

Financial Results Presentation for the Fiscal Year Ended March 31, 2026

May 13, 2026
Polaris Holdings Co., Ltd.



Hello everyone. I am Taguchi, President and Representative Director of Polaris Holdings.

Today, I will present our financial results for the fiscal year ended March 2026 and our outlook for the fiscal year ending March 2027.

Executive Summary

Financial Results

Results exceeded latest forecasts; revenue, profit & EPS all

Significantly above prior year

Business Environment

2025 inbound visitors hit record high; Japan-China tensions impact from Dec.

Monitoring Middle East risk

Business Overview

Existing hotels' RevPAR grew vs. prior year

+11% — Strong performance

New Hotel Openings

8 hotels opened; 22 future openings confirmed

Steady expansion

Mid-term Plan Progress

Strong results enabled targets to be met

1 year ahead of schedule

Shareholder Returns

Dividend increased from initial

¥3 to ¥5/share
Shareholder benefits expanded

In FY2026, amid continued expansion of inbound demand, we achieved significant growth in both revenue and profit, supported by the effects of the integration with Minacia, new hotel openings, and strong performance of existing hotels.

Let me begin with the financial highlights.

Financial Highlights

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Financial Highlights [Pre-Goodwill Amortization]

- Achieved significant revenue and profit growth through merger with Minacia, new hotel openings, and increased earnings from existing hotels.
- Net income increased significantly due to recognition of approx. ¥1.9B in deferred tax assets and related income tax adjustments.
- Pre-tax EPS also grew significantly by +84% year-on-year.
- Dividend increased from initial forecast, set at ¥5/share.

(unit:¥M)	FY2025/3 注	FY2026/3 Forecast 2026/3/25	FY2026/3	vs. Forecast		vs. Prior Year	
				Change (¥M)	Achievement	Change (¥M)	Change (%)
Net Sales	27,153	47,000	48,469	+1,469	103%	+21,317	+79%
Operating Income	2,403	5,004	5,346	+342	107%	+2,943	+122%
Ordinary Income	1,492	3,904	4,200	+296	108%	+2,708	+181%
Pre-tax Net Income	1,488	-	4,144	-	-	+2,655	+178%
Net Income Attr. to Parent Co. Shareholders	2,209	5,304	5,900	+596	111%	+3,691	+167%
Pre-tax EPS (¥)	9.64	-	17.72	-	-	+8.08	+84%
Goodwill Amortization	326	1,304	1,304	-	-	-	-
Dividend (¥/share)	3.0	4.0	5.0	+1.0	+25%	+2.0	+67%

Note 1. Figures exclude the one-time investment distribution income (¥728M).
 2. Results of Minasia and overseas hotels (excl. 1 hotel) consolidated for Jan-Dec 2025.
 3. Goodwill amortization arose from the Minasia acquisition starting Q4 FY2025. See Appendix P.29 for details.

Regarding our financial results for FY2026, although we revised our earnings forecast upward twice during the year, we ultimately exceeded those revised forecasts.

Revenue reached JPY 48.4 billion, up 79% year on year. Operating profit before goodwill amortization was JPY 5.3 billion, representing a 122% increase year on year. Net income was temporarily boosted by the recognition of deferred tax assets; however, this had no cash impact.

On a pre-tax EPS basis, earnings per share increased 84% year on year, reflecting solid underlying growth.

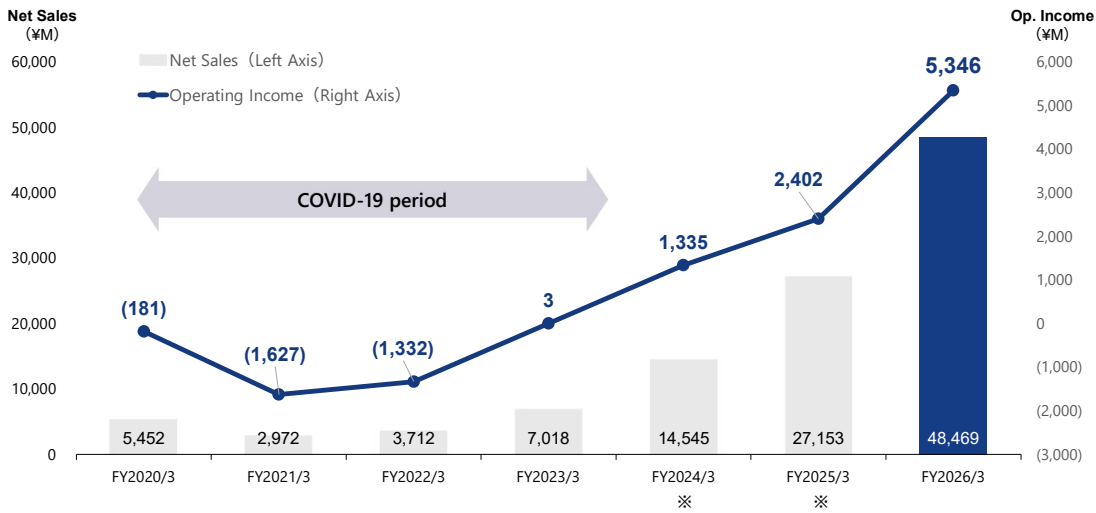
We raised the dividend from the initial forecast of JPY 3 to JPY 5, thereby strengthening shareholder returns.

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Financial Summary:

Net Sales & Operating Income (Pre-Goodwill Amortization) Trend

Achieved revenue and profit growth for 5 consecutive years since COVID-19 period (FY2022)



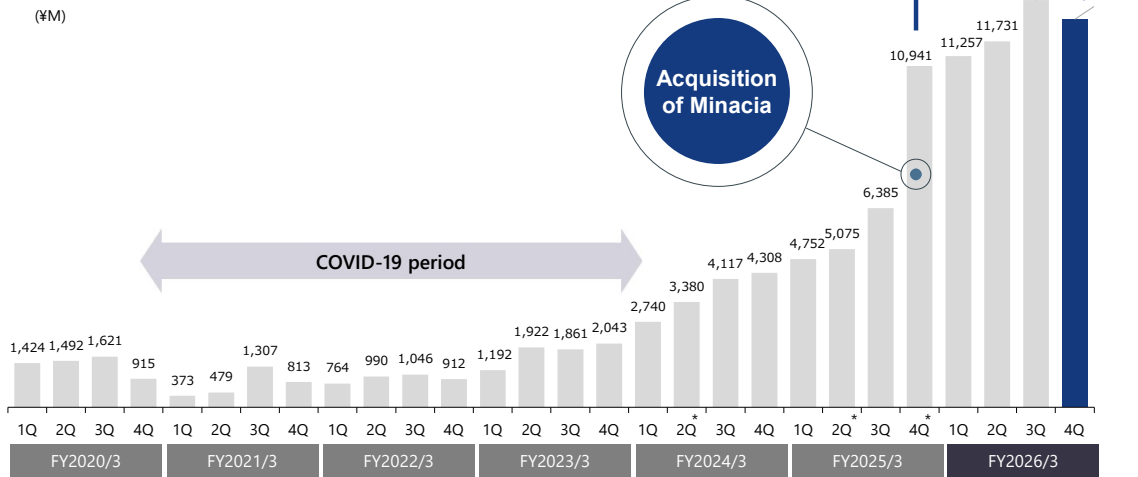
* Figures exclude one-time items including real estate sale gains and investment distribution income.

Since the COVID-19 pandemic, we have delivered five consecutive years of revenue and profit growth, reaching record-high levels for both revenue and operating profit.

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Financial Summary: Quarterly Net Sales Trend

- Revenue continues to grow steadily even after Minacia integration, driven by existing hotel performance and new openings.
- Q4 FY2026 (ended March 2026) net sales +14% year-on-year.



* Figures exclude one-time items including real estate sale gains and investment distribution income.

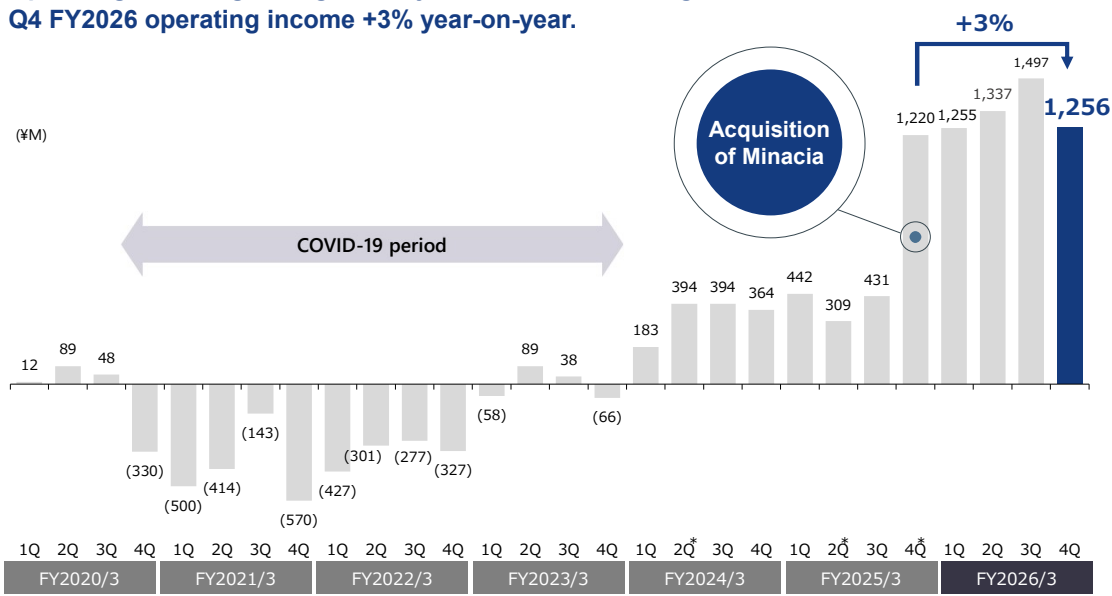
Quarterly revenue has continued to grow steadily.

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Financial Summary:

Quarterly Operating Income (Pre-Goodwill Amortization) Trend

- Operating income growing steadily in line with revenue growth.
- Q4 FY2026 operating income +3% year-on-year.



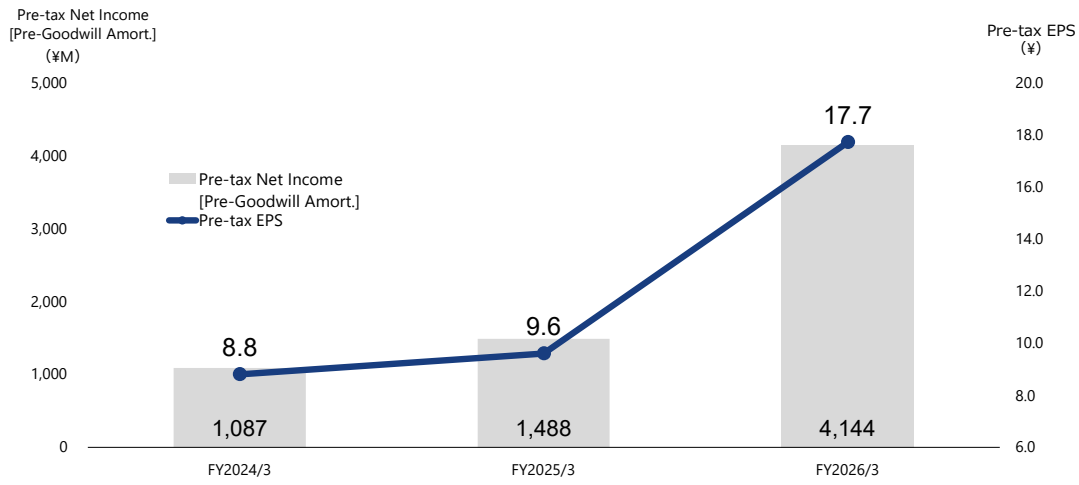
* Figures exclude one-time items including real estate sale gains and investment distribution income.

Quarterly operating profit has also increased in line with revenue growth.

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Financial Summary: EPS Trend

Pre-tax EPS (excl. goodwill amortization and deferred tax asset effects) grew significantly driven by Minacia integration, new hotel openings, and earnings growth at existing hotels.



Note: Calculated as pre-tax net income [before goodwill amortization] ÷ average shares outstanding during the period. FY2024/3 and FY2025/3 exclude one-time gains such as gains on sale of real estate investment interests.

EPS has grown in line with profit expansion.

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Key Business Topics for FY2026/3

PMI Progress

- Brand integration into KOKO HOTELS **completed**
Rebranding of all hotels complete.
- Polaris-Minasia **organizational integration, restructuring and office relocation completed**
- Foundation for future hotel expansion progressing steadily.

New Initiatives

- Commenced master lease scheme in partnership with an international brand.
- Secured advisory contract for upscale hotel in Niseko.
- Executed **co-investment with sponsor group** in hotels in Osaka and Kaihimmakuhari.

Strong New Hotel Openings

- Newly contracted **11 new hotel projects**
- **8 hotels opened** in FY2026 (ended March 2026)
- **New brand "kokonoyu"** and lifestyle hotel new brand expansion decided.

Other

- **Achieved compliance with TSE listing standards (liquidity ratio)**
- Sponsor group concluded a **capital and business alliance with Mizuho Leasing Group**, expecting further support.

Key topics for the fiscal year include steady progress in PMI with Minacia, completion of brand integration, organizational restructuring, and relocation of headquarters.

We signed contracts for 11 new hotels and opened 8 hotels. We also launched a new hot spring hotel brand, 'kokonoyu'.

In addition, we have promoted new initiatives such as joint investments with our sponsor group and master lease schemes.

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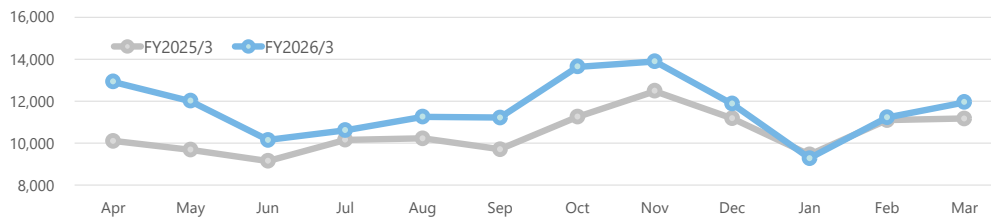
Business Overview: Domestic Hotels - Portfolio KPI

Supported by solid demand including inbound tourism, full-year RevPAR rose +11.3% year-on-year.

Apr 2025 - Mar 2026 (12 months)

Comparable Hotels: 65 Hotels	Actual		vs. Prior Year	
	Prior Year	Current Year	Change	Change (%)
Occupancy Rate	87.6%	90.2%	+2.5%	—
ADR (¥)	11,976	12,954	+979	+8.2%
RevPAR (¥)	10,496	11,682	+1,186	+11.3%
Inbound Ratio	47.7%	51.7%	+4.0%	—

Domestic Hotels RevPAR Trend

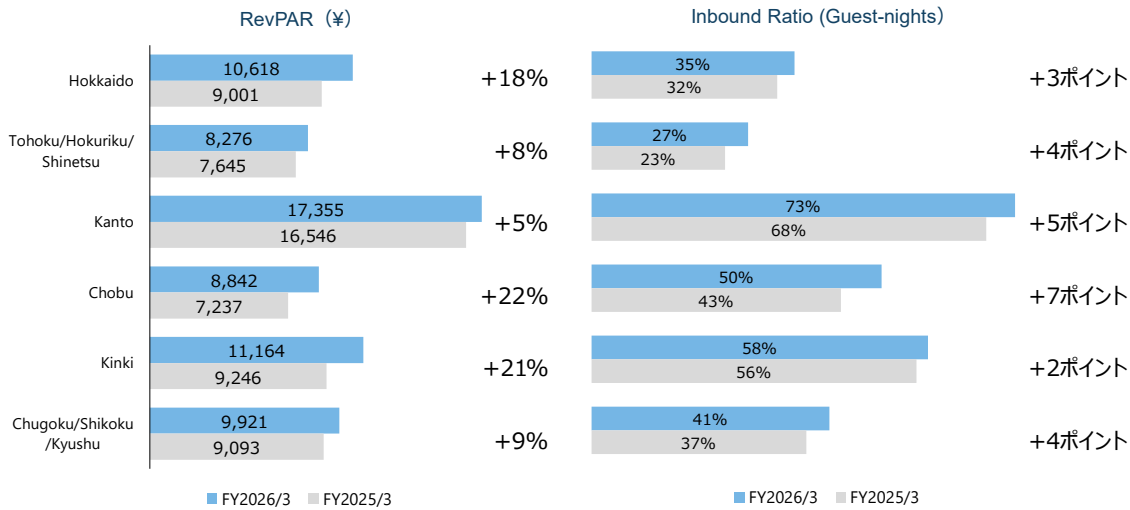


Domestic hotel demand remained strong, and RevPAR increased by 11.3% year on year.

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Business Overview: Domestic Hotels - KPI by Region

- Inbound ratio increased in all regions; RevPAR also grew across the board.
- Particularly strong RevPAR growth in Hokkaido, Chubu, and Kinki regions.

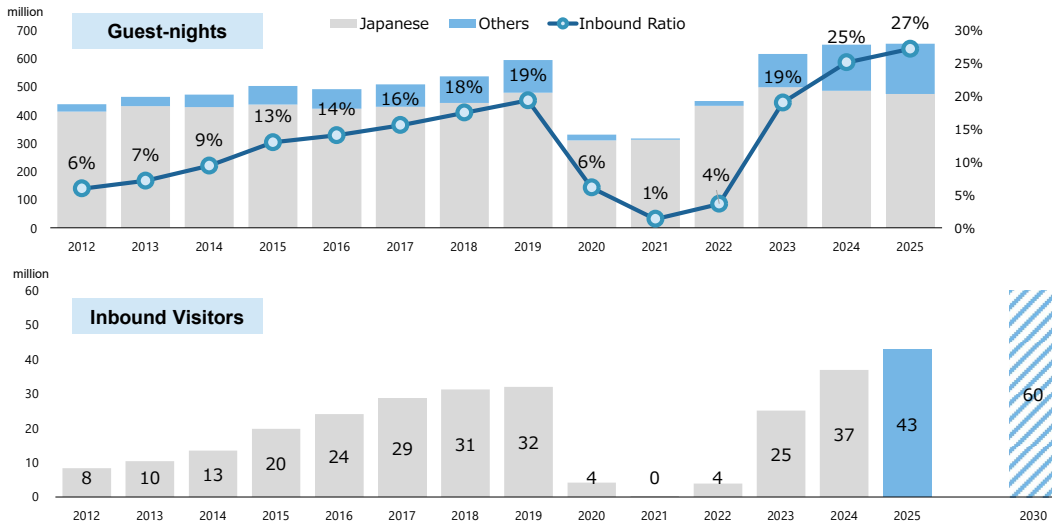


No additional commentary.

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Business Overview: Accommodation Market

- Inbound visitors to Japan in 2025 reached approximately 43 million, a new record high
- Growth continues toward the government target of 60 million visitors per year, with North America and Europe also on the rise



Source: Japan National Tourism Organization's Inbound Visitor Statistics and Japan Tourism Agency's Accommodation Travel Statistics Survey.

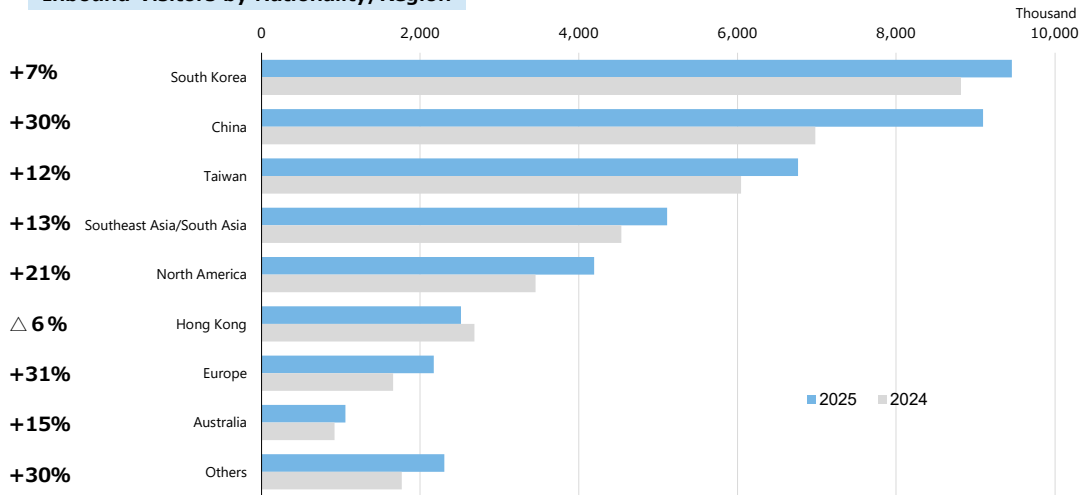
Inbound visitors reached approximately 43 million, marking a record high.

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Business Environment: Inbound Trends by Nationality/Region

- In 2025, inbound visitors grew from most nationalities/regions except Hong Kong
- Growth from Asia continued; North America and Europe also showed sustained increases

Inbound Visitors by Nationality/Region



Source: Japan National Tourism Organization's *Inbound Visitor Statistics*

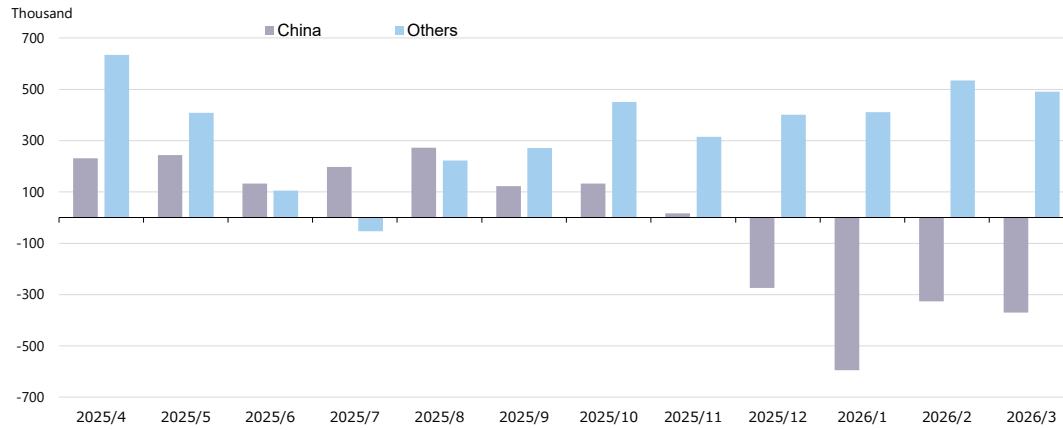
Although visitors from China have been declining, growth from other regions has offset the decrease.

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Business Overview: Japan–China Relations Impact

- Chinese visitors have been declining since December 2025, while visitors from other countries remain on an upward trend
- For now, the decline in Chinese guests is expected to be offset by growth in visitors from other countries

2025 YoY Change in Inbound Visitors



Source: Japan National Tourism Organization's Inbound Visitor Statistics

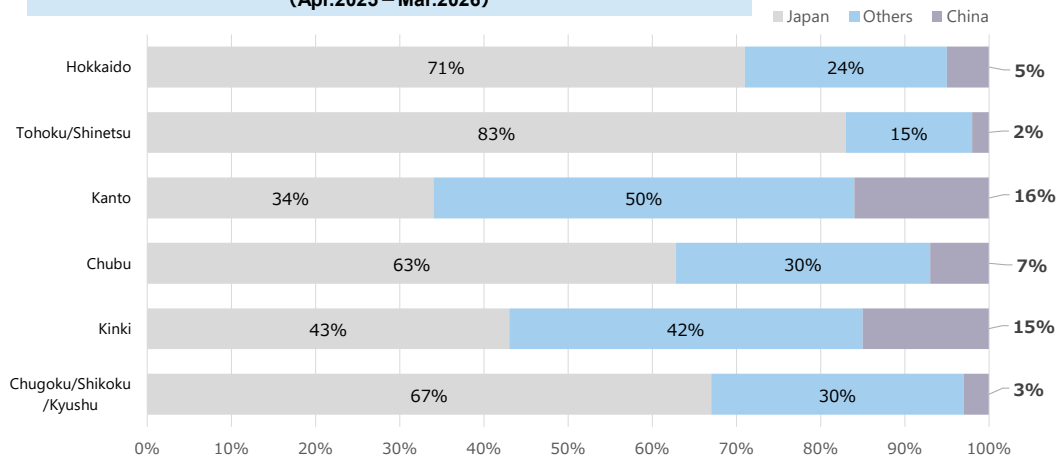
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Business Environment: Impact of Japan-China Relations (cont'd)

- Kanto and Kinki, with high concentrations of Chinese guests, were affected; impact in other regions was limited
- Even if the decline in Chinese guests persists, regional diversification in our portfolio is expected to offset the impact

Room Nights Sold by Region and Nationality: Polaris Hotels 2025
(Apr.2025 – Mar.2026)

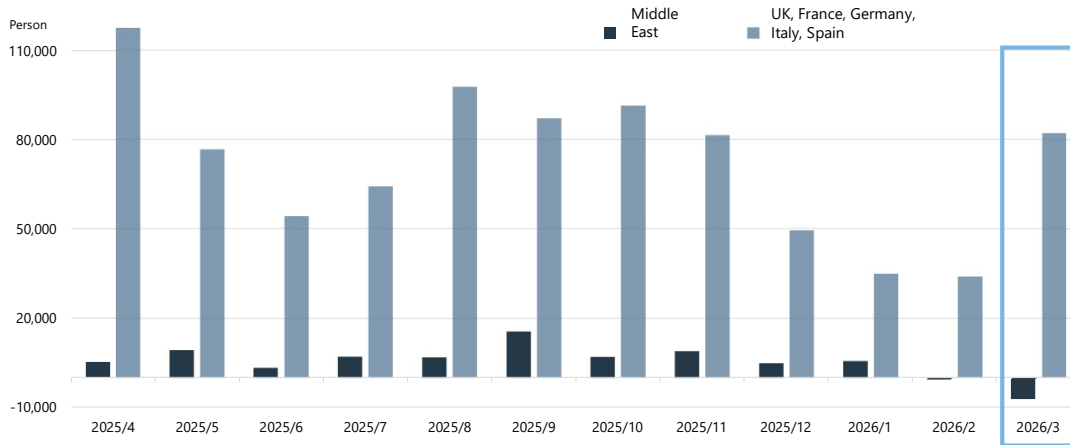


No additional commentary.

Business Environment: Impact of Middle East Situation

- Due to the Middle East situation, visitors from the Middle East in March 2026 declined YoY
- European visitors (many of whom transit through Middle Eastern hubs) increased sharply; the full impact remains uncertain and will be monitored closely

2025 YoY Change in Inbound Visitors



Source: Japan National Tourism Organization's *Inbound Visitor Statistics*

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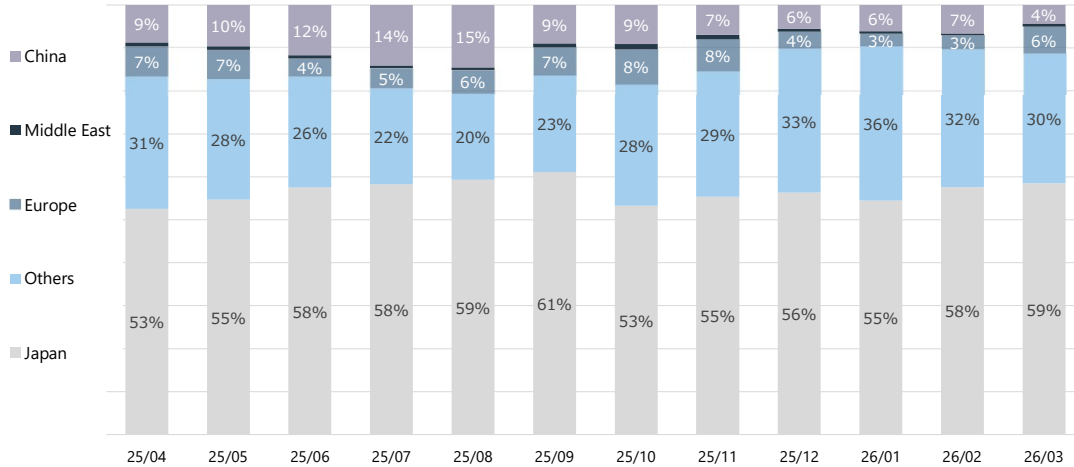
The impact from the Middle East remains limited at present; however, we will continue to monitor the situation.

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Business Environment: Impact of Middle East Situation (cont'd)

- Middle Eastern guests account for less than 1% of total; the impact from a decline is minimal
- European share is approximately 6% — not high, but developments will continue to be monitored

Nationality Breakdown of Room-nights Sold Polaris Hotels 2025

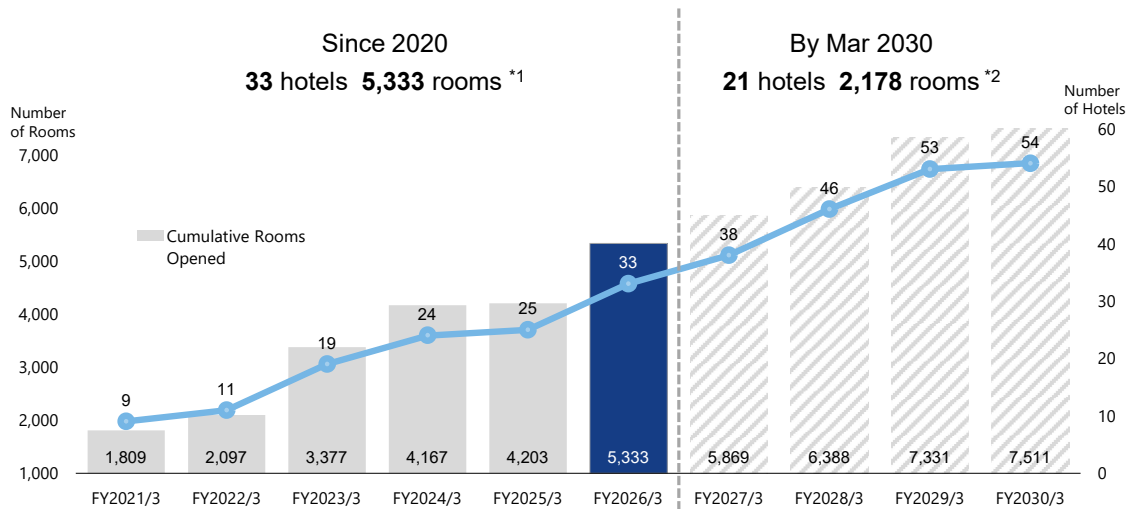


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New Openings: Cumulative Domestic New Hotels

- 8 hotels opened in FY2026 (ended March 2026)
- 11 new contracts signed in FY2026, maintaining strong order intake pace



Notes: 1. Excludes hotels/rooms added through corporate acquisitions (Red Planet and Minasia).
2. Reflects only contracted hotels already publicly disclosed; excludes hotels under negotiation or consideration.

We opened 8 hotels in FY2026 and expect to reach a scale of 115 hotels going forward.

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FY2027/3 Earnings Forecast [Before Goodwill Amortization]

- (1) Revenue forecast of +12% growth, driven by existing hotel RevPAR +5% and new openings (5 hotels)
- (2) Net income impacted by deferred tax assets — approx. ¥3.2B difference in income tax adjustments YoY, leading to lower net income; excluding income tax adjustments, underlying net income is on a growth trajectory
- (3) Dividend forecast for FY2027: ¥5 per share

(unit:¥M)	FY2026/3 Actual	FY2027/3 Forecast	YoY	
			Change	Change (%)
Net Sales	48,469	54,500	+6,031	+12%
Operating Income	5,346	5,504	+158	+3%
Ordinary Income	4,200	4,304	+104	+2%
Pre-tax Net Income	4,144	4,304	+160	+4%
Net Income Attr. to Parent Co. Shareholders	(1,857)	1,349	3,206	-
Pre-tax EPS (¥)	5,900 [4,043]	2,903 [4,253]	-2,996 [+210]	-51% [+5%]
Goodwill Amortization	17.72	18.40	+0.68	—
Dividend (¥/share)	1,304	1,304	—	—
Net Sales	5.0	5.0	0	0%

Note: Figures in parentheses represent underlying net income excluding income tax adjustment effects.

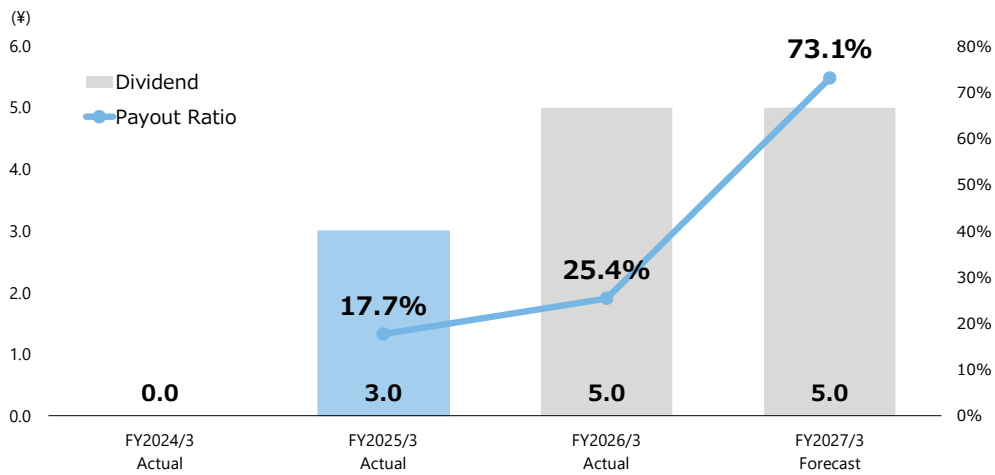
For FY2027, we expect revenue of JPY 54.5 billion and operating profit of JPY 5.5 billion.

Although net income is expected to decline due to accounting factors, underlying profit is projected to grow.

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Enhancing Shareholder Value: Dividend Increase

- Dividend increased from initial forecast of ¥3, then revised to ¥4, and further raised to ¥5 per share, enhancing returns to shareholders
- Effective payout ratio, excluding the impact of corporate tax adjustments, was 42.7% for FY2026/3 and is 39.7% for FY2027/3 (forecast)



We plan to maintain a dividend of JPY 5 for FY2027.

FY2026 results represent significant growth, and we have effectively achieved our mid-term plan targets one year ahead of schedule.

We appreciate your continued support of Polaris Holdings. Thank you very much.

Notes on Domestic Hotel KPIs

1. The aggregation includes hotels that were already in operation as of April 2024 and continued to operate as of the end of December 2025. The figures for the previous fiscal year incorporate data from hotels operated by Minacia Co., Ltd., which became a consolidated subsidiary in the fiscal year ending March 2025. Four hotels under the "Value The Hotel" brand, established to support community recovery efforts following the Great East Japan Earthquake, are excluded from the scope of this aggregation.
2. Occupancy Rate: Number of rooms sold during the period divided by number of rooms available during the same period.
3. ADR (Average Daily Rate): Total room revenue during the period (including service charges) divided by number of rooms sold during the same period.
4. RevPAR (Revenue Per Available Room): Total room revenue during the period divided by number of rooms available during the same period.
5. Inbound Ratio: Proportion of total guest nights accounted for by foreign guests during the period.
6. Occupancy rate, inbound ratio, ADR and RevPAR are rounded to the nearest decimal place.
7. The number of aggregated hotels in each area is shown in parentheses after the area name.
8. The figures and information above have not been audited and accuracy and completeness are not guaranteed; they are subject to revision.

No additional commentary.

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No additional commentary.

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