



FOR IMMEDIATE RELEASE

Company Name: Polaris Holdings Co., Ltd.
 Representative: TAGUCHI, Yohei, President & CEO
 Stock Listing: Tokyo Stock Exchange Standard Market
 Stock Code: 3010
 Inquiries: HOSONO, Satoshi, Director & CFO
 (Tel: +81 3 5822 3010)

Polaris Recognizes Deferred Tax Assets and Revises Upward Full-Year Earnings Forecast Driven by Strong Performance

Polaris announces the recognition of deferred tax assets and an upward revision to its consolidated earnings forecast for the fiscal year ending March 31, 2026, as follows:

1. Recognition of Deferred Tax Assets

In light of the recent recovery in business performance and future business plans, Polaris reassessed the recoverability of deferred tax assets and decided to recognize those related to tax loss carryforwards from prior years, which arose primarily from the impact of COVID-19.

Accordingly, Polaris expects to record approximately JPY 1.3 billion in deferred income taxes.

2. Revision of Consolidated Earnings Forecast

(Unit: JPY million)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share (JPY)
Previous Forecast (A)	46,600	3,600	2,500	2,600	11.12
Revised Forecast (B)	47,000	3,700	2,600	4,000	17.10
Change (B-A)	400	100	100	1,400	—
Change (%)	0.8%	2.8%	4.0%	53.8%	—
Reference: Previous Fiscal Year Results	27,881	2,804	1,893	2,611	16.90

3. Reasons for the Revision

Although certain hotels were temporarily affected by travel restraint measures announced by the Chinese government shortly after the previous forecast was disclosed, overall performance in the hotel operations business remained strong.

This was driven by continued growth in inbound demand as well as steady domestic lodging demand, resulting in solid occupancy rates and average daily rates (ADR). As a result, net sales, operating profit, and ordinary profit are all expected to exceed the previous forecast.

In addition, Polaris reassessed the recoverability of deferred tax assets and decided to recognize those related to tax loss carryforwards.

This is expected to result in a significant increase in profit attributable to owners of the parent compared to the previous forecast.

There is no change to the dividend forecast announced on November 13, 2025.

Reference: Earnings Forecast Excluding Amortization of Goodwill

Following the acquisition of Minacia Co., Ltd. as a subsidiary in December 2024 and the recognition of approximately JPY 1.3 billion in annual goodwill amortization in the consolidated financial statements, Polaris focuses on earnings before goodwill amortization and earnings per share excluding such amortization as indicators of its underlying profitability on a consolidated basis.

The figures before the deduction for goodwill amortization are as follows.

(Unit: JPY million)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share (JPY)
Previous Forecast (A)	46,600	4,904	3,804	3,904	16.70
Revised Forecast (B)	47,000	5,004	3,904	5,304	22.68
Change (B-A)	400	100	100	1,400	—
Change (%)	0.8%	2.0%	2.6%	35.9%	—
Reference: Previous Fiscal Year Results	27,881	3,130	2,219	2,937	12.56

Note: The earnings forecasts contained in this document are based on information available as of the date of this announcement. Actual results may differ materially due to various factors.

NOTE: This is an English translation summary of the Company's announcement in Japanese. No assurances or warranties are given for completeness or accuracy of this English translation summary.