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February 10, 2023

## Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Under Japanese GAAP)

Company name: Polaris Holdings Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 3010  
 URL: <https://www.polaris-holdings.com/en/>  
 Representative: Atsuo Umeki, President & CEO  
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 Telephone: +81-3-5822-3010  
 Scheduled date to file quarterly securities report: February 13, 2023  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

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

### 1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

#### (1) Consolidated operating results (cumulative)

(Amounts are rounded off to the nearest million yen.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2022	4,975	77.7	69	-	(76)	-	(134)	-
December 30, 2021	2,800	29.7	(1,005)	-	(1,252)	-	(1,348)	-

Note: Comprehensive income For the nine months ended December 31, 2022: ¥ (134) million [-%]  
 For the nine months ended December 31, 2021: ¥ (1,348) million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	(1.29)	-
December 31, 2021	(21.23)	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2022	13,922	2,238	16.0
March 31, 2022	12,036	193	1.5

Reference: Equity  
 As of December 31, 2022: ¥2,232 million  
 As of March 31, 2022: ¥182 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2023	-	0.00	-		
Fiscal year ending March 31, 2023 (Forecast)				0.00	0.00

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

## 3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Given the current situation regarding COVID-19 and the potential impact on the Group's business activities for the fiscal year ending March 31, 2023, it is difficult to reasonably estimate consolidated earnings forecasts at this time. As a result, the Group has made the decision to not disclose earnings forecasts at this time. An announcement will be made as soon as disclosure of earnings forecasts can be made.

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	116,919,189 shares
As of March 31, 2022	91,576,389 shares

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

As of December 31, 2022	1,674 shares
As of March 31, 2022	1,674 shares

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

Nine months ended December 31, 2022	104,129,062 shares
Nine months ended December 31, 2021	63,516,098 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Given the current situation regarding COVID-19 and the potential impact on the Group's business activities for the fiscal year ending March 31, 2023, it is difficult to reasonably estimate consolidated earnings forecasts at this time. As a result, the Group has made the decision to not disclose earnings forecasts at this time. An announcement will be made as soon as disclosure of earnings forecasts can be made.

Quarterly Consolidated Financial Statements

1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,404,386	3,047,194
Accounts receivable - trade	616,258	872,725
Real estate for sale	5,953,143	5,895,431
Raw materials and supplies	16,487	33,163
Other	372,384	1,018,675
Allowance for doubtful accounts	△75	△86
<b>Total current assets</b>	<b>9,362,583</b>	<b>10,867,103</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	434,568	420,122
Land	248,123	248,123
Other, net	348,361	304,117
<b>Total property, plant and equipment</b>	<b>1,031,052</b>	<b>972,362</b>
<b>Intangible assets</b>		
Other	6,863	3,905
<b>Total intangible assets</b>	<b>6,863</b>	<b>3,905</b>
<b>Investments and other assets</b>		
Investment securities	210,001	195,500
Beneficial interests in real estate trust	611,072	587,840
Leasehold and guarantee deposits	755,908	813,977
Other	58,200	481,091
<b>Total investments and other assets</b>	<b>1,635,181</b>	<b>2,078,408</b>
<b>Total non-current assets</b>	<b>2,673,095</b>	<b>3,054,676</b>
<b>Total assets</b>	<b>12,035,678</b>	<b>13,921,778</b>

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Short-term borrowings	1,099,400	600,500
Current portion of long-term borrowings	364,860	428,200
Income taxes payable	29,916	55,563
Provision for shareholder benefit program	3,400	8,037
Other	689,676	985,384
<b>Total current liabilities</b>	<b>2,187,253</b>	<b>2,077,685</b>
<b>Non-current liabilities</b>		
Bonds payable	—	902,772
Convertible-bond-type bonds with share acquisition rights	900,000	—
Long-term borrowings	6,391,845	6,371,850
Subordinated capital loans	950,000	950,000
Long-term deposits received	1,039,940	1,039,990
Retirement benefit liability	9,070	10,023
Asset retirement obligations	167,119	168,246
Other	197,852	163,386
<b>Total non-current liabilities</b>	<b>9,655,825</b>	<b>9,606,267</b>
<b>Total liabilities</b>	<b>11,843,078</b>	<b>11,683,953</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,829,803	1,191,148
Capital surplus	2,163,383	1,345,410
Retained earnings	△3,808,387	△301,713
Treasury shares	△2,992	△2,992
<b>Total shareholders' equity</b>	<b>181,807</b>	<b>2,231,854</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	143	137
<b>Total accumulated other comprehensive income</b>	<b>143</b>	<b>137</b>
Share acquisition rights	10,650	5,835
<b>Total net assets</b>	<b>192,600</b>	<b>2,237,826</b>
<b>Total liabilities and net assets</b>	<b>12,035,678</b>	<b>13,921,778</b>

2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)  
(For the nine months ended December 31, 2022)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	2,799,683	4,974,851
Cost of sales	202,813	355,196
Gross profit	2,596,871	4,619,654
Selling, general and administrative expenses	3,602,160	4,550,238
Operating profit (loss)	△1,005,289	69,417
Non-operating income		
Interest income	11	15
Dividend income	3	3
Subsidy income	29,943	12,144
Other	888	3,687
Total non-operating income	30,845	15,849
Non-operating expenses		
Interest on bonds	—	2,772
Interest expenses	91,008	137,265
Share issuance costs	152,793	—
Commission expenses	27,273	10,142
Other	6,808	10,655
Total non-operating expenses	277,882	160,835
Ordinary loss	△1,252,326	△75,570
Extraordinary losses		
Loss on valuation of investment securities	9,161	—
Loss on store closings	78,275	—
Total extraordinary losses	87,436	—
Loss before income taxes	△1,339,762	△75,570
Income taxes - current	8,612	58,679
Total income taxes	8,612	58,679
Loss	△1,348,374	△134,249
Loss attributable to owners of parent	△1,348,374	△134,249

(Quarterly Consolidated Statements of Comprehensive Income)

(For the nine months ended December 31, 2022)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Loss	△1,348,374	△134,249
Other comprehensive income		
Valuation difference on available-for-sale securities	4	△6
Total other comprehensive income	4	△6
Comprehensive income	△1,348,371	△134,255
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△1,348,371	△134,255