

Mirarth (8897, Corporate)

JV strategy

4th June 2025

Share price: ¥386

Market cap: ¥54.2bn

We expect Mirarth's JV strategy to drive a reacceleration in core real estate earnings in tandem with Energy & Asset Management expansion.

Company sector

Real Estate Management & Devel (GICS Industry)

Stock data

Price (¥)	386
Mkt cap (¥bn)/(\$m)	54.2 / 375.8
52-week range (¥)	384 - 552
Shares O/S (m)	140.3
Average daily value (\$m)	2.9
Free float (%)	55.7
Foreign shareholding (%)	11.7
Ticker	8897
Exchange	Tokyo Prime
Net Debt/Equity (%)	200.8



Source: Bloomberg

- FY 3/25 sales & OP finished below plan primarily due to an increase in SG&A expenses. These included costs related to a 500-unit increase in new build condominium sales, higher personnel expenses from workforce expansion & base salary increases, & a rise in consumption tax on property acquisitions. The decision not to go ahead with a power plant sale planned for the 4Q 3/25 & cable theft prevention costs in the Energy division also weighed on results.
- We believe results should be considered alongside strong progress recorded in the core Real Estate division, where Mirarth was able to sell more units than expected & achieved above plan divisional GPM, boosted by the lack of discounting.
- In FY 3/26, Mirarth anticipates further Real Estate growth. Whilst rising construction costs remain a factor for margins, the company continues to benefit from **higher sales prices against a backdrop of tight supply-demand & a focus on premium locations**.
- In FY 3/26, the company targets increased new build condominiums sold through JV projects. **Through partnerships, Mirarth can better compete for optimal locations** & avoid inventory build-up given long development lead times. We also expect a FY 3/26 Energy division recovery, as cable theft prevention investment is largely complete, as well as continued Asset Management division growth supported by expanding AUM.
- Under its new MTP, Mirarth has **adopted a progressive dividend policy & raised its target dividend payout ratio from 30-35% to 35-40%**. It plans to reduce its FY 3/26 dividend to ¥21 & regards this amount as a new baseline to mark the start of the FY 3/26-3/28 MTP, with the aim of consistently raising it over the medium term.
- We believe investors' focus should be centred on the outlook for growth in Mirarth's core Real Estate business due to strong demand, as well as planned Energy division investment & continued Asset Management expansion. On 6x FY 3/26 earnings, we encourage discussion with senior management to learn more about its long-term growth potential: [here](#).

BUSINESS OVERVIEW

Mirarth is one of Japan's leading real estate developers with a growing renewable energy business & asset management business.

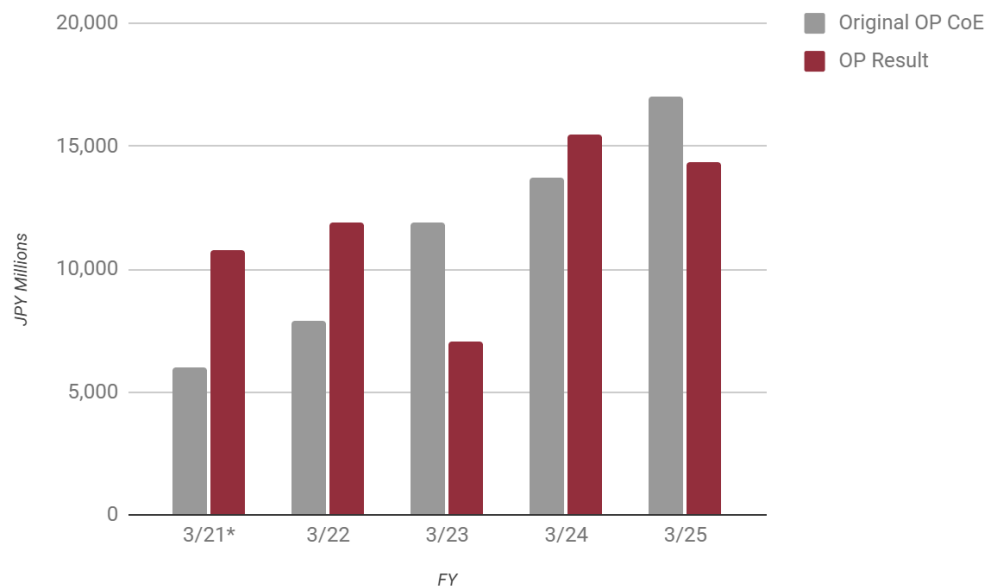
Next event

1Q 3/2026 results in August 2025
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[Storm Corporate profile page](#)

Mirarth is a research client of Storm Research

Year end	3/2023	3/2024	3/2025	3/2026
Sales (¥bn)	153.4	185.1	196.5	216.4
OP (¥bn)	7.0	15.4	14.3	15.5
NP (¥bn)	4.5	8.1	8.2	8.0
EPS (¥)	41.9	74.4	62.7	58.9
DPS (¥)	22.0	24.0	30.0	21.0
Sales growth YoY (%)	-5.7	20.7	6.1	10.1
OP growth YoY (%)	-40.8	119.9	-7.1	7.9
NP growth YoY (%)	-26.2	78.4	0.4	-2.5
EPS growth YoY (%)	-26.6	77.5	-15.7	-6.1
PER (x)	13.3	6.2	8.1	6.3
EV/EBITDA (x)	8.5	10.8	12.2	11.5
PBR (x)	0.9	0.9	0.8	0.6
ROE (%)	7.5	12.8	11.0	n/a
ROIC (%)	2.3	3.4	3.5	n/a
FCF yield (%)	n/a	19.8	n/a	n/a
Dividend yield (%)	5.8	5.1	5.9	5.4

Source: Company & Bloomberg

RESULTS VS
FORECAST HISTORY

* 3/21 original OP CoE released with 1H results.

EARNINGS

- FY 3/25: Below plan FY 3/25 sales & OP were primarily due to the Energy division shortfall as a result of weather-related impact on electricity generation sales, cable theft prevention costs, & the decision not to proceed with a planned power plant sale.

We note GP was broadly in line with expectations as strong Real Estate GP offset Energy weakness. **Mirarth sold a greater number of new built-for-sale condominium units than anticipated, without needing to resort to discounting.** Both Real Estate sales & the divisional GPM were above plan.

In contrast, greater Real Estate sales costs due to accelerated new condo unit deliveries, as well as high Liquidation subsegment sales commission & consumption tax on the procurement of rental buildings, drove up SG&A & weighed on the divisional OPM.

Mirarth also implemented a +3.3% base salary increase which, in addition to a small investment in a new IT system to boost productivity, raised company-wide SG&A +11.2%YoY to ¥27.9bn. Consolidated OP therefore declined -7.1%YoY to ¥14.4bn.

- NP: Extraordinary gains decreased -80.0%YoY to ¥144m. Whilst Mirarth recorded a gain on the exchange of fixed assets, it was smaller than the FY 3/24 gain on the sale of shares in an Energy division SPC (segregated portfolio company) to a partner.

Simultaneously, extraordinary losses expanded by -¥459m YoY to -¥1.0bn, including nearly -¥300m related to guarantee provisions for a past project, a valuation loss on an overseas project, & office relocation costs.

Despite these extraordinary items, FY 3/25 NP was broadly flat YoY due to the deferral of income tax.

- FY 3/26: **Mirarth anticipates steady core condominium business sales growth alongside recovery in other areas.** Conversely, it expects rising construction costs weighing on the OPM. The company also aims to implement a further ~+3% base salary increase in FY 3/26.

REAL ESTATE

(JPY Millions)	3/25 Original		3/25 1 st Revised		3/25 2 nd Revised		3/25 Results		3/26 CoE	
	MTP	YoY	MTP*	YoY	MTP**	YoY	YoY	YoY	YoY	YoY
Sales	179,930	10.5%	176,970	8.7%	184,860	13.5%	178,512	9.6%	194,600	9.0%
GP	35,730	0.3%	36,130	1.5%	36,260	1.8%	38,451	8.0%	39,500	2.7%
GPM	19.9%	-2.0ppt	20.4%	-1.5ppt	19.6%	-2.3ppt	21.5%	-0.3ppt	20.3%	-1.2ppt
OP	14,620	6.0%	13,420	-2.7%	13,800	0.1%	13,130	-4.8%	13,590	3.5%
OPM	8.1%	-0.3ppt	7.6%	-0.9ppt	7.5%	-1.0ppt	7.4%	-1.1ppt	7.0%	-0.4ppt

* Revised with FY 3/23 results. **Revised with FY 3/24 results.

- *Disclosure:* Mirarth discloses targets for the Real Estate segment as a whole in its MTP, while details on individual Real Estate subsegments are provided in the company's Fact Book.

New Built-for-sale Condominiums

(JPY Millions)	3/25 Original		3/25 1 st Revised		3/25 2 nd Revised		3/25 Results		3/26 CoE	
	MTP	YoY	MTP*	YoY	MTP**	YoY	YoY	YoY	YoY	YoY
Sales	101,500	8.6%	101,500	8.6%	106,000	13.4%	106,582	14.0%	110,900	4.1%
GP	21,500	2.4%	21,500	2.4%	22,100	5.2%	23,082	9.9%	23,210	0.6%
GPM	21.2%	-1.3ppt	21.2%	-1.3ppt	20.8%	-1.6ppt	21.7%	-0.8ppt	20.9%	-0.7ppt
Units	2,600	17.4%	2,200	-0.6%	2,200	-0.6%	2,339	5.6%	2,820	20.6%

FY 3/25 New Built-for-sale Condominium subsegment sales were ~¥500m above plan.

- *FY 3/25 units:* Mirarth sold 2,339 +125 YoY condominiums versus its broadly flat YoY 2,200 target. Given this strong sales momentum, the company brought deliveries forward from FY 3/26.

- *FY 3/26 units:* **In comparison with the company's flat FY 3/25 unit sales forecast, in FY 3/26 it targets +20.6%YoY growth to 2,820.** It expects its own unit sales to remain broadly flat YoY at 2,150 due to tight supply/demand conditions & a limited number of new listings on the real estate market, but anticipates growth in units from JVs.

- *JVs:* Rather than unit growth, Mirarth is prioritising procuring units that command high sales prices to maintain margins amid rising construction costs, resulting in competition to purchase prime location land. **Partnering through JVs helps real estate operators reduce procurement competition & widen location access.**

In addition, as Apr 2024 laws limiting construction worker overtime have extended lead times from 20-24 months to 28-32 months, increasing its own unit numbers too rapidly risks excessive inventory build-up on the balance sheet. Through JVs, Mirarth records only its stake in the buildings. Partners include Nomura Real Estate (3231), Misawa Homes, Panasonic Homes, Daikyo, & others.

- *Locations:* The company aims to increase the FY 3/26 proportion of metropolitan locations +0.4ppt YoY to 44.5%. Its medium-term target is to maintain a 45-50% level.

- *Pricing:* The average FY 3/25 unit price was almost ¥47m, ~ +¥2m YoY. In FY 3/26, Mirarth anticipates ~+¥5.3m YoY growth to ¥52.3m.

- *Costs:* There is a 2 year lag between construction & related costs occurring & those costs entering P&L upon unit sale. Mirarth expects a negative FY 3/26 impact from rising construction costs 2 years ago but notes **the impact from rising construction material**

costs has largely peaked & expects further cost increases to be primarily personnel-related & at a single-digit rate.

Liquidation

(JPY Millions)	3/25 Original MTP	YoY	3/25 1 st Revised MTP*	YoY	3/25 2 nd Revised MTP**	YoY	3/25 Results	YoY	3/26 CoE	YoY
Sales	36,000	17.4%	30,600	-0.2%	36,000	17.4%	30,898	0.8%	39,000	26.2%
GP	5,100	-23.0%	5,500	-16.9%	6,200	-6.4%	7,375	11.4%	5,550	-24.7%
GPM	14.2%	-7.4ppt	18.0%	-3.6ppt	17.2%	-4.4ppt	23.9%	2.3ppt	14.2%	-9.7ppt

* Revised with FY 3/23 results. ** Revised with FY 3/24 results.

- FY 3/25 results: FY 3/25 Liquidation sales finished below plan, but the GPM was above expectations. Mirarth has flexibility in building sale timing & **opted to bring certain high margin residential development sales forward from FY 3/26 to the 4Q 3/25 to partly offset Energy division weakness.**

- FY 3/26 outlook: Given longer development lead times, Mirarth plans to actively invest in projects with short turnaround times that generate rapid returns where possible. As it is prioritising rapid returns over the potential for higher margins on longer held projects, & faces high hurdles against strong FY 3/25 high margin residential development sales, it expects the FY 3/26 GPM to decline YoY. We note potential for further residence sales in FY 3/26, resulting in GPM upside versus plan.

- **Renewal Resale:** In the Renewal Resale subsegment, Mirarth sold 242 units (+40 YoY), below its 350 FY 3/25 target. This generated ¥10.6bn +34.0%YoY in sales but was -12.8% below the company's ¥12.1bn estimate. In contrast, subsegment GP was above plan at ¥1.5bn +50.6%YoY versus the forecast of ¥1.5bn. **Mirarth sold fewer units in bulk than anticipated, but more high margin individual units.**

Mirarth expects FY 3/26 Renewal Resale sales to decline -29.9%YoY to ¥7.4bn, & units sold to decrease -92 YoY to 150, due to the absence of planned bulk sales. It forecasts ¥1.2bn -23.5%YoY subsegment GP.

- **New Detached Houses:** FY 3/25 New Detached House sales were marginally below plan at ¥12.9bn -2.3%YoY versus the company estimate of ¥13.2bn, with 217 units sold, -5 YoY, versus the target of 230.

Mirarth expects FY 3/26 subsegment sales to increase +27.4%YoY to ¥16.5bn with units sold +33 YoY to 250. It anticipates the GPM declining -0.9ppt YoY to 10.9% due to rising construction costs but **aims to maintain +19.9%YoY GP growth to ¥1.8bn.**

ENERGY

(JPY Millions)	3/25 Original MTP	YoY	3/25 1 st Revised MTP*	YoY	3/25 2 nd Revised MTP**	YoY	3/25 Results	YoY	3/26 CoE	YoY
Sales	19,200	38.6%	12,700	-8.3%	12,700	-8.3%	9,921	-28.4%	11,670	17.6%
GP	1,300	-70.2%	4,730	8.5%	4,430	1.6%	2,551	-41.5%	2,950	15.6%
GPM	6.8%	-24.7ppt	37.2%	5.8ppt	34.9%	3.4ppt	25.7%	-5.8ppt	25.3%	-0.4ppt
OP	600	-70.4%	3,160	56.0%	3,000	48.1%	1,110	-45.2%	1,350	21.6%
OPM	3.1%	-11.5ppt	24.9%	10.3ppt	23.6%	9.0ppt	11.2%	-3.4ppt	11.6%	0.4ppt

* Revised with FY 3/23 results. ** Revised with FY 3/24 results.

In FY 3/25, the Energy division finished below plan. In addition to weather-related underperformance in electricity generation, the company decided not to proceed with a planned power plant sale & was forced to spend on preventative measures against cable theft.

- *Cable theft measures:* Early in FY 3/25, Mirarth addressed multiple cable theft incidents at its power plants by installing cable covers, moving cables underground, & introducing night-time guard patrols. Some costs were reimbursed via insurance & recorded as non-operating income but in aggregate the repairs & preventative measures cost the company hundreds of millions of yen. These expenses were unforeseen & therefore not assumed in FY 3/25 estimates.

Having now implemented most measures, FY 3/26 cable theft related costs are likely to be lower YoY.

In the 4Q 3/25, Mirarth planned to sell a power plant but, due to a lack of new facilities in the pipeline meaning less need to adjust the balance sheet through facility sales, it opted to keep the plant & continue recording electricity sales in FY 3/26. It does not forecast any facility sales in FY 3/26.

Similar to the Real Estate division, Mirarth expects FY 3/26 Energy division outsourcing costs to increase, weighing on the GPM.

- *Raised funds:* We note Mirarth plans to allocate ~¥9.1bn of the funds raised via the company's Sept 2024 public offering to Mirarth Energy Solutions. **It aims to actively invest in the Energy business, focusing on domestic renewable energy power plants & storage solutions**, whilst carefully managing its balance sheet & coordinating with the Real Estate business.

Given longer construction lead times, it expects investments made in FY 3/26 to take ~3 years to generate large returns.

ASSET MANAGEMENT BUSINESS

(JPY Millions)	3/25 Original MTP	YoY	3/25 1 st Revised MTP*	YoY	3/25 2 nd Revised MTP**	YoY	3/25 Results	YoY	3/26 CoE	YoY
Sales	1,570	113.9%	1,070	45.8%	900	22.6%	1,162	58.3%	1,190	2.4%
GP	1,270	113.8%	810	36.4%	700	17.8%	934	57.2%	970	3.9%
GPM	80.9%	0.0ppt	75.7%	-5.2ppt	77.8%	-3.1ppt	80.4%	-0.5ppt	81.5%	1.1ppt
OP	430	n/a	110	n/a	20	n/a	268	n/a	280	4.5%
OPM	27.4%	n/a	10.3%	n/a	2.2%	n/a	23.1%	n/a	23.5%	0.5ppt

* Revised with FY 3/23 results. ** Revised with FY 3/24 results.

- *AUM:* In FY 3/25, AUM increased +16.8%YoY to ¥311.3bn, surpassing Mirarth's target of ¥300bn assets in renewable energy, REITs, & private placements by the end of the FY. **In particular, it attributes FY 3/25 growth to the successful formation of private funds, with assets expanding +53.6%YoY to ¥60.2bn.** Along with the Sept 2024 REIT PO, this was a major driver of FY 3/25 Asset Management sales & OP.

Its next AUM target is ¥700bn in FY 3/30, which is likely to rely heavily on further strengthening of private funds.

- *FY 3/26 outlook:* In FY 3/26, Mirarth expects gradual divisional earnings growth. It plans to strengthen the divisional operational structure to support the greater AUM, mainly by reinforcing dedicated human resources.

OTHER BUSINESSES

(JPY Millions)	3/25 Original MTP	YoY	3/25 1 st Revised MTP*	YoY	3/25 2 nd Revised MTP**	YoY	3/25 Results	YoY	3/26 CoE	YoY
Sales	3,000	-61.6%	9,260	18.6%	7,240	-7.2%	6,927	-11.2%	8,940	29.1%
GP	400	1500.0%	630	2420.0%	910	3540.0%	373	1392.0%	980	162.7%
GPM	13.3%	13.0ppt	6.8%	6.5ppt	12.6%	12.2ppt	5.4%	5.1ppt	11.0%	5.6ppt
OP	50	n/a	310	n/a	180	n/a	-144	n/a	280	n/a
OPM	1.7%	n/a	3.3%	n/a	2.5%	n/a	n/a	n/a	3.1%	n/a

* Revised with FY 3/23 results. ** Revised with FY 3/24 results.

The Other Business division was below plan, mainly due to the Hotel shortfall & rising construction outsourcing costs. The company expects a FY 3/26 recovery as it adjusts to & passes on higher costs, & as hotel occupancy improves.

SHAREHOLDER RETURNS

Under its new MTP, Mirarth has largely maintained its financial targets, but **raised its target dividend payout ratio from 30-35% to 35-40%**.

It plans to reduce its dividend from ¥30 in FY 3/25 (a 47.9% payout ratio) to ¥21 in FY 3/26 (35.7%). Whilst acknowledging the potential for a negative reaction, it regards this dividend as a new baseline for the start of the FY 3/26-3/28 phase of its MTP with the aim of consistently increasing payouts over the medium term.

PREVIOUS REPORTS

- 19th March 2025: [‘Higher price facilitation’](#)
- 5th December 2024: [‘Comfortably on track’](#)
- 10th September 2024: [‘Tight supply/demand’](#)
- 13th June 2024: [‘Strategic property acquisitions’](#)
- 9th February 2024: [‘Seasonality’](#)
- 1st December 2023: [‘New energy model’](#)
- 30th August 2023: [‘FIT to PPA Transition’](#)
- 23rd June 2023: Initiating coverage - [‘Condos & the rise of renewable energy’](#)

COMPANY INFORMATION

Company Timeline	
1972	Established Takara Komuten Co., Ltd. (currently MIRARTH HOLDINGS) Started sales of detached houses
1982	Launched the Real Estate Rental business
1988	Established Takara Management Co., Ltd. (currently Leben Community) Launched the Real Estate Management business
1994	Started sales of 'Leben Heim' condominiums
2000	Changed company name to Takara Leben Co., Ltd.
2001	Established TAFUKO Co., Ltd. Launched the Financial Brokering business Listed on the JASDAQ market
2003	Listed on the Second Section of the Tokyo Stock Exchange
2004	Listed on the First Section of the Tokyo Stock Exchange Established Relivel Leben Co., Ltd. (previously Takara West Japan Co., Ltd.) Launched the trustee division for real estate sales Established AS Partners Co., Ltd. Launched the Nursing Care For Seniors business
2006	Moved the main office to Shinjuku Sumitomo Building
2008	Made Marunouchi Servicer a subsidiary Released new Takara Leben Brands
2010	Launched the Detached Housing business (built by Takara Leben) Capital increase based on Japan's first rights offering
2011	Joined an open house and began sales of custom-built houses
2012	Introduced new condominium brands Established the Yokohama branch Made Takara Housing Co., Ltd. (previously Takara Property Co., Ltd.) a subsidiary for the Real Estate Rental business
2013	Entry to the Mega-Solar business Established Takara Asset Management Co., Ltd. Launched the Investment Management business Established Takara Investments Co., Ltd. Launched the Real Estate Investment business Made Sunwood Corporation an associated company accounted for by the equity method
2014	Established the Hokuriku sales office Established the Tohoku sales office Made Oasis Co., Ltd. (currently Takara Leben Realnet Co., Ltd.) a subsidiary Made Nikko Kensetsu Co., Ltd. (currently Leben Home Build Co., Ltd.) a subsidiary
2015	Made Live Net Co., Ltd. (previously Takara Leben West Japan Co., Ltd.) a subsidiary Made Jyutakujiyouhoukan Co., Ltd. (currently Takara Leben Co., Ltd.) a subsidiary
2016	Made Nikko Property Co., Ltd. (currently Leben Trust Co., Ltd.) a subsidiary Changed the company name of Nikko Kensetsu Co., Ltd. to Nikko Takara Corporation Co., Ltd. (currently Leben Home Build Co., Ltd.) Takara Leben Infrastructure Fund, Inc. was the first to be listed on the infrastructure fund market
2017	Introduced a new condominium brand Established the Osaka branch Established the Sapporo sales office Changed the company name of Jyutakujiyouhoukan Co., Ltd. to Takara Leben West Japan Co., Ltd. Main office moved to Tekko Building, Marunouchi, Chiyoda-ku
2018	Changed the company name of TAFUKO Co., Ltd. to Leben Zestock Co., Ltd. Made PAG Investment Management Ltd. (currently Takara PAG Real Estate Advisory Ltd.) a subsidiary Established a representative office in Hanoi City Takara Leben Real Estate Investment Corporation was listed on the Tokyo Stock Exchange
2019	Changed the company name of Nikko Property Co., Ltd. to Leben Trust Co., Ltd. Leben Trust Co., Ltd. merged with Takara Property Co., Ltd.
2021	Established Leben Funding LLC. Made ACA Clean Energy Co., Ltd. a subsidiary Established the Nagoya sales office Changed the company name of ACA Clean Energy Co., Ltd. to Leben Clean Energy Co., Ltd. Sunwood Corporation became a non-subsiary due to the transfer of shares
2022	Changed the company name of Nikko Takara Corporation Co., Ltd. to Leben Home Build Co., Ltd. Established Takara Leben (Thailand) Co., Ltd. in Bangkok 50 year anniversary

Established MIRARTH HOLDINGS, Inc. (changed company name from Takara Leben Co., Ltd. to MIRARTH HOLDINGS, Inc.)

Changed the company name of Takara Leben West Japan Co., Ltd. to Takara Leben Co., Ltd., merged with Takara Leben West Japan Co., Ltd., and moved the head office to Marunouchi, Chiyoda-ku, Tokyo.

2023 Delisted Takara Leben Infrastructure Fund, Inc. through a tender offer
Establishment of MIRARTH Green Tech Co., Ltd.
Launched Renewable Energy Business
Establishment of MIRARTH Agri Tech Co., Ltd.
Launched Biofuel business

2024 Takara PAG Real Estate Investment Management Co., Ltd. changed company name to MIRARTH Real Estate Advisory Inc.
Leben Clean Energy Co., Ltd. changed company name to MIRARTH Energy Solutions Inc.
Takara Asset Management Co., Ltd. changed company name to MIRARTH Asset Management Inc.

Company contact details

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Major shareholders	Stake %
General Incorporated Association Murayama Asset Management	18.27
The Master Trust Bank of Japan, Ltd. (Trust Account)	11.03
MIRARTH HOLDINGS	3.17
Custody Bank of Japan, Ltd. (Trust Account)	2.47
Morgan Stanley MUFG Securities Co., Ltd.	1.48
Goldman Sachs Securities Co., Ltd. BNYM	1.46
Murayama Kikaku Co., Ltd.	1.28
MIRARTH HOLDINGS Business Partner Shareholding Association	1.05
Kazuichi Shimada	0.93
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	0.89

Source: Company

MANAGEMENT

Kazuichi Shimada Representative Director, Group CEO, Group COO, and President Executive Officer	
Career History	
May 1987	Joined Takara Leben Co., Ltd (now known as MIRARTH HOLDINGS Inc.).
Jun 1998	Director and General Manager of Development Department
Jun 2000	Managing Director, General Manager of Development Division, and General Manager of Development Department and Construction Department of Head Office
Jun 2006	Representative Director, Executive Vice President, and General Manager of Development Division
Apr 2012	Representative Director, Executive Vice President, Chief Operating Officer (COO), Chief Financial Officer (CFO), and General Manager of General Planning Division
Apr 2014	Representative Director, President, Chief Executive Officer (CEO), Chief Operating Officer (COO), and Chief Financial Officer (CFO)
Apr 2019	Representative Director, President, and Chief Executive Officer (CEO)
Jun 2019	Representative Director, Chief Executive Officer (CEO), and President Executive Officer (current)
Oct 2022	Representative Director, Group CEO, Group COO and President Executive Officer (current)
Apr 2024	Representative Director, CEO and President Executive Officer, Takara Leben Co., Ltd. Representative Director and President Executive Officer, Takara Leben Co., Ltd. (current)
Daisuke Nakamura Director, Group CFO and Senior Managing Executive Officer Manager of Sustainability Promotion Office	
Career History	
Apr 1991	Joined The Taiyo-Kobe Bank Ltd. (currently Sumitomo Mitsui Banking Corporation)
Apr 2014	Manager of Tokorozawa Corporate Business Office, Sumitomo Mitsui Banking Corporation
Apr 2016	General Manager of Corporate Strategy Department, Sumitomo Mitsui Banking Corporation
Apr 2017	Manager of Nihonbashi Higashi Corporate Business Office, Sumitomo Mitsui Banking Corporation
Apr 2019	Manager of 1st Sales Department, Kanda Corporate Business Office, Sumitomo Mitsui Banking Corporation
Apr 2020	Executive Officer and Manager of 1st Sales Department, Kanda Corporate Business Office, Sumitomo Mitsui Banking Corporation
Apr 2021	Executive Officer and General Manager of east Japan 1st Corporate Sales Department, Sumitomo Mitsui Banking Corporation
Apr 2023	Executive Officer and Deputy Responsible Officer of Wholesale Division, Sumitomo Mitsui Banking Corporation Managing Executive Officer and Assistant General Manager of Wholesale Business Division, Sumitomo Mitsui Financial Group Inc.
May 2024	Managing Executive Officer of the Company Senior Managing Executive Officer, Takara Leben Co., Ltd.
Jun 2024	Director, Group CFO and Managing Executive Officer of the Company Director and Senior Managing Executive Officer, Takara Leben Co., Ltd.
Apr 2025	Director, Group CFO and Senior Managing Executive Officer and Head of Sustainability Promotion Office of the Company (current) Director Takara Leben Co., Ltd. (current)
Shoichi Akisawa Director	
Career History	
Apr 1988	Joined Towa Real Estate (currently Mitsubishi Estate Residence Co., Ltd.)
May 1997	Representative Director, Eitec Co.,Ltd.
Jan 2002	Director, Intas Co., Ltd.
Feb 2004	Executive Officer, Pacific Management Co., Ltd. (currently Pacific Holdings,Inc.)
Jun 2008	Representative Director, Pacific Realty Co., Ltd.(currently Pacific Properties Investment, Inc.)
Jan 2011	General Manager of Strategic Business Department, Star Mica Co., Ltd.
Feb 2012	Director Head of Strategic Business Division, Star Mica Co., Ltd. Representative Director Fan Investment Co., Ltd. (currently Star Mica Property Co., Ltd.)
Dec 2014	Representative Director, Star Mica Co., Ltd.

Jun 2016	Representative Director, Rising Force Co., Ltd. (currently Daitokentaku Asset Solution Co., Ltd.)
May 2019	Representative Director, Leben Zestock Co., Ltd.
Jun 2019	Director, Executive Officer and General Manager of Investment Development Division, the Company
Apr 2020	Director, Managing Executive Officer and General Manager of Investment Development Division, the Company
Apr 2021	Director, Managing Executive Officer and General Manager of Investment Development Business Headquarters, the Company
Oct 2022	Executive Officer of the Company Representative Director, Chief Operating Officer (COO) and Vice President Executive Officer, Takara Leben Co., Ltd.
Apr 2024	Representative Director and Vice President Executive Officer, Takara Leben Co., Ltd.
Jun 2024	Director of the Company (current) Representative Director and Executive Officer of Takara Leben Co., Ltd. (current)

Keiko Yamahira	Director (Outside Director)
Career History	
Apr 1983	Joined Kubota House Co. Ltd. (currently Sanyo Homes Corporation)
Apr 2010	Executive Officer, Sanyo Homes Corporation
Jun 2011	Director and Managing Director/Executive Officer, Sanyo Homes Corporation
Jun 2012	Director, Sanyo Reform Co., Ltd. (concurrent)
Jun 2013	Director, Senior Managing Director, and Executive Officer, Sanyo Homes Corporation Director, SunAdvance, Inc. (concurrent) Director, Sanyo Homes Community Corporation (concurrent)
Jun 2015	Director, President, and Executive Officer, Sanyo Homes Corporation
Apr 2017	Representative Director and Chairman, Sanyo Homes Community Corporation
Jun 2019	External Director, Joshin Denki Co., Ltd. (current) External Director, Fujitec Co., Ltd.
Jun 2021	Director (Outside Director), Takara Leben Co., Ltd. (now known as MIRARTH HOLDINGS Inc.) (current)
Jun 2022	External Director, Shinagawa Refractories Co., Ltd. (current)
Jun 2024	External Director, Maruichi Steel Tube Ltd. (current)

Naohito Yamagishi	Director (Outside Director)
Career History	
Apr 1986	Joined the National Police Agency
Apr 1990	Chief, Investigation Division 2, Criminal Investigation Department, Kagawa Prefectural Police Headquarters
Aug 1991	Chief, First Public Safety Division, Security Department, Saitama Prefectural Police Headquarters
Aug 1993	Assistant Director, Traffic Regulation Division, Traffic Bureau, National Police Agency
Aug 1994	Assistant Director, Road Policy Division, Bureau of Public Roads, Ministry of Construction (now Ministry of Land, Infrastructure, Transport and Tourism)
Sep 1996	Assistant Director, Driver's License Division, Traffic Bureau, National Police Agency
Aug 1998	Chief of Police, Nara Prefectural Police Headquarters
Aug 2000	Director, Security Department, Hyogo Prefectural Police Headquarters
Aug 2002	Security Division Director, Security Bureau, National Police Agency
Aug 2004	Security Services Bureau (Cabinet Intelligence and Research Office), National Police Agency
Sep 2006	Director, Security Department, Kanagawa Prefectural Police Headquarters
Aug 2008	HR, Ministry of Internal Affairs and Communications, and Pension Bureau Counsellor
Aug 2010	Chief, Wakayama Prefectural Police Headquarters
Aug 2012	Chief of Police, Kanagawa Prefectural Police Headquarters
Aug 2013	Director, Driver's License Division, Traffic Bureau, National Police Agency
Jun 2014	Deputy Director of the Imperial Guard Headquarters
Feb 2016	Chief, Niigata Prefectural Police Headquarters
Mar 2018	Director, International Police Center, National Police Academy and Deputy Director-General, National Police Agency (in charge of care for victims of crimes)
Jan 2019	Chief, Hokkaido Prefectural Police Headquarters
Jan 2021	Advisor, Mitsui Sumitomo Insurance Co., Ltd.

Jun 2022	Director (Outside Director), Takara Leben Co., Ltd. (now known as MIRARTH HOLDINGS Inc.) (current)
Dec 2022	National Association of Road Sign and Marking Businesses (Counsellor)
May 2023	National Association of Road Sign and Marking Businesses (Executive Director) (current)
Jun 2023	Auditor (part-time), UTMS Association (current)

Kaname Uchida	Director (Outside Director)
Career History	
Apr 1978	Joined Bureau of Public Roads, Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism)
Jul 2004	Director of Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism (MLIT)
Aug 2005	Ministry Director of General Affairs Division, Policy Bureau
Jul 2006	Ministry Director of General Affairs Division, Minister's Secretariat, and Deputy Director-General, Minister's Secretariat (Minister's Secretariat)
Jul 2007	Ministry Deputy Director-General, Minister's Secretariat (Policy Bureau)
Jul 2009	Ministry Deputy Director-General, Minister's Secretariat
Aug 2010	Ministry Director-General, Land and Water Bureau
Jul 2011	Ministry Director-General, Land Economy and Construction Industries Bureau
Jul 2012	Vice-chairman, the Urban Renaissance Agency
Jul 2014	Councillor, Cabinet Secretariat and Director-General, Regional Revitalization Bureau, Cabinet Secretariat
Jan 2015	Councillor, Cabinet Secretariat and Director-General, Regional Revitalization, Cabinet Secretariat (Councillor, Cabinet Secretariat and Director of the Promotion Office for Industrial Heritage Registration as a World Heritage Site, Cabinet Secretariat)
	Director, Regional Revitalization Promotion Office, Cabinet Office
Nov 2015	Vice Chairman and Managing Director, The Real Estate Companies Association of Japan
Apr 2017	Visiting Professor at Reitaku University (current)
Jul 2023	Advisor to the Real Estate Association of Japan (current) Chairman of the Land Research Institute (current)
Jun 2024	Director (Outside Director) of the Company (current)

Yuko Kanamaru	Director (Outside Director)
Career History	
Oct 2006	Registered as lawyer with the Tokyo Bar Association Joined Mori Hamada & Matsumoto
May 2012	Completed Law School, University of California, Los Angeles
Aug 2012	Joined Rajah & Tann Asia (Singapore)
Aug 2013	Seconded to Sumitomo Electric Industries, Ltd.
Jan 2018	Partner lawyer, Mori Hamada & Matsumoto
Apr 2018	Part-time lecturer, Keio University Law School (International Commercial Arbitration)
Jul 2022	Outside Auditor, Aculys Pharma, Inc. (current)
Jan 2023	Partner lawyer, Gaien Partners (current)
Feb 2023	Outside Auditor, Bleaf Co., Ltd. (current)
Jun 2023	Outside Director (Audit and Supervisory Committee member), AI Inc. (current)
Jul 2023	Outside Director (Audit and Supervisory Committee member), HEROZ, Inc. (current)
Jun 2024	Director (Outside Director) of the Company (current)

J GAAP Financial Statements

Income statement (¥bn)	FY 3/23	FY 3/24	FY 3/25
Sales	153.5	185.2	196.5
COGS	121.8	144.6	154.2
Gross profit	31.7	40.6	42.3
Gross profit margin (%)	20.7	21.9	21.5
Operating expense	24.7	25.1	27.9
Total OP	7.0	15.5	14.4
OP margin (%)	4.6	8.3	7.3
Non-Op Income (Loss)	1.3	2.5	3.0
Pretax Income	5.7	13.0	11.3
Tax	1.3	4.7	3.0
Effective tax rate (%)	22.0	36.3	26.7
Net income	4.6	8.2	8.2

Balance sheet (¥bn)	FY 3/23	FY 3/24	FY 3/25
Cash & equivalents	44.5	40.5	48.0
Accounts & notes receivable	3.2	8.1	3.5
Inventories	120.2	124.1	146.4
Other short-term assets	20.8	19.3	17.4
Current assets	188.7	191.9	215.3
Property, plant & equipment (net of depreciation)	125.4	117.8	127.2
Long term investments & receivables	3.2	2.8	3.1
Other long-term assets	24.4	25.0	26.9
Total non-current assets	152.9	145.5	157.2
Total assets	341.7	337.4	372.5
Payables & accruals	20.7	30.7	31.3
Short-term debt	118.3	72.6	83.7
Other short-term liabilities	23.2	19.3	19.0
Total current liabilities	162.2	122.5	134.1
Long term debt	109.1	137.9	143.3
Other long-term liabilities	5.3	5.3	6.1
Total non-current liabilities	114.4	143.2	149.3
Total liabilities	276.5	265.8	283.4
Share capital & APIC	9.9	8.5	17.5
Treasury stock	4.2	4.1	1.7
Retained earnings	56.0	61.5	66.8
Other equity	-0.1	0.1	0.7
Equity before minority interest	61.6	66.0	83.3
Total equity	65.1	71.7	89.1
Total liabilities & equity	341.7	337.4	372.5

Cash flow statement (¥bn)	FY 3/23	FY 3/24	FY 3/25
Net income/pre-tax profit	4.6	8.2	8.2
Depreciation/amortization	3.4	5.9	6.4
Other non-cash items	-1.7	2.0	2.2
Changes in working capital	-7.0	20.7	-8.9
Net cash from discontinued operations	0.0	0.0	0.0
Cash from Operating Activities	-0.7	36.8	7.9
Change in fixed & intangible assets	-17.6	-26.2	-22.1
Net change in long-term investments	-1.8	0.4	0.0
Net cash from acquisitions & divestitures	-26.9	-0.9	-2.8
Other investing activities	0.0	0.2	0.1
Net cash from discontinued operations	0.0	0.0	0.0
Cash from Investing Activities	-46.4	-26.6	-24.8
Dividends paid	-2.0	-3.2	-2.9
Cash from (repayment) debt	63.6	-13.3	13.9
Cash from (repurchase) of equity	0.0	0.0	11.1
Other financing activities	0.0	0.0	11.1
Net cash from discontinued operations	0.0	0.0	0.0
Cash from Financing Activities	61.5	-15.5	22.0
FX impact	0.0	0.0	0.0
Net cash flow	14.5	-5.3	5.1
Free cash flow	-20.1	11.2	-13.1
EBITDA	10.4	21.3	20.7

Key metrics	FY 3/23	FY 3/24	FY 3/25
Profitability			
Gross margin (%)	20.7	21.9	21.5
Operating margin (%)	4.6	8.3	7.3
Net margin (%)	3.0	4.4	4.2
ROIC (%)	2.3	3.4	3.5
Liquidity			
Current ratio (x)	1.2	1.6	1.6
Quick ratio (x)	0.3	0.4	0.4
Leverage			
Debt/Equity ratio	369.1	318.9	272.6
Net Debt/Equity ratio	280.7	237.1	200.8

Source: Bloomberg

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