Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 13, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name:	Polaris Holdings Co., Ltd.
Listing:	Tokyo Stock Exchange
Securities code:	3010
URL:	https://www.polaris-holdings.com/en/
Representative:	Yohei TAGUCHI, President & CEO
Inquiries:	Satoshi HOSONO, Director & CFO
Telephone:	+81-3-5822-3010
Dividend payable date (as planned)	—
Supplemental material of results:	Yes
Convening briefing of results:	None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026, to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	12,085	7.4	648	(30.3)	375	(41.6)	132	(76.1)
June 30, 2025	11,257	136.9	929	110.2	642	124.0	550	113.9

Note: Comprehensive income For the three months ended June 30, 2026: ¥284 Million [(5.4)%]
For the three months ended June 30, 2025: ¥301 Millions [(17.3)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	0.56	—
June 30, 2025	2.35	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	65,227	31,270	47.9
March 31, 2026	69,205	32,156	46.5

Reference: Equity As of June 30, 2026: ¥31,270 million
As of March 31, 2026: ¥32,156 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, 2026	—	0.00	—	5.00	5.00
Fiscal year ended March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		0.00	—	10.00	10.00

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

3. Consolidated Financial Forecast for the Year Ending March 31, 2027 (from April 1, 2026, to March 31, 2027)

(Percentages indicate year-over-year changes for the full fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	54,500	12.4	4,200	3.9	3,000	3.6	1,600	(65.2)	6.84

Note: Revisions to the earnings forecasts most recently announced ：None

***Notes**

(1) Significant changes in the scope of consolidation during the period: 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: None

(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) Number of issued and outstanding shares at the end of period (including treasury stock)

As of June 30, 2026	233,912,926 shares
As of March 31, 2026	233,914,680 shares

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

As of June 30, 2026	— shares
As of March 31, 2026	1,754 shares

(iii) Average number of shares outstanding (quarterly period-YTD)

Three months ended June 30, 2026	233,912,926 shares
Three months ended June 30, 2025	233,753,006 shares

* Review of the Japanese-language originals of the attached consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters
The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

Attachments

1. Overview of Operating Results and Financial Condition

During the first three months of the current consolidated fiscal year (April 1, 2026, to June 30, 2026), the Japanese economy continued to recover moderately, supported by improvements in employment and income conditions. However, the outlook remained uncertain due to continued price increases and uncertainties surrounding overseas economies.

In the hotel industry, accommodation demand, particularly from international visitors to Japan, continued to drive the market. According to the Japan National Tourism Organization (JNTO), the number of international visitors to Japan from April to June 2026 totaled 10.40 million, a decrease of 0.58 million from the same period of the previous year. While the number of visitors from China declined amid the deterioration in Japan-China relations since November 2025, visitor numbers from many markets, including South Korea, Taiwan, the United States, and India, continued to increase steadily. In June, visitor arrivals from 15 markets reached record highs for the month, reflecting further diversification in inbound demand as well as changes in the composition of international visitors to Japan. At the same time, uncertainties surrounding inbound demand remained, including developments in the Chinese market and the impact of the situation in the Middle East.

Under these circumstances, net sales for the first three months of the current consolidated fiscal year amounted to ¥12,085 million (up 7.4% year on year), while operating profit was ¥648 million (down 30.3% year on year). Profit attributable to owners of parent was ¥132 million (down 76.1% year on year), reflecting the recognition of ¥197 million in deferred income tax expense associated with the reversal of deferred tax assets. Adjusted Net Income, which Polaris considers an important management indicator, was ¥654 million (down 30.2% year on year).

(1) Overview of Operating Results for the First Quarter

Consolidated operating results were as follows:

(Millions of yen)

Item	Three months ended June 30, 2025	Three months ended June 30, 2026	Year-on-year change
Net sales	11,257	12,085	7.4%
Selling, general and administrative expenses	9,896	10,938	10.5%
(of which, goodwill amortization)	326	326	—
Operating profit	929	648	(30.3)%
Profit before income taxes	642	359	(44.1)%
Income taxes - deferred	61	197	220.3%
Profit attributable to owners of parent	550	132	(76.1)%
Adjusted Net Income	937	654	(30.2)%

Notes:

1. Amounts and percentages are rounded to the nearest unit.
2. Based on its business characteristics and earnings structure, Polaris places importance on Adjusted Net Income as a management indicator. Adjusted Net Income is calculated by adding goodwill amortization and deferred income tax expense to profit attributable to owners of parent.

During the first three months of the current consolidated fiscal year, RevPAR at comparable domestic hotels was lower than in the same period of the previous year, reflecting factors including a decline in net sales in the Osaka area due to a pullback in accommodation demand following Expo 2025 Osaka, Kansai, Japan, which was held from April to October of the previous year, as well as a decrease in visitors from China. Meanwhile, net sales exceeded the same period of the previous year, supported by revenue contributions from hotels opened in the previous and current fiscal years. Operating profit was lower than in the same period of the previous year, mainly due to increased costs associated with business operations and business expansion.

Operating results by business segment were as follows.

<Hotel Operation Business>
For the first three months of the current consolidated fiscal year, the Hotel Operation Business recorded net sales of ¥12,073 million (up 7.2% year on year) and operating profit of ¥932 million (down 19.0% year on year).

The major hotels newly opened during the first three months of the current consolidated fiscal year were as follows:

April 2026: KOKO HOTEL Sendai Station Central
June 2026: KOKO HOTEL Premier Tokyo Bay Makuhari

As a result, as of June 30, 2026, Polaris operated or had agreements in place to operate 124 hotels with 17,476 rooms, including hotels scheduled to open under agreements already executed.

<Hotel Investment Business>
For the first three months of the current consolidated fiscal year, the Hotel Investment Business recorded net sales of ¥12 million and operating profit of ¥12 million. No net sales or operating profit was recorded in the same period of the previous year.

KOKO HOTEL Osaka Namba Sennichimae, in which Polaris co-invested with its sponsor, the Star Asia Group, in May 2025, continues to operate steadily.

As announced in the "Notice Regarding Silent Partnership Investment in Trust Beneficiary Interests in Hotel Real Estate" dated March 11, 2026, Polaris made a ¥1.0 billion silent partnership investment in March 2026, jointly with the Star Asia Group, in a special purpose company that holds trust beneficiary interests in the land and building of KOKO HOTEL Premier Tokyo Bay Makuhari.

(2) Overview of Financial Position for the First Quarter

(Assets)
Current assets decreased by ¥3,150 million from the end of the previous fiscal year to ¥10,785 million. This was mainly due to decreases in cash and deposits and accounts receivable - trade.

Non-current assets decreased by ¥828 million from the end of the previous fiscal year to ¥54,442 million. This was mainly due to depreciation of buildings and structures and leased assets, amortization of goodwill, and the reversal of deferred tax assets.

(Liabilities)
Current liabilities increased by ¥30 million from the end of the previous fiscal year to ¥9,201 million. This was mainly due to an increase in the current portion of long-term borrowings, despite a decrease in accounts payable - other.

Non-current liabilities decreased by ¥3,123 million from the end of the previous fiscal year to ¥24,756 million. This was mainly due to a decrease in long-term borrowings.

(Net assets)
Net assets decreased by ¥885 million from the end of the previous fiscal year to ¥31,270 million. This was mainly due to a decrease in retained earnings resulting from dividend payments.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information

The consolidated earnings forecasts remain unchanged from those announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2026” dated May 13, 2026.
As for the dividend forecast, as announced in the “Revision of Shareholder Return Policy and Upward Revision of Dividend Forecast” dated June 24, 2026, Polaris revised its shareholder return policy and raised its dividend forecast for the fiscal year ending March 31, 2027, from ¥5 to ¥10 per share.

The details of the revised shareholder return policy are as follows:

Item	Previous Policy	Revised Policy
Shareholder Return Policy	Maintain and enhance stable, performance-linked dividends	No change
Basis for Calculating Dividend Payout Ratio	Net Income	Adjusted Net Income (Net Income + Goodwill Amortization + Deferred Tax Adjustments)
Target Consolidated Dividend Payout Ratio	30% or more	50% or more

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	7,515,563	4,660,961
Accounts receivable - trade	4,500,265	4,070,875
Raw materials and supplies	247,077	238,211
Other	1,704,142	1,847,022
Allowance for doubtful accounts	(32,815)	(32,448)
Total current assets	13,934,232	10,784,621
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,154,222	10,035,442
Land	502,292	500,388
Leased assets, net	7,116,798	6,962,983
Right-of-use assets, net	2,665,196	2,603,711
Construction in progress	22,313	26,907
Other, net	572,300	537,749
Total property, plant and equipment	21,033,121	20,667,180
Intangible assets		
Goodwill	24,446,452	24,120,499
Other	65,463	61,073
Total intangible assets	24,511,915	24,181,572
Investments and other assets		
Investment securities	1,537,210	1,514,607
Leasehold and guarantee deposits	2,627,585	2,628,806
Deferred tax assets	4,785,124	4,697,676
Other	775,826	752,517
Total investments and other assets	9,725,745	9,593,605
Total non-current assets	55,270,781	54,442,357
Total assets	69,205,013	65,226,978

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	428,329	366,605
Current portion of long-term borrowings	2,009,274	2,781,778
Accounts payable - other	3,202,580	2,680,207
Income taxes payable	76,095	81,869
Provision for bonuses	178,577	266,745
Provision for shareholder benefit program	27,700	24,997
Other	3,248,397	2,998,489
Total current liabilities	9,170,951	9,200,690
Non-current liabilities		
Long-term borrowings	12,679,284	10,005,729
Subordinated capital loans	1,800,000	1,800,000
Lease liabilities	12,367,233	12,175,175
Retirement benefit liability	55,863	39,255
Asset retirement obligations	260,668	260,875
Other	715,456	474,767
Total non-current liabilities	27,878,504	24,755,801
Total liabilities	37,049,455	33,956,491
Net assets		
Shareholders' equity		
Share capital	26,640	26,640
Capital surplus	21,024,524	21,021,515
Retained earnings	10,944,714	9,906,848
Treasury shares	(3,009)	—
Total shareholders' equity	31,992,869	30,955,004
Accumulated other comprehensive income		
Foreign currency translation adjustment	162,689	315,483
Total accumulated other comprehensive income	162,689	315,483
Total net assets	32,155,558	31,270,487
Total liabilities and net assets	69,205,013	65,226,978

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statement of Income)

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	11,257,156	12,085,372
Cost of sales	432,160	499,213
Gross profit	10,824,996	11,586,159
Selling, general and administrative expenses	9,896,097	10,938,496
Operating profit	928,899	647,663
Non-operating income		
Interest income	5,040	9,157
Foreign exchange gains	1,311	1,547
Insurance claim income	31,251	—
Other	7,423	4,538
Total non-operating income	45,025	15,242
Non-operating expenses		
Interest expenses	325,781	287,791
Other	6,063	355
Total non-operating expenses	331,843	288,146
Ordinary profit	642,081	374,759
Extraordinary losses		
Loss on retirement of non-current assets	—	15,824
Total extraordinary losses	—	15,824
Profit before income taxes	642,081	358,935
Income taxes - current	30,672	30,446
Income taxes - deferred	61,444	196,790
Total income taxes	92,116	227,237
Profit	549,965	131,699
Profit attributable to owners of parent	549,965	131,699

(Quarterly Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	549,965	131,699
Other comprehensive income		
Foreign currency translation adjustment	(249,311)	152,794
Total other comprehensive income	(249,311)	152,794
Comprehensive income	300,655	284,493
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	300,655	284,493

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Segment Information, etc.)

Ⅰ Three Months Ended June 30, 2025 (April 1, 2025, to June 30, 2025)

1. Information on Net Sales and Profit or Loss by Reportable Segment

(Thousands of yen)

	Reportable segments			Other	Total
	Hotel Operation Business	Hotel Investment Business	Reportable segments		
Sales					
Revenues from external customers	11,257,156	—	11,257,156	—	11,257,156
Transactions with other segments	—	—	—	—	—
Net sales	11,257,156	—	11,257,156	—	11,257,156
Operating profit (loss)	1,151,027	—	1,151,027	—	1,151,027

2. Reconciliation of the Total Amount of Profit or Loss of Reportable Segments with the Amount Reported in the Quarterly Consolidated Statement of Income, and Major Components of the Difference

(Reconciliation Items)

(Thousands of yen)

Profit	Amount
Total for reportable segments	1,151,027
Corporate expenses (Note)	△222,128
Operating profit reported in the quarterly consolidated statement of income	928,899

Note: Corporate expenses mainly consist of general and administrative expenses that are not attributable to any reportable segment.

II Three Months Ended June 30, 2026 (April 1, 2026, to June 30, 2026)

1. Information on Net Sales and Profit or Loss by Reportable Segment

(Thousands of yen)

	Reportable segments			Other	Total
	Hotel Operation Business	Hotel Investment Business	Reportable segments		
Sales					
Revenues from external customers	12,073,180	12,192	12,085,372	—	12,085,372
Transactions with other segments	—	—	—	—	—
Net sales	12,073,180	12,192	12,085,372	—	12,085,372
Operating profit (loss)	932,143	12,192	944,335	—	944,335

2. Reconciliation of the Total Amount of Profit or Loss of Reportable Segments with the Amount Reported in the Quarterly Consolidated Statement of Income, and Major Components of the Difference
(Reconciliation Items)

(Thousands of yen)

Profit	Amount
Total for reportable segments	944,335
Corporate expenses (Note)	△296,671
Operating profit reported in the quarterly consolidated statement of income	647,663

Note: Corporate expenses mainly consist of general and administrative expenses that are not attributable to any reportable segment.

(Notes on Significant Changes in the Amount of Shareholders' Equity)
Not applicable.

(Notes on Going Concern Assumption)
Not applicable.

(Notes on Quarterly Consolidated Statement of Cash Flows)
The quarterly consolidated statement of cash flows for the first three months of the current consolidated fiscal year has not been prepared. Depreciation and amortization (including amortization of intangible assets other than goodwill) and amortization of goodwill for the first three months of the consolidated fiscal year were as follows:

(Thousands of yen)

	Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 to June 30, 2026)
Depreciation and amortization	435,568	443,964
Amortization of goodwill	325,953	325,953