



March 9, 2026

Company name: MIRARTH HOLDINGS, Inc.
Representative: Kazuichi Shimada, Representative Director
(Code number: 8897, Tokyo Stock Exchange Prime Market)
Contact: Daisuke Nakamura, Director Managing Executive Officer
(Tel +81-6551-2133)

Notice Regarding the Recording of Extraordinary Losses (Impairment Losses) and Revisions to the Full-year Consolidated Financial Forecast

MIRARTH HOLDINGS, Inc. (the “Company”) will recognize impairment losses on certain non-current assets during the fourth quarter of the fiscal year ending March 31, 2026 and has revised the full-year consolidated financial forecast for the fiscal year ending March 31, 2026 announced on May 12, 2025 as detailed below.

1. Revisions to the consolidated financial forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 216,400	Millions of yen 15,500	Millions of yen 12,000	Millions of yen 8,000	Yen 58.89
Revised forecast (B)	208,000	16,500	12,500	4,500	33.10
Change (B–A)	(8,400)	1,000	500	(3,500)	
Change (%)	(3.9)	6.5	4.2	(43.8)	
(Reference) Financial results for the fiscal year ended March 31, 2025	196,523	14,364	12,427	8,207	62.69

2. Reason for the revisions

The Company expects operating profit, which indicates the profitability of the core business, to hit a record high thanks to its thorough cost control efforts, as well as to solid sales in the mainstay new condominium business. On the other hand, profit attributable to owners of parent is projected to amount to 4,500 million yen, falling below the initial forecast due to the recording of impairment losses as described below, as well as certain other impairment losses on non-current assets. These revisions to the financial forecast do not cause any revision to the dividend forecast.

3. Recording of impairment losses

The Group has decided to make major revisions to its business plan for the Nobeoka Biomass Power Plant (hereinafter, the “Project”) promoted as part of the Energy Business due to the following factors:

(i) Changes in the financial environment

Higher funding costs driven by global interest rate hikes

(ii) Changes in the fuel market

Long-term decline in profitability resulting from soaring lumber prices

(iii) Institutional constraints

As the Project is based on the feed-in tariff (FIT) system, we are facing a structural challenge that increased maintenance costs cannot be passed onto electricity selling prices amid inflation. In addition, the construction period has been significantly extended from the initial business plan, resulting in a shorter FIT purchase period.

(iv) Increased construction costs

Overrun of the construction budget due to rising material prices and surging transportation and personnel costs.

In light of the above circumstances, the Company is expected to record impairment losses of 3,300 million yen on non-current assets related to the Project in order to minimize future risks and reallocate our business resources to growth areas as early as possible.

4. Future strategy

As announced in the “Notice Regarding Revisions to the Medium-term Management Plan” released today, the Group will shift its focus to reinvesting in business areas with higher profitability and growth potential in the Energy Business, such as projects subject to the FIP system and industrial storage batteries, by tightening the control of return on invested capital (ROIC) as part of this structural reform. At the same time, we will proactively allocate our human capital and other business resources to New detached houses and Renewal Resale businesses, our growth driver businesses, thereby accelerating the diversification and strengthening of the revenue base.

Note: The above forecast figures have been determined based on information currently available to the Company as of the date of this document, and the actual results may differ from the forecast depending on a range of future factors.

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