Construction in progress	※1,※2 1,025	※1 453
Total property, plant and equipment	23,432	16,372
Intangible assets		
Land Lease Right	※1 242	※1 242
Software	※1 283	※2 363
Goodwill	19	-
Other	79	136
Total intangible assets	624	741
Investments and other assets		
Investment securities	2,049	2,655
Stocks of subsidiaries and affiliates	※1 22,039	※1 21,091
Securities of affiliates of Other	13,868	0
Investments in capital	358	281
Membership	71	89
Lease deposits	840	725
Long-term loans receivable from subsidiaries and affiliates	-	※3 400
Deferred tax assets	408	231
Other	1,722	1,526
Total investments and other assets	41,358	27,001
Total fixed assets	65,416	44,116
Deferred assets		
Bonds payable issuance costs	41	35
Deferred assets Total	41	35
Total assets	148,678	110,084

(Millions of yen)

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2024)
Liabilities		
Current liabilities		
Electronically recorded obligations-operating	14,308	12,429
Accounts payable	※3 3,552	※3 676
Short-term borrowings	※1 5,688	※1 6,818
Current portion of bonds payable	2,600	-
Current portion of long-term loans payable	※1 24,831	※1 12,188
Accounts payable-other	※3 988	※3 773
Accrued expenses	44	41
Income taxes payable	1,930	569
Advances received	1,660	1,308
Deposits received	242	※3 52
Deferred revenues	※3 37	※3 37
Bonus Allowance	3	12
Compensation for completed construction Allowance	299	571
Other	338	0
Total current liabilities	56,526	35,481
Fixed liabilities		
Long-term loans payable	※1 29,840	※1 10,451
Bonds payable	5,000	5,886
Lease and guarantee deposits received	421	※3 535
Benefit Allowance	2	5
Asset retirement obligations	26	26
Total Fixed liabilities	35,290	16,906
Total liabilities	91,817	52,388
Net assets		
Shareholders' equity		
Capital stock	4,819	9,056
Capital surplus		
Legal capital surplus	4,817	9,054
Other Capital surplus	34	505
Capital surplus Total	4,851	9,559
Retained earnings		
Legal reserve	92	92
Other Retained earnings		
General reserve	14,681	14,681
Retained earnings carried forward	36,097	25,021
Retained earnings Total	50,870	39,795
Treasury stock	△4,066	△1,657
Total shareholders' equity	56,476	56,754
Valuation and translation adjustments		
Net unrealized gains on available-for-sale securities	107	615
Total valuation and translation adjustments	107	615
Subscription rights to shares	277	326
Total net assets	56,861	57,695
Total liabilities and net assets	148,678	110,084

②[Income Statement]

(Millions of yen)

	Prior taxable year (From April 1, 2023 to March 31 ,2024)	Current fiscal year (From April 1, 2024 to March 31 ,2025)
Net sales		
Real Estate Business income	※1 86,590	※1 65,509
Energy Business income	※1 1,091	※1 707
Other Businesses income	150	-
Operating revenue		
Affiliated companies Dividend income	1,392	※1 2,011
Net sales and operating revenue Total	89,226	68,227
Cost of sales		
Real Estate Business cost	※1 73,068	※1 56,480
Energy Business cost	※1 1,164	※1 721
Other Businesses cost	※1 271	-
Cost of sales Total	74,503	57,202
Gross profit	14,722	11,025
Selling, general and administrative expenses	※1,※2 7,132	※1,※2 5,658
Operating income	7,590	5,366
Non-operating income		
Interest income	※1 81	※1 85
Dividend income	46	242
Silent partnership Profit	※1 404	※1 416
Commission received	21	2
Miscellaneous income	※1 1,060	※1 1,123
Total non-operating income	1,614	1,870
Non-operating expenses		
Interest expenses	※1 706	※1 586
Miscellaneous expenses	※1 161	※1 171
Total non-operating expenses	867	757
Ordinary income	8,336	6,479
Extraordinary income		
Gain on sales of Fixed assets	26	-
Gain on sales of investment securities	146	-
Gain on Fixed assets swap	-	143
Gain on sales of stock of affiliates	300	-
Total extraordinary income	473	143
Extraordinary loss		
Loss on disposal of Fixed assets	-	25
Impairment loss	455	-
Loss on construction compensation	-	282
Extraordinary losses Total	455	307
Income before income taxes	8,354	6,315
Income taxes, inhabitant taxes and business taxes	2,145	1,031
Income tax adjustments	△0	△59
Total income and other taxes	2,145	972
Net income	6,209	5,343

[Cost of sales Statement]

1.Real Estate Business cost Statement

Category	Notes Number	Prior taxable year (From April 1, 2023 to March 31 ,2024) Amount (Millions of yen)	Composition ratio (%)	Current fiscal year (From April 1, 2024 to March 31 ,2025) Amount (Millions of yen)	Composition ratio (%)
Purchase Land, etc.	2	29,655	40.6	30,033	53.1
Outsourced construction costs		40,867	55.9	24,525	43.4
Taxes and dues		220	0.3	204	0.4
Depreciation and amortization		240	0.3	288	0.5
Maintenance and management fee		563	0.8	493	0.9
Other		1,520	2.1	936	1.7
Real Estate Business cost		73,068	100.0	56,480	100.0

(NOTE)1. Cost accounting is based on individual cost accounting.

2.The amount of the inventory Assets write-down in Current fiscal year is 177 Millions of yen. There were no inventory Assets write-downs in Prior taxable year.

2.Energy Business cost Statement

Category	Notes Number	Prior taxable year (From April 1, 2023 to March 31 ,2024) Amount (Millions of yen)	Composition ratio (%)	Current fiscal year (From April 1, 2024 to March 31 ,2025) Amount (Millions of yen)	Composition ratio (%)
Cost of sales of power generation facilities		291	25.0	-	-
Taxes and dues		60	5.2	51	7.2
Depreciation and amortization		521	44.9	449	62.3
Maintenance and management fee		153	13.2	90	12.6
Rent expenses		10	0.9	3	0.5
Other		125	10.8	125	17.4
Energy Business cost		1,164	100.0	721	100.0

③[Statement of Changes in Shareholders' equity]

Prior taxable year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other' equity Retained earnings	Capital surplus Total	Legal reserve	Other Retained earnings: General reserve	Other Retained earnings: Carry-over profit Surplus	Retained earnings Total
Balance at the beginning of the period	4,819	4,817	3	4,820	92	14,681	32,523	47,297
Change during the year								
Dividend of surplus							△2,635	△2,635
Net income							6,209	6,209
Disposal of Treasury stock			31	31				
Net changes of items other than Shareholders' equity								
Total changes of items during the period	-	-	31	31	-	-	3,573	3,573
Term end Balance	4,819	4,817	34	4,851	92	14,681	36,097	50,870

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Total valuation and translation adjustments		
Balance at the beginning of the period	△4,174	52,762	△45	△45	220	52,937
Change during the year						
Dividend of surplus		△2,635				△2,635
Net income		6,209				6,209
Disposal of Treasury stock	108	140				140
Net changes of items other than Shareholders' equity			153	153	56	210
Total changes of items during the period	108	3,713	153	153	56	3,924
Term end Balance	△4,066	56,476	107	107	277	56,861

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other' equity Retained earnings	Capital surplus Total	Legal reserve	Other Retained earnings		Retained earnings Total
						General reserve	Carry-over profit Surplus	
Balance at the beginning of the period	4,819	4,817	34	4,851	92	14,681	36,097	50,870
Change during the year								
Issuance of new shares	4,237	4,237		4,237				
Dividend of surplus							△2,931	△2,931
Net income							5,343	5,343
Obtaining a Treasury stock								
Disposal of Treasury stock			470	470				
Decrease due to absorption-type split							△13,487	△13,487
Net changes of items other than Shareholders' equity								
Total changes of items during the period	4,237	4,237	470	4,707	-	-	△11,075	△11,075
Term end Balance	9,056	9,054	505	9,559	92	14,681	25,021	39,795

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Total valuation and translation adjustments		
Balance at the beginning of the period	△4,066	56,476	107	107	277	56,861
Change during the year						
Issuance of new shares		8,474				8,474
Dividend of surplus		△2,931				△2,931
Net income		5,343				5,343
Obtaining a Treasury stock	△0	△0				△0
Disposal of Treasury stock	2,408	2,879				2,879
Decrease due to absorption-type split		△13,487				△13,487
Net changes of items other than Shareholders' equity			507	507	49	556
Total changes of items during the period	2,408	278	507	507	49	834
Term end Balance	△1,657	56,754	615	615	326	57,695

[Notes]

(Significant accounting policies)

1.Marketable securities

(1) Held-to-maturity debt securities

Stated at amortized cost (straight-line method).

(2) Stocks of subsidiaries and affiliates, Securities of affiliates of Other

Stated at cost determined mainly by the moving-average method

(3) Other in Securities

Other than shares, etc. without market price

Stated at market value (all valuation differences are accounted for using the direct Net assets method, and the cost of securities sold is calculated using the moving-average method).

Stocks, etc. without market price

Stated at cost determined mainly by the moving-average method

2.Inventory: Valuation standards and methods for Assets

Stated at cost determined by the specific identification method. (The carrying amount on the balance sheet is written down to reflect the decline in profitability.)

3.Depreciation of Fixed assets

(1) Property, plant and equipment (excluding Leased assets)

Tangible assets are stated at cost. However, for Buildings (excluding facilities attached to Buildings) acquired on or after April 1, 1998 and Buildings facilities and Structures acquired on or after April 1, 2016, The straight-line method is used.

Useful life for primary assets is as follows:

Buildings 6-50 years

Machinery and equipment 7-17 years

(2) Intangible assets (excluding Leased assets)

Software for internal use is amortized using the straight-line method over the estimated useful life of 5 years.

(3) Leased assets

Leased assets related to finance lease transactions with ownership transfer

The same depreciation methods applied to self-owned Fixed assets are used.

Leased assets under finance leases that do not transfer ownership

The straight-line method is used with the lease period as the useful life and the residual value as zero.

4.Accounting standards for Allowance

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided at an amount equal to Actual rate for ordinary receivables and an amount equal to the estimated uncollectible amount for certain receivables such as doubtful receivables based on the individual collectability.

(2) Bonus Allowance

In order to provide for the payment of bonuses to employees, the amount of estimated future bonuses to be paid in the current fiscal year is recorded.

(3) Compensation for completed construction Allowance

In order to provide for losses and compensation service expenses arising from defects after delivery of company-constructed buildings, etc., the Company records Actual for repair expenses and other expenses related to previous company-constructed buildings, etc.

(4) Benefit Allowance

Provision for employees' retirement benefits is made based on the retirement benefit obligation at the end of the fiscal year. In calculating Benefit Allowance and Retirement benefit expenses, a simplified method is applied that uses the retirement benefit obligation as the amount that would be required if all employees voluntarily terminated their employment with Term end.

5.Revenue Recognition

Details of principal performance obligations and the normal timing of recognizing revenue in our principal businesses are as follows:

(1) Real Estate Business

①New condominium business

The new condominium business sells each condominium unit to general consumers and is obligated to deliver the property pursuant to a real estate sales contract with a customer. Such performance obligations are satisfied at a point in time when the property is delivered and earning is recorded at the time of such delivery.

The transaction price is determined by the real estate sales contract, and in such contracts, the delivery date is generally the same as the date when the entire amount of the sale price is received. Therefore, the payment of the sale price is received at the same time as the delivery of the property.

②Securitization business

The securitization business is a business of acquiring rental residential properties and office buildings, increasing Assets value through leasing and renovation, and then selling them to operating companies, etc.

The performance obligations and the timing of satisfaction thereof, the method of determining transaction prices, and the timing of revenue recognition in the Liquidation Business are the same as in the new condominium business described above.

(2) Energy Business

Energy Business is a business that derives revenues from the sale of operated power generation facilities and revenues from the sale of power generation facilities.

The timing of performance obligations and their satisfaction, the methods of determining transaction prices, and the timing of revenue recognition in the proceeds from the sale of the active power generation Facilities are the same as in the new condominium business described above. In addition, revenue from the sale of power at power generation facilities is recorded primarily at the time of delivery to customers pursuant to power purchase agreements.

(3) Group Business Management Business

Revenues from the Group-wide business administration business consist of Dividend income subsidiaries and affiliates.

For Dividend income affiliates, earning is recorded in Effective date of dividends.

6.Other Significant Items Forming the Basis for Preparation of Financial Statements

Accounting for consumption tax

Non-deductible consumption taxes related to assets are charged to income for the period in which they are incurred.

(Critical Accounting Estimates)

・Fixed assets's Impairment loss

(1)Amount recorded as Impairment loss in Current fiscal year's financial statements

	Prior taxable year	Current fiscal year
Land	455 Millions of yen	-Millions of yen
Total	455	-

(2)Details of Significant Accounting Estimates for Identified Items

We group each property individually as the smallest unit that generates cash by using assets.

For these Assets groups, Current fiscal year has determined that there is no indication of Impairment loss and has not recorded an Impairment loss.

For Assets or Assets of Fixed assets with indicators of impairment, Impairment loss is measured using the appraisal value, etc. by a real estate appraiser or the value in use as the recoverable amount. The appraisal value, etc. is calculated based on the business plan of each asset group, comprehensively considering the surrounding environment, etc.

If the assumptions used in these estimates require revision due to uncertain future changes in economic conditions or other factors, additional Impairment loss (Extraordinary loss) may occur in the financial statements for the following Business Year and thereafter.

(Changes in Presentation Method)

(Balance Sheet)

Due to an increase in the monetary significance of Electronically Recorded Liabilities, which had been included in Notes payable under Current liabilities until Prior taxable year, the Company has Category presented them as Electronically Recorded Liabilities under Current fiscal year. Financial statements for the previous fiscal year have been reclassified to reflect this change in presentation.

Consequently, Notes payable 14,308 Millions of yen of Current liabilities has been reclassified to Electronically Recorded Obligations 14,308 Millions of yen on the balance sheet of Prior taxable year.

(Notes to the Balance Sheet)

※1 Assets pledged as Collateral and corresponding liabilities are as follows:

(1)Assets pledged as Collateral

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Accounts receivable	45 Millions of yen	22 Millions of yen
Real estate for sale	7,257	4,388
Real estate for sale in progress	26,127	11,566
Buildings	4,985	1,600
Structures	91	27
Machinery and equipment	2,379	2,079
Tools, furniture and fixtures	12	6
Land	8,665	1,133
Construction in progress	1,025	453
Land Lease Right	232	242
Software	0	-
Stocks of subsidiaries and affiliates	6,032	6,032
Total	56,855	27,555

(2)Debt to the above

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Short-term borrowings	5,688 Millions of yen	2,538 Millions of yen
Current portion of long-term loans payable	17,287	10,438
Long-term loans payable	24,840	7,201
Total	47,816	20,177

※2 Change in holding purpose of Assets

Prior taxable year (March 31, 2024)

As a result of a change in the holding purpose from resale to Assets for business use, Current fiscal year transferred Real estate for sale in progress 7 Millions of yen to Buildings 3 Millions of yen and Land 4 Millions of yen.

In addition, in conjunction with the change in the holding purpose of certain real estate holdings from development and leasing to resale, Current fiscal year transferred 5,264 Buildings Millions of yen, Structures 143 Millions of yen, Tools, furniture and fixtures 22 Millions of yen, Land 11,072 Millions of yen, and 1,635 Millions of yen to Real estate for sale. Certain of Assets were sold in Current fiscal year and 9,640 Millions of yen of the 18,137 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

Current fiscal year (March 31, 2025)

As a result of the change in the holding purpose from resale to Assets for business use, a portion of real estate owned has been transferred to 162 Millions of yen for Current fiscal year for Real estate for sale 162 Millions of yen and Real estate for sale in progress 9 Millions of yen for Buildings 9 Millions of yen and Land.

In addition, the Company transferred Current fiscal year's Buildings 4,407 Millions of yen, Structures 71 Millions of yen, Tools, furniture and fixtures 7 Millions of yen, Land 4,189 Millions of yen and Software 0 Millions of yen to Real estate for sale as part of the change in the Company's real estate holdings from development and leasing to resale. Certain of Assets were sold in Current fiscal year and 4,236 Millions of yen of the 8,675 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

※3 Monetary claims and liabilities to affiliated companies

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Short-term monetary claims	13,661 Millions of yen	12,796 Millions of yen
Long-term monetary receivables	-	400
Short-term loans payable	530	360
Long-term debt	-	4

4 Contingent liabilities

Guarantees for loans from financial institutions

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Joint and several guarantee obligations to financial institutions, etc. until the completion of the registration of mortgage on our customer housing loans	2,441 Millions of yen	1,081 Millions of yen
Takara Leben Co., Ltd.	1,200	-
Leben Zestock Co., Ltd.	845	686
MIRARTH Energy Solutions Inc. (NOTE)	2,537	3,774
Minato Vietnam Co., Ltd.	647	-
WISE ESTATE 3 Co., Ltd.	524	47
WISE ESTATE 8 Co., Ltd.	367	-
WISE ESTATE 10 Co., Ltd.	489	-
Takara Leben(Thailand)Co.,Ltd.	1,552	933
Total	10,606	6,522

(NOTE)Effective April 1, 2024, Leben Clean Energy Co., Ltd. changed its name to MIRARTH Energy Solutions, Inc.

5 In order to raise working capital efficiently, we have entered into overdraft and loan commitment agreements with 8 Financial institutions (25 Prior taxable year).

Unused Balance at the end of the fiscal year under these contracts are as follows:

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Maximum overdraft amount and loans Total commitment	32,007 Millions of yen	12,908 Millions of yen
Loan balance	25,458	7,758
Net amount	6,549	5,150

(Notes to Statements of Income)

※1 Transactions with Affiliates

	Prior taxable year (From April 1, 2023 to March 31,2024)	Current fiscal year (From April 1, 2024 to March 31 ,2025)
Turnover with business transaction		
Net sales	36,314 Millions of yen	36,247 Millions of yen
Operating revenue	-	2,011
Purchases	2,485	965
Excluding operating transactions with subsidiary	1,397	1,126

※2 The approximate percentages of expenses in selling expenses are Prior taxable year 47%, Current fiscal year 31%, and the approximate percentages of expenses in general and administrative expenses are Prior taxable year 53% and Current fiscal year 69%.

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

	Prior taxable year (From April 1, 2023 to March 31 ,2024)	Current fiscal year (From April 1, 2024 to March 31 ,2025)
Advertising expenses	1,158 Millions of yen	1,118 Millions of yen
Sales commission	1,445	349
Promotion expenses	760	260
Salary allowance	75	121
Bonus Allowance provision	7	23
Retirement benefit expenses	2	0
Depreciation and amortization	148	167

(Notes to Securities)

Stocks of subsidiaries and affiliates

Balance sheet amount of stocks, etc. without market price

(Millions of yen)

Category	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Investments in subsidiaries	22,039	21,091
Securities of affiliates of Other	13,868	0

(Deferred tax accounting)

1.Breakdown of Deferred tax assets and Deferred tax liabilities by major source

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Deferred tax assets		
Bonus Allowance in excess of tax limit	1 Millions of yen	3 Millions of yen
Allowance for doubtful accounts in excess of tax limit	84	86
Real estate for sale valuation loss denied	19	74
Denial of loss from membership revaluation	32	33
Retirement benefits Allowance in excess of tax limit	0	1
Excess depreciation expense disallowed for tax purpose	182	-
Impairment loss deny	163	350
Deferred consumption taxes	229	212
Income Taxes and Other Taxes Payable	110	52
Mandatory write-down of investment securities	3	3
Denial of asset retirement obligations	43	47
Tax Deferred assets	90	66
Compensation for completed construction Allowance in excess of deductible expenses	25	22
Subscription rights to shares	84	102
Loss on compensation for construction contracts denied	66	152
Rental and administrative expenses not recorded	20	-
Shares of the Successor Corporation in Split	290	299
Gain (loss) on transfer Adjustment account	210	116
Net unrealized gains on available-for-sale securities	-	45
Other	-	0
Subtotal deferred tax assets	1,661	1,672
Valuation allowance	△629	△554
Deferred income taxes Total assets	1,031	1,117
Deferred tax liabilities		
Valuation difference on assets received for merger	△551	△551
Net unrealized gains on available-for-sale securities	△32	△314
Gain (loss) on transfer Adjustment account	△38	△20
Deferred income taxes Total liabilities	△623	△886
Net deferred tax assets (△: liability)	408	231

2.Breakdown of significant differences between Statutory tax rate and Effective income tax rate by major item responsible for the difference

	Prior taxable year (March 31, 2024)	Current fiscal year (March 31, 2025)
Statutory tax rate	30.6%	30.6%
(Adjustment)		
Increase in valuation allowance	1.1	△1.4
Expenses not deductible for income tax purposes	0.1	0.3
Items that are not permanently included in gross profit, such as Dividend income	△5.1	△11.0
Per capita inhabitant tax	0.0	0.0
Investment gains and losses of associations, etc.	1.5	0.1
Other	△2.6	△3.1
Effective income tax rate	25.7	15.4

3.Revisions to Deferred tax assets and Deferred tax liabilities due to changes in income tax rates

Following the enactment of the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 13 of 2025) in the Diet in March 31 2025, Business Year will be subject to "defensive extraordinary corporate tax" beginning on or after April 1, 2026.

Accordingly, Statutory tax rate has been changed from 30.6% to 31.5% for Deferred tax assets and Deferred tax liabilities related to temporary differences that are expected to reverse after Business Year commencing on April 1, 2026.

The effect of this change on Current fiscal year's Deferred tax assets amount (net of Deferred tax liabilities amount) is immaterial.

(Revenue Recognition)

Notes is omitted because the same Details is provided in "Notes Matters (Significant accounting policies) 5. Accounting Standards for Revenues and Expenses" as the basis for understanding Revenue arising from contracts with customers.

(Significant Subsequent Events)

Not applicable.

④[Supplementary Schedules]

[Property, plant and equipment Schedule]

(Millions of yen)

Category	Type of property	Beginning of the fiscal year Balance	Current period Increase	Current period Decrease amount	Amortization for the year	Term end Balance	Accumulated depreciation	Term end Acquisition cost
Property, plant and equipment	Buildings	6,993	3,058	4,432	298	5,321	665	5,987
	Structures Machinery and equipment	177	30	71	14	122	38	161
	Machinery and equipment	3,341	0	-	450	2,891	1,956	4,847
	Tools, furniture and fixtures	78	46	7	46	71	263	335
	Land	11,814	302	4,606	-	7,510	-	7,510
	Leased assets	-	-	-	-	-	19	19
	Construction in progress	1,025	2,512	3,084	-	453	-	453
	Total	23,432	5,950	12,201	809	16,372	2,942	19,315
Intangible Fixed assets	Land Lease Right	242	-	-	-	242	-	-
	Software	283	176	0	96	363	-	-
	Goodwill	19	-	-	19	-	-	-
	Other	79	199	143	-	136	-	-
	Total	624	376	143	115	741	-	-

(NOTE)Major Details in the fiscal year under review were as follows.

Buildings	Acquisition of income-producing properties	3,056 Millions of yen
Land	Acquisition of income-producing properties	302 Millions of yen
Construction in progress	Acquisition of income-producing properties	2,512 Millions of yen
Software	Obtaining a Other	176 Millions of yen
Other	Obtaining a Other	199 Millions of yen

[Allowance Schedule]

Category	Balance at the beginning of the period (Millions of yen)	Increased during current term (Millions of yen)	Decreased during current term (Millions of yen)	Term end Balance (Millions of yen)
Allowance for doubtful accounts	275	-	-	275
Bonus Allowance	3	24	16	12
Compensation for completed construction Allowance	299	282	9	571

(2)[Major Assets and Liabilities's Details]

This information is omitted because the consolidated financial statements have been prepared.

(3)[Other]

Not applicable.

VI [Outline of stock administration of the submitting company]

Business Year	From April 1 to March, 31
Annual Shareholders' Meeting	During June
Record Date	March 31
Record Date of dividends from surplus	September 30 and March 31
Number of Shares per Trading Unit	100 Shares
Purchase and additional purchase of Shares less than 1 unit	
Handling place	(Special Account) Sumitomo Mitsui Trust Bank, Limited, 1-4-1, Marunouchi, Chiyoda-ku, Tokyo Transfer Agent Department
Administrator of Shareholder Registry	(Special Account) Sumitomo Mitsui Trust Bank, Limited, 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Brokerage house	―
Commissions for purchases and purchases	Amount separately specified as the amount equivalent to the commission for the entrustment of the sale and purchase of shares
Posting of Public Notices	The method of public notices of the Company shall be electronic public notices. Provided, however, that in the event of an incident or Other unavoidable circumstances that preclude electronic public notice, such notice shall be published in the Nihon Keizai Shimbun.
Benefits to shareholders	Not applicable.

(NOTE)Pursuant to the provisions of the Articles of Incorporation of the Company, a Holder of Shares Less than 1 Unit may not exercise any rights other than the rights set forth in each item of Article 189 II of the Companies Act, the right to make a request pursuant to the provisions of Article 166 I of the Companies Act, the right to receive an allocation of Equity securities for subscription and an allocation of Subscription rights to shares for subscription in accordance with the number of Equity securities held by a Shareholder, and the right to request the sale of Shares less than 1 unit.

VII. [Reference information of the submitting company]

1[Information on the parent company of Submitting Company]

We do not have a parent company, etc. as stipulated in Article 24-7-1 of the Financial Instruments and Exchange Act.

2[For Other Reference]

The following documents have been submitted between the commencement date of the current fiscal year and the filing date of the Securities Report.

(1) Securities Report Statement and its attached documents and confirmation

Business Year (52nd fiscal period) (From April 1, 2023 to March 31, 2024) filed with Director-General of the Kanto Local Finance Bureau on June 26, 2024

(2) Internal Control Report and Attachment

Filed with Director-General of the Kanto Local Finance Bureau on June 26, 2024

(3) Semi-annual Report and confirmation

(53rd Fiscal Period) (From April 1, 2024 to September 30, 2024) Submitted to Director-General of the Kanto Local Finance Bureau on November 12, 2024

(4) Extraordinary Report

Filed with Director-General of the Kanto Local Finance Bureau on June 27, 2024

This is an extraordinary Report statement based on Article 19, II 9-2 of the Cabinet Office (Result of Voting Rights Exercised in Ordinary General Meeting of Shareholders) regarding the disclosure of corporate Details, etc.

Filed with Director-General of the Kanto Local Finance Bureau on July 10, 2024

This is an extraordinary Report document based on Article 19 II Item 2 (Issuance of Subscription rights to shares) of the Cabinet Office Ordinance on Disclosure of Corporate Details, etc.

(5) Amendment to the Temporary Report Document Report

Filed with Director-General of the Kanto Local Finance Bureau on July 30, 2024

Amended and Restated Report, filed on July 10, 2024, in connection with the Extraordinary Report (issued by Subscription rights to shares).

(6) Securities registration statement (public offering and over-allotment offering) and accompanying documents

Filed with Director-General of the Kanto Local Finance Bureau on May 20, 2024

(7) Securities Registration Statement (Allotment to For Other Person) and Documents Attached thereto

Filed with Director-General of the Kanto Local Finance Bureau on May 20, 2024

(8) Amendment of Securities Registration Statement

Filed with Director-General of the Kanto Local Finance Bureau on May 29, 2024

Amendment to Securities Registration Statement filed on May 20, 2024 (offering through general offering and over-allotment).

Filed with Director-General of the Kanto Local Finance Bureau on May 29, 2024

This is an amendment to the Securities Registration Statement (allotment to For Other) filed on May 20, 2024.

Filed with Director-General of the Kanto Local Finance Bureau on June 26, 2024

This is an amendment to the Securities Registration Statement (allotment to For Other) filed on May 20, 2024.

Filed with Director-General of the Kanto Local Finance Bureau on June 27, 2024

This is an amendment to the Securities Registration Statement (allotment to For Other) filed on May 20, 2024.

Part II. [Information on the Guarantee Company, etc. of the Submitting Company]

Not applicable.

Audit report of Independent Audit and Internal Control Audit report

June,25 2025

MIRARTH HOLDINGS, Inc.

To the Board of Directors

Grant Thornton Taiyo LLC.

Tokyo Office

Designated Limited Liability Partners Managing Partner		Certified Public Accountant	Tetsuya Ishihara
Designated Limited Liability Partners Managing Partner		Certified Public Accountant	Takafumi Shimokawa

<Consolidated Financial Statements Audit>

Audit Comments

In order to prove Audit based on I clause 2 of Article 193 of the Financial Instruments and Markets Law, Audit corporation conducted Audit on the consolidated financial statements of MIRARTH HOLDINGS, Inc. from April 1, 2024 to March 31, 2025, namely the consolidated Fiscal year of Consolidated Balance Sheets, the consolidated profit and loss calculation, the consolidated Comprehensive income calculation, the consolidated Shareholders' equity and other change calculations, the consolidated cash and flow calculations, the fundamental matters for preparing the consolidated financial statements, For Other Notes, and the consolidated appendices.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of MIRARTH HOLDINGS, Inc. and Consolidated subsidiaries as of March 31 2025, and the results of their operations and their cash flows for Fiscal year then ended in conformity with accounting principles generally accepted in Japan.

Basis for Audit Opinion

Audit Corporation conducted its Audit in accordance with Audit principles generally accepted in Japan. Audit Corporation's liability under Audit standard is described in "Responsibility of Audit Persons in Audit" in the Consolidated Financial Statements. Audit Corporation is independent of the Corporation and its Consolidated subsidiaries in accordance with the Code of Professional Ethics in Japan. As a Audit, the Corporation fulfills its For Other ethical responsibilities. We believe that Audit Corporation has obtained adequate and appropriate Audit evidence that forms the basis for our opinion.

Key Audit Considerations

Key Audit Considerations is Audit of Current Consolidated Fiscal Year's consolidated financial statements determined by Audit as a professional expert to be particularly relevant. Key Audit Considerations is a correspondent matter in the process of Audit for the consolidated financial statements as a whole and in the formulation of Audit Comments, and Audit Corporation does not express an opinion on such matters individually.

Impairment review of Fixed assets held for Energy Business	
Details of Key Audit Considerations and Reasons for Determination	Response on Audit
The Company has positioned Energy Business as a future growth business and a core business after Real Estate Business, and as described in Notes Matters (Segment information, etc.) Segment 3., the Company has recorded 114,317 Millions of yen as a Energy Business Assets in Current Consolidated Fiscal Year. The Company is planning to acquire or develop Energy Business Assets based on its medium-to long-term Energy Business strategy. At the same time, the Company is monitoring and managing the profitability of its business Assets. The Corporation considers the smallest cash-generating units as generating Facilities for impairment. The Companies assess Impairment loss for generation Facilities with indicators of impairment and record an Impairment loss to reduce the carrying amount to the recoverable amount when it is determined that an Impairment loss should be recognized. Future cash flows by generating Facilities are used in determining Impairment loss recognition and the recoverable amount, and such future cash flows are calculated based on the income and expenditure plan approved by the management of Be related Group companies. As described in Notes Matters (Critical Accounting Estimates), significant assumptions in estimating future cash flows are the projected volume of electricity sold and the unit price of electricity sold that will form the basis for future cash flows, the duration of usage and the operational efficiencies of Energy Business based on the Medium-to Long-Term Energy Business Strategy. Energy Business Assets is expected to continue to grow and the significant assumptions described above in estimating the future cash flows to be utilized in the impairment review of Fixed assets held for Energy Business involve uncertainties and require management's judgment, and Audit Corporation has determined that such matters constitute Key Audit Considerations.	Audit Corporation primarily carried out the following Energy Business impairments on its Fixed assets holdings: ・ We understood the roles of Be related Group companies in Details and Energy Business of the medium-to long-term Energy Business strategy through discussions with management, and reviewed the investment planning for Energy Business Assets based on the strategy. We also checked the funding plan underlying the investment plan and examined the rationality and feasibility of the plan. ・ Consideration was given to the consistency of future cash flows with income and expenditure plans approved by the management of Be related companies. ・ Energy Business has been issued with respect to the duration of the generation Facilities in the estimation of future cash flows. The outline of Be related system has been understood and reported by external organizations, manufacturers, and Comparison have been made. ・ Actual and Comparison were performed on the significant assumptions made by Be related companies in the income and expenditure plan for each generation Facilities to ensure that they were properly considered in the income and expenditure plan underlying future cash flows. ・ In relation to the prospect of electricity sales volume, which is the basis of the electric power sales revenue in the future cash flow, this paper examines the rationality of the insolation amount, loss coefficient, and aging deterioration coefficient for each power generation Facilities as a precondition by Comparison with published data of an external organization. ・ Regarding the unit price of electricity sales, which is the basis for future cash-flow revenue from electricity sales, this paper discusses with the managers of Be related companies about the future sales strategy in the medium-to long-term Energy Business strategy and the efforts for the transition to a new system to replace the current system, and it understands the outline of the system announced, and Comparison with Actual of electricity sales contract based on the new system, and examines the rationality and feasibility of the system. ・ Regarding the income and expenditure projections for each power generation Facilities prepared by Be related Group companies, Actual and Comparison for the fiscal year under review were analyzed, and it was verified that the required capital expenditures and repair expenses were properly considered.

Revenue recognition on real estate sales transactions	
Details of Key Audit Considerations and Reasons for Determination	Response on Audit
The Corporation accounts for Net sales 187,446 Millions of yen in Current Consolidated Fiscal Year's consolidated statements of operations. This Net sales includes revenues from the sale of real estate in the liquidation business of Real Estate Business. Sales transactions of these properties tend to involve a high degree of individuality in the terms of the transactions and a large amount of transactions. Especially in the case of securitization of real estate using special purpose companies, the Company may be continuously involved in the relevant real estate, etc. through entrusted management after the sale, partial ownership of the investment in the assignee, etc., and there are also repurchase and Lease back provisions in the purchase and sale contracts. As a result, it may be complicated to determine whether or not almost all of the risks and economic values related to the real estate, which are the premises of the sale transaction, have been transferred. If this judgment is incorrect, a significant amount of revenue will be recorded for the sale transaction of the property, which is not deemed to transfer substantially all of the risk and economic value to the transferee. Based on the above, Audit Corporation has determined that the revenue recognition related to the sale transactions of real estate in the Liquidation Business falls under the category of Key Audit Considerations.	Audit Corporation primarily performed the following Audit procedures in considering revenue recognition for real estate sale transactions in the Liquidation business: ・ In order to understand Details of the transaction scheme, we inspected the purchase and sale contracts, etc. and asked the management. ・ The transfer price was verified to be the amount based on the contract concluded with a third party, in comparison with the sales contract. In addition, Comparison were conducted with real estate appraisal reports, etc. as required. ・ Regarding the degree of continuing involvement, the impact on the transfer of real estate-related risks and economic value was assessed by inspecting property management contracts and silent partnership investment contracts, etc. ・ We reviewed and examined the purchase and sale contracts and other documents for the existence of repurchase and Lease back provisions. ・ The facts of delivery were verified by reconciling the accounting records with the sales contract and the deposit vouchers. ・ In the case of securitization using a special purpose company, whether the special purpose company does not fall under the category of a subsidiary, inspected the silent partnership investment contract, etc., and examined the investment relationship, etc. with the company and Consolidated subsidiaries.

Other description Details

Other description Details is the information included in Securities Report Statement, other than the consolidated financial statements and financial statements and these Audit report. Management is responsible for preparing and disclosing Details listed in Other. The responsibility of Audit & Supervisory Board Members and Audit & Supervisory Board is to monitor the execution of Director's duties in the development and operation of Other description Details's Report processes.

This Audit does not include Audit Comments in the accompanying consolidated financial statements of Audit Corporation, and it does not express an opinion on Other description Details.

The responsibility of Audit Corporation in Audit to the consolidated financial statements is to review, through Other description Details, whether there are material differences between Other description Details and the consolidated financial statements or the knowledge obtained by Audit Corporation in the course of its Audit, and to pay attention to whether any other material differences other than such material differences are indicative of a material error in Other description Details.

Audit Corporation is required to Report any material error in its Other description Details as determined based on the work performed.

There is no Report by Audit Corporation with respect to Details described in Other.

Management and Audit & Supervisory Board Members and Audit & Supervisory Board' Responsibility for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements based on the assumption of a going concern and disclosing matters concerning a going concern in accordance with accounting principles generally accepted in Japan.

The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of directors' duties in the development and operation of the financial reporting process.

Audit's Responsibility in the Consolidated Financial Statements Audit

Our responsibility is to express an opinion on these consolidated financial statements based on Audit conducted by Audit on an independent basis in Audit report with reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. A misstatement is deemed to be material when it may occur due to fraud or error and individually or when aggregated, if reasonably likely to affect the decisions of users of the consolidated financial statements.

In accordance with Audit standards generally accepted in Japan, Audit shall, through the process of Audit, make judgments as an professional expert and conduct the following with professional skepticism:

・ Identify and assess material misstatement risks due to fraud or error. In addition, Audit procedures shall be formulated and implemented in response to the risks of material misstatements. The selection and application of Audit procedures are at the discretion of Audit. In addition, obtain adequate and appropriate Audit evidence-based on which to express an opinion.
・ The objective of Audit is not to express an opinion on the effectiveness of the entity's internal control. However, Audit considers Be related internal control over the entity's Audit to design Audit procedures that are appropriate in the circumstances when conducting a risk assessment.
・ Assess the appropriateness of accounting Policy adopted by management and the methods of its application, as well as the reasonableness of accounting estimates made by management and the appropriateness of Be related Notes matters.
・ To conclude whether it is appropriate for management to prepare the consolidated financial statements on a going concern basis and, based on Audit evidence obtained, whether there is significant uncertainty regarding events or circumstances that raise substantial doubt about the Company's ability to continue as a going concern. If there is a material uncertainty regarding the Company's ability to continue as a going concern, the Company is required to draw attention to Notes matters in the consolidated financial statements in Audit report statement, or if Notes matters in the consolidated financial statements for significant uncertainty are not appropriate, to express an exclusion opinion on the consolidated financial statements. Although Auditor's conclusion is based on Audit evidence obtained through the date of Audit report, future events and circumstances may prevent an entity from continuing as a going concern.
・ Evaluate whether the presentation of consolidated financial statements and Notes matters conform to accounting principles generally accepted in Japan, the presentation, composition and Details of consolidated financial statements, including Be related Notes matters, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
・ Audit of the consolidated financial statements is planned and implemented to obtain adequate and appropriate Audit evidence regarding the financial information of the Company and Consolidated subsidiaries upon which an opinion on the consolidated financial statements is based. Audit is responsible for the direction, Supervise and review of the consolidated financial statements with respect to Audit. Audit is solely responsible for Audit's comments.

Audit will Report Audit & Supervisory Board Members and Audit & Supervisory Board on significant Audit findings, including the scope and timing of the planned Audit, significant deficiencies in internal controls identified in the course of Audit's implementation, and For Other matters as required by Audit standards.

Audit will conduct Report of Audit & Supervisory Board Members and Audit & Supervisory Board with respect to compliance with the provisions of professional ethics in Japan regarding independence and Details for matters that are reasonably likely to affect human independence, and for cases where measures are taken to eliminate impediments or where safeguards are applied to reduce the impediments to an acceptable level.

Audit shall determine that Audit & Supervisory Board & Supervisory Board Members and Current Consolidated Fiscal Year's Audit of the matters discussed with them are of particular importance in Key Audit Considerations's Consolidated Financial Statements and include them in Audit report. Provided, however, that such matters shall not be stated if the publication of such matters is prohibited by laws and regulations, or if it is judged by Audit report that Report would reasonably be expected to cause disadvantage in excess of the public Profit and therefore Audit personnel should not Report such matters, although it is extremely limited.

<Internal Control Audit>

Audit Comments

Audit Corporation, in order to provide Audit attestation under the provisions of Article 193-2 II of the Financial Instruments and Exchange Act, has made an Audit to MIRARTH HOLDINGS, Inc.'s 2025 March 31 Statement on Internal Control Report.

In our opinion, the internal control Report referred to above, which indicates that the internal control over financial Report as of March 31 2025 is effective, presents fairly, in all material respects, the results of the assessment of internal control over financial Report in accordance with the standards for assessment of internal control over financial Report generally accepted in Japan.

Basis for Audit Opinion

Audit Corporation conducted an Audit of internal control in accordance with Audit standards for internal control over financial Report generally accepted in Japan. Audit Corporation's responsibility under Audit standard for internal control over financial Report is set forth under the caption "Responsibility of Audit Persons in Internal Control Audit." Audit Corporation is independent of the Corporation and its Consolidated subsidiaries in accordance with the Code of Professional Ethics in Japan. As a Audit, the Corporation fulfills its For Other ethical responsibilities. We believe that Audit Corporation has obtained adequate and appropriate Audit evidence that forms the basis for our opinion.

Responsibility of Management, Audit & Supervisory Board Members and Audit & Supervisory Board to the Internal Control Report

Management is responsible for establishing and operating internal control over financial Report and for preparing and properly presenting an Internal Control Report in accordance with standards for evaluating internal control over financial Report generally accepted in Japan.

The responsibility of Audit & Supervisory Board Members and Audit & Supervisory Board is to monitor and verify the design and operation of internal control over financial Report.

It should be noted that there is a possibility that misstatements in financial Report may not be completely prevented or detected by internal control over financial Report.

Responsibility of Audit Personnel in Internal Control Audit

Our responsibility is to express an opinion on the internal control Report based on the internal control Audit performed by Audit based on our internal control Audit report with reasonable assurance about whether the internal control document is free from material misstatement.

Audit shall, through the course of Audit, make judgments as an professional expert in accordance with Audit standards for internal control over financial Report generally accepted in Japan and with professional skepticism:

・ Implement Audit procedures to obtain Audit evidence-based information about the assessment of internal control over financial Report in the Internal Control Document. Audit procedures of the Internal Control Audit are selected and applied based on the significance of the effects on the reliability of the financial Report at the discretion of Audit.

・ Discuss the presentation of the Internal Control Report as a whole, including descriptions made by management about the scope, procedures and results of the assessment of internal control over financial Report.

・ Audit of internal control shall be planned and implemented in order to obtain adequate and appropriate Audit evidence regarding the outcome of the assessment of internal control over financial Report in the Internal Control Document. Audit is responsible for all Audit related directions, Supervise and inspections of the Internal Control Report. Audit is solely responsible for Audit's comments.

Audit shall Report Audit & Supervisory Board members and Audit & Supervisory Board with respect to the scope and timing of the planned internal control Audit, the results of the implementation of the internal control Audit, the significant deficiencies to be disclosed in the identified internal controls, the remediation results, and For Other matters required by Audit criteria for internal control.

Audit will conduct Report of Audit & Supervisory Board Members and Audit & Supervisory Board with respect to compliance with the provisions of professional ethics in Japan regarding independence and Details for matters that are reasonably likely to affect human independence, and for cases where measures are taken to eliminate impediments or where safeguards are applied to reduce the impediments to an acceptable level.

<Compensation-related information>

Compensation for the Company's and its subsidiaries' Audit attestation services and for non Audit services to persons in the same network as Audit Corporation and Submitting Company Corporation is included in (3)[Audit Status] on Corporate Governance Included in "Audit Status."

Interests

The Company and Consolidated Subsidiaries have no interest in the Auditing Corporation or Operating Partners that should be stated pursuant to the provisions of the Certified Public Accountants Act.

Above

(NOTE)1. The original of the above Audit report is stored separately by our company (Securities Report Statement Submitting Company).

2.XBRL is not included in the scope of Audit.

Independent Audit's Audit report

June, 25 2025

MIRARTH HOLDINGS, Inc.

To the Board of Directors

Grant Thornton Taiyo LLC.

Tokyo Office

Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Tetsuya Ishihara
Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Takafumi Shimokawa

<Financial Statements Audit>

Audit Comments

Audit Corporation I its Audit Certification pursuant to the provisions of Article 193-2 Audit of the Financial Instruments and Exchange Law of MIRARTH HOLDINGS, Inc. for the 53rd Business Year of the period from April 1, 2024 to March 31, 2025, as stated in "Accounting," which consists of the balance sheet, income statement, statement of changes in Shareholders' equity, significant accounts, Policy, For Other Notes, and supplementary schedules.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MIRARTH HOLDINGS, Inc. as of March 31 2025 and the results of its operations for Business Year then ended in conformity with accounting principles generally accepted in Japan.

Basis for Audit Opinion

Audit Corporation conducted its Audit in accordance with Audit principles generally accepted in Japan. Audit Corporation's liability under Audit standard is described in "Responsibility of Audit Persons in Audit Financial Statements." Audit Corporation is independent from the Corporation and, as a Audit, fulfills its For Other and ethical responsibilities in accordance with the Code of Professional Ethics in Japan. We believe that Audit Corporation has obtained adequate and appropriate Audit evidence that forms the basis for our opinion.

Key Audit Considerations

Key Audit Considerations is a determination by Audit as a professional specialist in Audit of Current fiscal year's financial statements. Key Audit Considerations is a correspondent matter in the process of Audit for the financial statements as a whole and in the formulation of Audit Comments, and Audit Corporation does not express an opinion on such matters individually.

Revenue recognition on real estate sales transactions
This information is omitted because it is the same Details as Key Audit Considerations (revenue recognition for sales transactions of real estate) in Audit report of the consolidated financial statements.

Other description Details

Other description Details is the information included in Securities Report Statement, other than the consolidated financial statements and financial statements and these Audit report. Management is responsible for preparing and disclosing Details listed in Other. The responsibility of Audit & Supervisory Board Members and Audit & Supervisory Board is to monitor the execution of Director's duties in the development and operation of Other description Details's Report processes.

Audit corporation's Audit Comments to the financial statements does not include Other description Details, and the corporation does not express an opinion on Other description Details.

The responsibility of Audit Corporation in Audit to the financial statements is to review, through Other description Details, whether there are material differences between Other description Details and the financial statements or the knowledge obtained by Audit Corporation in the course of its Audit, and to pay attention to whether any other material differences other than such material differences are indicative of a material error in Other description Details.

Audit Corporation is required to Report any material error in its Other description Details as determined based on the work performed.

There is no Report by Audit Corporation with respect to Details described in Other.

Management and Audit & Supervisory Board Members and Audit & Supervisory Board' Responsibilities for the Financial Statements

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

In preparing financial statements, management is responsible for assessing whether it is appropriate to prepare financial statements based on the going concern assumption, and disclosing matters concerning a going concern in accordance with accounting principles generally accepted in Japan when necessary.

The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of directors' duties in the development and operation of the financial reporting process.

Audit's Responsibility in the Financial Statements Audit

Our responsibility is to express an opinion on these financial statements based on Audit performed by Audit report with independent assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. A misstatement is deemed to be material when it may occur due to fraud or error and individually or when aggregated, if reasonably likely to affect the decisions of users of the financial statements.

In accordance with Audit standards generally accepted in Japan, Audit shall, through the process of Audit, make judgments as an professional expert and conduct the following with professional skepticism:

・ Identify and assess material misstatement risks due to fraud or error. In addition, Audit procedures shall be formulated and implemented in response to the risks of material misstatements. The selection and application of Audit procedures are at the discretion of Audit. In addition, obtain adequate and appropriate Audit evidence-based on which to express an opinion.
・ Although the objective of Audit is not to express an opinion on the effectiveness of the entity's internal control, Audit reviews Be related internal control with Audit to design Audit procedures that are appropriate in the circumstances when conducting a risk assessment.
・ Assess the appropriateness of accounting Policy adopted by management and the methods of its application, as well as the reasonableness of accounting estimates made by management and the appropriateness of Be related Notes matters.
・ To conclude whether it is appropriate for management to prepare financial statements on a going concern basis and, based on Audit evidence obtained, whether there is significant uncertainty regarding events or circumstances that raise substantial doubt about the company's ability to continue as a going concern. If there is a material uncertainty regarding the Company's ability to continue as a going concern, the Company is required to draw attention to Notes matters in the financial statements in Audit report statement, or if Notes matters in the financial statements regarding significant uncertainty are not appropriate, to express an exclusion opinion on the financial statements. Although Auditor's conclusion is based on Audit evidence obtained through the date of Audit report, future events and circumstances may prevent an entity from continuing as a going concern.
・ Evaluate whether the financial statement presentation and Notes matters comply with accounting principles generally accepted in Japan, the presentation, composition and Details of the financial statements, including Be related Notes matters, and whether the financial statements fairly present the underlying transactions and accounting events.

Audit will Report Audit & Supervisory Board Members and Audit & Supervisory Board on significant Audit findings, including the scope and timing of the planned Audit, significant deficiencies in internal controls identified in the course of Audit's implementation, and For Other matters as required by Audit standards.

Audit will conduct Report of Audit & Supervisory Board Members and Audit & Supervisory Board with respect to compliance with the provisions of professional ethics in Japan regarding independence and Details for matters that are reasonably likely to affect human independence, and for cases where measures are taken to eliminate impediments or where safeguards are applied to reduce the impediments to an acceptable level.

Audit shall determine the matters discussed with Audit & Supervisory Board and Audit Director that are considered to be of particular importance in Audit of Current fiscal year's financial statements as Key Audit Considerations and include them in Audit report. Provided, however, that such matters shall not be stated if the publication of such matters is prohibited by laws and regulations, or if it is judged by Audit report that Report would reasonably be expected to cause disadvantage in excess of the public Profit and therefore Audit personnel should not Report such matters, although it is extremely limited.

<Compensation-related information>

Compensation-related information is included in Audit report of the Consolidated Financial Statements.

Interests

There is no Interests between the Company and Audit Corporation or Managing Partner to be entered in accordance with the provisions of Certified Public Accountant Law.

Above

(NOTE)1. The original of the above Audit report is stored separately by our company (Securities Report Statement Submitting Company).
2.XBRL is not included in the scope of Audit.