

Q2 (FY2024) Annual Securities Report

(Second Quarter of the 52nd fiscal year)

From July 1, 2023 to September 30, 2023

MIRARTH HOLDINGS, Inc.

1-8-2, Marunouchi, Chiyoda-Ku, Tokyo

Contents

	Page
Cover	
Part I. Company Information	1
I. Company Overview	1
1 Trends in Major Management Indicators, Etc.	1
2 Businesses	1
II. Business Overview	2
1 Business Risks	2
2 Management's Analysis of Financial Position, Operating Results and Cash Flows	2
3 Important Contracts Etc. Related to Management	3
III. Information on the Reporting Company	4
1 Stock Information	4
(1) Total Number of Shares, etc.	4
(2) Information on the Share Acquisition Rights, Etc.	5
① Details of Stock Option Plan	5
② Other Subscription Rights	8
(3) Exercise of Moving Strike Convertible Bonds, Etc.	9
(4) Changes in Number of Shares Issued and Capital, Etc.	9
(5) Status of Major Shareholders	9
(6) Information on Voting Rights	10
2 Officers	10
IV. Financial Information	11
1 Quarterly Consolidated Financial Statements	12
(1) Quarterly Consolidated Balance Sheets	12
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	14
Quarterly Consolidated Statements of Income	14
Quarterly Consolidated Statements of Comprehensive Income	15
(3) Quarterly Consolidated Statements of Cash Flows	16
2 Other	22
Part II. Information Concerning Guarantors of the Reporting Company	23
[Quarterly Review Report]	

[Cover]

[Filing]	Q2 (FY2024) Annual Securities Report
[Applicable provision]	Article 24-4-7(1) of the Financial Instruments and Exchange Act
[Submitted To]	Director-General of the Kanto Local Finance Bureau
[Date of submission]	November 13, 2023
[Quarterly Accounting Period]	2nd quarter for the 52nd Fiscal Period (From July 1, 2023 to September 30, 2023)
[Company name]	MIRARTH HOLDINGS, Inc.
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[Contact]	Masashi Yamamoto, Director, Group CFO and Managing Executive Officer
[Place for public inspection]	Kita-Kanto Branch of MIRARTH HOLDINGS, Inc. (1-20-1, Takahanacho, Omiya-ku, Saitama-shi, Saitama) Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I. [Company Information]

I. [Company Overview]

1[Trends in Major Management Indicators, Etc.]

Fiscal term		51st fiscal year Second Quarter Consolidated Cumulative period	52nd fiscal year Second Quarter Consolidated Cumulative period	51st fiscal year
Accounting period		From April 1, 2022 to September 30, 2022	From April 1, 2023 to September 30, 2023	From April 1, 2022 to March 31, 2023
Net sales	(Millions of yen)	73,471	59,179	153,472
Ordinary income	(Millions of yen)	3,810	1,382	5,033
Quarterly (current term) net income attributable to owners of the parent	(Millions of yen)	2,875	87	4,584
Quarterly comprehensive income	(Millions of yen)	2,901	279	3,852
Net assets	(Millions of yen)	61,143	60,298	65,142
Total assets	(Millions of yen)	251,828	353,882	341,669
Quarterly (current term) net income per share	(Yen)	26.35	0.79	41.90
Quarterly (current term) net income per share (fully diluted)	(Yen)	26.16	0.79	41.58
Equity ratio	(%)	24.0	16.8	18.0
Cash flow from operating activities	(Millions of yen)	△11,231	△22,115	△722
Cash flow from investing activities	(Millions of yen)	△8,606	△10,251	△46,354
Cash flow from financing activities	(Millions of yen)	28,792	22,721	61,531
Cash and cash equivalents at end of quarter (term end)	(Millions of yen)	41,648	37,503	47,148

Fiscal term		51st fiscal year Second Quarter Consolidated Accounting period	52nd fiscal year Second Quarter Consolidated Accounting period
Accounting period		From July 1, 2022 to September 30, 2022	From July 1, 2023 to September 30, 2023
Quarterly net income per share	(Yen)	24.46	2.78

(NOTE) We have prepared our quarterly consolidated financial statements. Therefore, we have not presented any changes in the main management indicators of the companies to which we submit the report.

2[Businesses]

There have been no material changes to Details of the business conducted by our group (us and our affiliated companies) in 2nd quarter of fiscal year under review. There have also been no changes in major affiliated companies.

II. [Business Overview]

1[Business Risks]

There have been no significant changes in 2nd quarter of fiscal year under review to the risks of new businesses or the risks of businesses described in Prior taxable year's Securities Report Statement.

2[Management's Analysis of Financial Position, Operating Results and Cash Flows]

Forward-looking statements in the text are based on judgments made as of the end of the current quarterly consolidated accounting period.

(1)Management's discussion

① Results of Operations by Segment

In Real Estate Business, Net sales for this segment was 50,340 Millions of yen (down 24.2% from the same quarter of the previous year) due to new condominiums, liquidation, new detached house, renewal and resale, real estate rental, real estate management, and real estate Other.

In Energy Business, Net sales of this business was 5,682 Millions of yen (up 13.1% from the same quarter of the previous fiscal year) due to the revenue from electricity sale of power generation facilities.

In Asset Management Business, Net sales was 276 Millions of yen (down 56.7% from the same quarter of the previous fiscal year) due to management fees and other factors.

In Other Businesses, Net sales of this business was 2,879 Millions of yen (up 104.0% from the same quarter of the previous fiscal year) due to construction contracting and other factors.

Consequently, 2nd quarter of fiscal year under review's results of operations are as follows: Net sales 59,179 Millions of yen (down 19.5% from the same quarter of the previous fiscal year), Operating income 2,370 Millions of yen (down 45.2% from the same quarter of the previous fiscal year), Ordinary income 1,382 Millions of yen (down 63.7% from the same quarter of the previous fiscal year), and Net income attributable to owners of parent 87 Millions of yen (down 97.0% from the same quarter of the previous fiscal year).

② Progress of contract execution

Regarding 2nd quarter of fiscal year under review sales Actual, 2,022 units were contracted for Units 2,200 units scheduled to be delivered to Full year, and the progress rate is 91.9%.

(Contract status for new built-for-sale condominiums)

	Units scheduled for delivery	Number of contracted units scheduled for delivery	Contract progress ratio (%)	Units under contract From April to September
Previous period	1,780	1,676	94.2	1,166
Current period	2,200	2,022	91.9	975

(2)Explanation of Financial Position

Assets, Liabilities and Net Assets

Assets, Liabilities and Net Assets at the end of Current 2nd Quarter Consolidated Accounting Period, Total assets was increased by 12,212 Millions of yen 353,882 Millions of yen to End of Previous Consolidated Accounting Period as a result of steady purchases of Assets for business use and other factors.

(Current Assets)

Thanks to steady purchases of business Assets and other factors, Current assets increased by 16,426 Millions of yen to 205,155 Millions of yen compared to End of Previous Consolidated Accounting Period.

(Fixed Assets)

Despite the steady purchase of Assets for business use, fixed assets decreased by 4,203 Millions of yen compared to 148,680 Millions of yen and End of Previous Consolidated Accounting Period mainly due to the transfer to Real estate for sale.

(Current Liabilities)

Current liabilities increased by 17,488 Millions of yen, compared to 179,646 Millions of yen to End of Previous Consolidated Accounting Period due to the increase in Short-term borrowings and the transfer of short-and long-term Category.

(Fixed Liabilities)

Fixed liabilities decreased by 431 Millions of yen from 113,937 Millions of yen to End of Previous Consolidated Accounting Period mainly due to the transfer of short-and long-term Category of borrowings.

(Net Assets)

Total of Net assets has decreased by 4,844 Millions of yen compared to 60,298 Millions of yen and End of Previous Consolidated Accounting Period due to factors such as the reduction of Non-controlling interest due to the acquisition of fractional Investment units of Dividend of surplus and Takara Leben Infrastructure Fund Inc.

(3)Cash Flow

Cash and cash equivalents (hereinafter referred to as "cash") in Current 2nd Quarter Consolidated Cumulative period decreased by 9,644 Millions of yen to 37,503 Millions of yen compared to the end of Previous Consolidated Accounting Period.

The cash-flow status of Current 2nd Quarter Consolidated Cumulative period and its factors are as follows.

(Cash flows from operating activities)

The decrease in funds from operating activities was 22,115 million yen (a decrease of 11,231 million yen in the same quarter last year). This was mainly due to an increase in inventories and a decrease in notes and accounts payable-trade.

(Cash flows from investing activities)

The decrease in funds from investment activities was 10,251 million yen (a decrease of 8,606 million yen in the same quarter last year). This was mainly due to the acquisition of Property, plant and equipment.

(Cash flows from financing activities)

The increase in funds from financing activities was 22,721 million yen (an increase of 28,792 million yen in the same quarter last year). This was mainly due to an increase in borrowings.

(4) Business and financial issues to be addressed with priority

There have been no material changes to the business and financial issues that our Current 2nd Quarter Consolidated Cumulative period should prioritize.

(5) Research and Development Activities

Not applicable.

(6)Major factors affecting performance

Our Group's mainstay real estate sales business tends to be influenced by buyer sentiment and supplier supply trends. Purchaser confidence is affected by factors such as economic trends, interest rate trends, housing tax, consumption tax, and land price trends. In addition, supplier supply trends are susceptible to changes in the outsourcing prices of Land suppliers, general contractors and other subcontractors, the failure of subcontractors, and financial trends. Therefore, any changes in these trends could have a material impact on operating results.

3[Important Contracts Etc. Related to Management]

Current 2nd Quarter Consolidated Accounting Period has no significant management contracts, etc. to be determined or concluded.

III. [Information on the Reporting Company]

1[Status Information]

(1)[Total Number of Shares, Etc.]

①[Total number of shares]

Type	Number of authorized shares (shares)
Common stock	248,000,000
Total	248,000,000

②[Issued shares]

Type	Number of shares issued as of the end of the second quarter (Shares) (As of September 30, 2023)	Number of shares issued as of the filing date (shares) (November 13, 2023)	Stock exchange on which the company is listed	Details
Common stock	121,000,000	121,000,000	Tokyo Stock Exchange Prime market	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Total	121,000,000	121,000,000	-	-

(2)[Information on the Share Acquisition Rights, Etc.]

①[Details of the Stock Option Plan]

11th Subscription rights to shares (Class A Subscription rights to shares)

Resolution Date	July 3, 2023
Category and number of grantees (persons)	Our Director 2 Subsidiary Director 6 Subsidiary Executive Officers 9
Number of Subscription rights to shares (units.)*	2,899
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 289,900 (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From August 2, 2023 to August 1, 2063
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 48,200 Capital allocation 24,100 (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the time of issuance (August 1, 2023) of Subscription rights to shares is indicated.

(NOTE)1. Subscription rights to shares shall have the target Class of shares as our Common stock and the target number of shares per Subscription rights to shares (hereinafter referred to as "granted shares") shall be 100 Shares.

In the event we effect a share split or reverse share split of our Common stock after the allotment date of Subscription rights to shares, the number of granted shares shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split
In addition, in the event of a merger, company split, share split, or reverse share split, or in the event of allotment of shares without contribution, others in the event the number of granted shares needs to be adjusted in accordance with these provisions, the number of granted shares shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for the number of shares of Subscription rights to shares that are not exercised at that time as the object of Subscription rights to shares.

2. The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be 1 yen per Shares of shares that can be delivered upon the exercise of Subscription rights to shares and shall be the amount obtained by multiplying this amount by the total number of granted shares.

3.① The amount of Capital stock to be increased in the event of the issuance of shares upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, Etc., calculated in accordance with the provisions of Article 17-1 of the Company Accounting Rules, and any fraction less than 1 yen resulting from the calculation shall be rounded up.

②The amount of additional paid-in capital to be increased in the event of the issuance of shares upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in paragraph ① above from the maximum amount of increase in Capital stock as set forth in paragraph ① above.

4.① Subscription rights to shares holder shall be entitled to exercise all Subscription rights to shares allocated to such Subscription rights to shares holder after the date of issuance of Subscription rights to shares.

②Notwithstanding the provisions of paragraph ①above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:

1. Failure to Exercise Rights during the Exercise Period

2. In the event of disciplinary punishment not less than suspension from work

3. In the event any of the directors and executive officers status of our Group is lost due to resignation or retirement voluntarily (excluding retirement due to expiration of term of office, resignation or retirement due to the convenience of our Group (and our Subsidiaries and associates; the same shall apply hereinafter) to Within 1 year from the date of Subscription rights to shares allotment;

4. In the event that any of Directors and Executive Officers status of our group is lost due to Ordinary General Meeting of Shareholders resolution or dismissal or disciplinary action by Board of Directors resolution of our group, or that it is reasonably accepted that it is not appropriate to have our Board of Directors exercise Subscription rights to shares
5. When the Subject Person requests to waive his/her rights
- ③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.
1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
 2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
 3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.
5. In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a share exchange (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by the consolidation with regard to the consolidation-type merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by share transfer with regard to the share transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (e) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.
- Provided, however, that this provision shall be limited to the cases where a merger agreement, absorption-type demerger agreement, incorporation-type demerger plan, share exchange agreement or share transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:
- ① Number of Subscription rights to shares of Reorganized Companies to be delivered
Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.
 - ② Class of shares and numbers of restructured companies subject to Subscription rights to shares
Class of shares subject to Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1 above after taking into consideration the terms of the restructuring and other factors.
 - ③ Value of Property Contributed upon Exercise of Subscription rights to shares
The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of shares subject to the respective Subscription rights to shares. The post-reorganization exercise price shall be 1 yen per Shares of shares of the Company Subject to Reorganization which may be granted by exercising Subscription rights to shares to be granted.
 - ④ Matters pertaining to obtaining Subscription rights to shares
In the event that an absorption-type merger agreement, consolidation-type merger agreement, absorption-type demerger agreement, incorporation-type demerger plan, or share exchange agreement or share transfer plan in which we become a wholly owned subsidiary is approved at our general meeting of shareholders (or our board of directors meeting in the event that approval of the general meeting of shareholders is not required), Subscription rights to shares that has not been exercised as of the same date may be acquired without charge as of the date separately determined by our board of directors.
 - ⑤ Restrictions on Transfer of Subscription rights to shares
Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.
 - ⑥ Matters concerning Capital stock and capital reserve to be increased in cases where shares are issued upon the exercise of Subscription rights to shares
Determine in accordance with 3 above.

12th Subscription rights to shares (Class B Subscription rights to shares)

Resolution Date	July 3, 2023
Category and number of grantees (persons)	Our Director 2 Subsidiary Director 6 Subsidiary Executive Officers 9
Number of Subscription rights to shares (units)*	1,767
Class of shares, Details and numbers (Shares) that are the objectives of Subscription rights to shares *	Common stock 176,700 (NOTE)1
Payment amount at exercise of Subscription rights to shares (Yen) *	100(NOTE) 2
Strike term of Subscription rights to shares *	From August 2, 2023 to August 1, 2063
Issue price of shares issued upon exercise of Subscription rights to shares and amount capitalized (Yen) *	Issue price 32,100 Capital allocation 16,050 (NOTE)3
Terms of Exercise of Subscription rights to shares *	(NOTE)4
Matters concerning transfer of Subscription rights to shares *	Acquisition of Subscription rights to shares by assignment shall be approved by the Board of Directors.
Issues related to the issuance of Subscription rights to shares associated with reorganization activities*	(NOTE)5

※ Details at the time of issuance (August 1, 2023) of Subscription rights to shares is indicated.

(NOTE)1. Subscription rights to shares shall have the target Class of shares as our Common stock and the target number of shares per Subscription rights to shares (hereinafter referred to as "granted shares") shall be 100 Shares.

In the event we effect a share split or reverse share split of our Common stock after the allotment date of Subscription rights to shares, the number of granted shares shall be adjusted according to the following formula, and fractions less than 1 Shares resulting from the adjustment shall be discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition, in the event of a merger, company split, share split, or reverse share split, or in the event of allotment of shares without contribution, others in the event the number of granted shares needs to be adjusted in accordance with these provisions, the number of granted shares shall be appropriately adjusted to the extent reasonable.

Provided, however, that adjustments in this paragraph shall be made only for the number of shares of Subscription rights to shares that are not exercised at that time as the object of Subscription rights to shares.

2. The value of the assets to be contributed upon the exercise of Subscription rights to shares shall be 1 yen per Shares of shares that can be delivered upon the exercise of Subscription rights to shares and shall be the amount obtained by multiplying this amount by the total number of granted shares.
- 3.① The amount of Capital stock to be increased in the event of the issuance of shares upon the exercise of Subscription rights to shares shall be 1-half of the amount of the limit of increase in Capital stock, Etc., calculated in accordance with the provisions of Article 17-1 of the Company Accounting Rules, and any fraction less than 1 yen resulting from the calculation shall be rounded up.
- ②The amount of additional paid-in capital to be increased in the event of the issuance of shares upon the exercise of Subscription rights to shares shall be the amount obtained by subtracting the amount of Capital stock to be increased as set forth in paragraph ① above from the maximum amount of increase in Capital stock as set forth in paragraph ① above.
- 4.① Subscription rights to shares Person may exercise Subscription rights to shares allocated to the relevant Subscription rights to shares Person on or after the day following the date on which the said Person lost the position of both directors and executive officers of our group (which means us and its subsidiaries and affiliates; the same shall apply hereinafter).
- ②Notwithstanding the provisions of paragraph ① above, in the event the Subject Person to whom Subscription rights to shares has been allocated falls under any of the following items, the Subject Person shall not be entitled to exercise his/her rights:
 1. Failure to Exercise Rights during the Exercise Period
 2. In the event of disciplinary punishment not less than suspension from work
 3. In the event that any of the positions of directors and executive officers of our group are lost due to retirement due to their own discretion within 1 year from the date of Subscription rights to shares allocation, Etc. (excluding retirement due to expiration of term of office, retirement or retirement due to the convenience of our group)
 4. In the event that any of the positions of directors or executive officers of our group is lost by resolution of the shareholders of our group or by dismissal or disciplinary action upon resolution of the board of directors, or that it is reasonably accepted that it is not appropriate

to have our board of directors exercise their Subscription rights to shares

5. When the Subject Person requests to waive his/her rights

③ In the event of the death of Subscription rights to shares, only 1 of the heirs to Subscription rights to shares (hereinafter referred to as the "heir") shall be entitled to exercise Subscription rights to shares in accordance with the terms set forth below. Provided, however, that a person who is deemed to have committed a serious crime among penal code offenses may not be an heir.

1. If an heir dies, his/her heir may not inherit the rights to subscribe for new shares.
2. Successors must complete our prescribed inheritance procedure within 10 months of the commencement of inheritance and no later than the last day of the exercise period.
3. Successors may exercise their share warrants only within 2 months of the completion of our prescribed inheritance procedure.

5. In the event of a merger (limited to the case where the merger is extinguished), an absorption-type demerger, an incorporation-type demerger (limited to the case where each of us becomes a split company), or a share exchange (limited to the case where each of us becomes a wholly-owned subsidiary) (hereinafter collectively referred to as "organizational restructuring"), the effective date of the merger (the date of incorporation of the Kabushiki-Kaisha which is incorporated by the consolidation with regard to the consolidation-type merger, the date of the absorption-type demerger, and the date of incorporation of the parent corporation which is incorporated by share transfer with regard to the share transfer With respect to the rights to subscribe for new shares (hereinafter referred to as the "remaining rights to subscribe for new shares") which exist immediately before the rights to subscribe for new shares (hereinafter referred to as the "restructured company") as set forth in Article 236, Paragraph 1, Item (8) (a) through (c) of the Companies Act, the rights to subscribe for new shares shall be delivered in accordance with the following conditions: In such cases, the remaining Subscription rights to shares shall be extinguished and Subscription rights to shares of the Restructured Companies shall be newly delivered.

Provided, however, that this provision shall be limited to the cases where a merger agreement, absorption-type demerger agreement, incorporation-type demerger plan, share exchange agreement or share transfer plan stipulates that Subscription rights to shares of the Restructured Company shall be delivered in accordance with the following terms:

① Number of Subscription rights to shares of Reorganized Companies to be delivered

Subscription rights to shares shall deliver the same number as the remaining number of Subscription rights to shares held by it.

② Class of shares and numbers of restructured companies subject to Subscription rights to shares

Class of shares subject to Subscription rights to shares shall be the restructured company Common stock, and the number of restructured company Common stock to be delivered upon the exercise of Subscription rights to shares shall be determined in accordance with 1 above after taking into consideration the terms of the restructuring and other factors.

③ Value of Property Contributed upon Exercise of Subscription rights to shares

The value of the assets to be contributed upon the exercise of Subscription rights to shares to be delivered shall be the amount obtained by multiplying the post-realignment exercise price stipulated below by the number of shares subject to the respective Subscription rights to shares. The post-reorganization exercise price shall be 1 yen per Shares of shares of the Company Subject to Reorganization which may be granted by exercising Subscription rights to shares to be granted.

④ Matters pertaining to obtaining Subscription rights to shares

In the event that an absorption-type merger agreement, consolidation-type merger agreement, absorption-type demerger agreement, incorporation-type demerger plan, or share exchange agreement or share transfer plan in which we become a wholly owned subsidiary is approved at our general meeting of shareholders (or our board of directors meeting in the event that approval of the general meeting of shareholders is not required), Subscription rights to shares that has not been exercised as of the same date may be acquired without charge as of the date separately determined by our board of directors.

⑤ Restrictions on Transfer of Subscription rights to shares

Acquisition of Subscription rights to shares by transfer shall be subject to the approval of the Board of Directors of the Restructured Company

⑥ Matters concerning Capital stock and capital reserve to be increased in cases where shares are issued upon the exercise of Subscription rights to shares

Determine in accordance with 3 above.

② [Other Subscription Rights]

Not applicable.

(3)[Exercise of Moving Strike Convertible Bonds, Etc.]

Not applicable.

(4)[Changes in Number of Shares Issued and Capital, Etc.]

Date	Change in the total number of issued shares (shares)	Total number of shares outstanding (shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
July 1, 2023- September 30, 2023	-	121,000,000	-	4,819	-	4,817

(5)[Status of Major Shareholders]

As of September 30, 2023

Name	Address	Shares held (thousands of Shares)	Percentage of the number of shares held to the total number of issued shares (excluding Treasury stock) (%)
General Incorporated Association Murayama Asset Management	2-12-4, Nagatacho, Chiyoda-ku, Tokyo	25,633	23.32
The Master Trust Bank of Japan, Ltd. (Trust account)	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	11,992	10.91
Morgan Stanley MUFG Securities, Co., Ltd.	1-9-7, Otemachi, Chiyoda-ku, Tokyo	4,593	4.18
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	3,334	3.03
Murayama Kikaku Co., Ltd.	4-33-10, Narumasu, Itabashi-ku Tokyo	2,000	1.82
RUDEN HOLDINGS Co., Ltd.	20-1, Sakuragaoka-cho, Shibuya-ku, Tokyo	1,820	1.66
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS (Standing proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch Custody Services Department)	50 BANK STREET CANARY WHARF LONDON E14 5NT, UK (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	1,707	1.55
MIRARTH Holdings Business Partner Shareholding Association	1-8-2, Marunouchi, Chiyoda-ku, Tokyo	1,481	1.35
Sumitomo Mitsui Banking Corporation	1-1-2, Marunouchi, Chiyoda-ku, Tokyo	1,184	1.08
SSBTC CLIENT OMNIBUS ACCOUNT (Standing proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch Custody Services Department)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	1,123	1.02
Total	-	54,869	49.92

(NOTE)1. Of the shares held by The Master Trust Bank of Japan, Ltd. (trust account), the number of shares related to trust business is 11,992,000 Shares.

2. Of the shares held by Custody Bank of Japan, Ltd. (trust account), the number of shares related to trust business is 3,334,000 Shares.

(6)[Information on Voting Rights]

①[Issued shares]

As of September 30, 2023

Category	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	-	-	-
Shares with limited voting rights (including treasury shares)	-	-	-
Shares with restricted voting rights (other than the above)	-	-	-
Shares with full voting rights (including treasury shares)	Common stock 11,091,700	-	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Shares with full voting rights (other than the above)	Common stock 109,840,300	1,098,403	Same as above
Shares less than 1 unit	Common stock 68,000	-	Shares less than 1 unit (100 shares)
Number of issued shares	121,000,000	-	-
Voting rights of all shareholders	-	1,098,403	-

(NOTE) The column "Shares with full voting rights (other than the above)" includes 1,600 Shares held in the name of the Japan Securities Depository Center, Inc.. In addition, the "Number of voting rights" column includes 16 voting rights of shares with full voting rights held under the name of Japan Securities Depository Center, Inc.

②[Treasury stock, etc.]

As of September 30, 2023

Name of shareholder	Address of shareholder	Number of shares held under the shareholder's name (shares)	Number of shares held under other shareholders' names (shares)	Total number of shares held (shares)	Ratio of shares held to total number of shares issued (%)
MIRARTH Holdings, Inc.	1-8-2, Marunouchi, Chiyoda-ku, Tokyo	11,091,700	-	11,091,700	9.17
Total	-	11,091,700	-	11,091,700	9.17

2[officers]

Not applicable.

IV. [Financial Information]

1. Method of Preparation of Quarterly Consolidated Financial Statements

Our quarterly consolidated financial statements have been prepared in accordance with "Regulations Concerning Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements" (Cabinet Office No. 64, 2007).

2. Audit Certification

Pursuant to the provisions of Article 193-2-1 of the Financial Instruments and Exchange Act, the quarterly consolidated financial statements of the Second Quarter Consolidated Accounting period (from July 1, 2023 to September 30, 2023) and Second Quarter Consolidated Cumulative Period (from April 1, 2023 to September 30, 2023) were reviewed by Grant Thornton Taiyo LLC. on a quarterly basis.

1[Quarterly Consolidated Financial Statements]

(1)[Quarterly Consolidated Balance Sheets]

(Millions of yen)

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Current 2nd Quarter Consolidated Accounting Period (As of September 30, 2023)
Assets		
Current assets		
Cash and deposits	47,872	38,255
Notes, accounts receivable-trade and contract assets	3,477	3,982
Real estate for sale	※1 34,147	※1 32,160
Power generation facilities for sale	※1 3,375	※1 2,998
Real estate for sale in progress	※1 82,713	※1 107,928
Costs incurred on uncompleted contracts	0	11
Other	※1 17,415	20,093
Allowance for doubtful accounts	△275	△275
Total current assets	188,728	205,155
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	※1 28,879	※1 27,885
Machinery, equipment and vehicles, net	※1 48,705	※1 49,636
Land	※1 41,394	※1 37,104
Other (net)	※1 6,382	※1 6,595
Total property, plant and equipment	125,362	121,222
Intangible assets		
Goodwill	3,918	3,610
Other	※1 4,457	4,841
Total intangible assets	8,376	8,452
Investments and other assets		
Other	※1 19,148	※1 19,006
Allowance for doubtful accounts	△2	△1
Total investments and other assets	19,145	19,005
Total fixed assets	152,884	148,680
Deferred assets	56	46
Total assets	341,669	353,882
Liabilities		
Current liabilities		
Notes and accounts payable-trade	16,342	7,561
Short-term borrowings	92,069	107,872
Current portion of bonds payable	190	140
Current portion of long-term loans payable	25,997	35,454
Income taxes payable	4,318	3,641
Allowance	1,250	1,337
Other	21,987	23,638
Total current liabilities	162,157	179,646
Fixed liabilities		
Long-term loans payable	104,828	104,149
Bonds payable	4,015	4,220
Allowance	135	85
Liabilities related to retirement benefits	1,100	1,204
Other	4,290	4,278
Total Fixed liabilities	114,369	113,937
Total liabilities	276,527	293,584

(Millions of yen)

	End of Previous Consolidated Accounting Period (As of March 31, 2023)	Current 2nd Quarter Consolidated Accounting Period (As of September 30, 2023)
Net assets		
Shareholders' equity		
Capital stock	4,819	4,819
Capital surplus	4,820	4,574
Retained earnings	55,971	54,081
Treasury stock	△4,174	△4,137
Total shareholders' equity	61,436	59,339
Accumulated other comprehensive income		
Net unrealized gains on available-for-sale securities	△71	54
Foreign currency translation adjustments	3	12
Remeasurements of defined benefit plans	8	8
Total accumulated other comprehensive income	△59	75
Subscription rights to shares	220	368
Non-controlling interest	3,544	515
Total net assets	65,142	60,298
Total liabilities and net assets	341,669	353,882

(2)[Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income]
[Quarterly Consolidated Statements of Income]
[Second Quarter Consolidated Cumulative Period]

(Millions of yen)

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
Net sales	73,471	59,179
Cost of sales	58,328	45,391
Gross profit	15,143	13,787
Selling, general and administrative expenses	※ 10,814	※ 11,417
Operating income	4,328	2,370
Non-operating income		
Interest income	11	23
Dividend income	153	75
Commission received	37	32
Income from insurance claim	16	220
Gain from equity method investment	43	108
Miscellaneous income	136	125
Total non-operating income	399	585
Non-operating expenses		
Interest expenses	751	1,411
Miscellaneous expenses	166	161
Total non-operating expenses	917	1,573
Ordinary income	3,810	1,382
Extraordinary income		
Gain on sales of stock of affiliates	-	6
Total extraordinary income	-	6
Extraordinary loss		
Impairment loss	-	408
Extraordinary losses Total	-	408
Current net income for the quarter before income taxes and minority interests prior to distribution of gain/loss on silent partnership	3,810	980
Distribution of gain/loss in partnership	-	260
Current net income for the quarter before income taxes and minority interests	3,810	719
Income taxes, inhabitant taxes and business taxes	822	1,062
Income tax adjustments	57	△488
Total income and other taxes	880	574
Quarterly net income	2,929	145
Quarterly net income attributable to non-controlling interests	54	58
Quarterly net income attributable to owners of parent	2,875	87

[Quarterly Consolidated Statements of Comprehensive Income]

[Second Quarter Consolidated Cumulative Period]

(Millions of yen)

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
Quarterly net income	2,929	145
Other comprehensive income		
Net unrealized gains on available-for-sale securities	△40	125
Foreign currency translation adjustments	9	8
Remeasurements of defined benefit plans	2	0
Total other comprehensive income	△28	134
Quarterly comprehensive income	2,901	279
(Comprising)		
Quarterly comprehensive income attributable to owners of the parent	2,846	221
Quarterly comprehensive income attributable to non-controlling interests	54	58

(3)[Quarterly Consolidated Statements of Cash Flows]

(Millions of yen)

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
Cash flow from operating activities		
Current quarterly net income for the quarter before income taxes and minority interests	3,810	719
Depreciation and amortization	971	2,612
Impairment loss	-	408
Goodwill depreciation	164	254
Increase (decrease) in Allowance (decrease in Δ)	14	35
Increase (decrease) in Liabilities related to retirement benefits (decrease in Δ)	65	104
Interest income and Dividend income	Δ 165	Δ 98
Charges for stock compensation	327	196
Interest expenses	751	1,411
Loss (gain) on sales of shares of subsidiaries and associates (gain on Δ)	-	Δ 6
Decrease (increase) in notes and accounts receivable-trade (increase in Δ)	Δ 208	Δ 439
Decrease (increase) in inventories (increase in Δ)	Δ 13,603	Δ 12,986
Increase (decrease) in notes and accounts payable-trade (decrease in Δ)	Δ 4,839	Δ 8,623
Increase (decrease) in advances received (decrease in Δ)	3,556	2,004
Other	424	Δ 4,642
Subtotal	Δ8,729	Δ19,047
Interest and dividend received	153	80
Interest expenses paid	Δ 757	Δ 1,271
Income taxes paid	Δ 1,897	Δ 1,875
Cash flow from operating activities	Δ11,231	Δ22,115
Cash flow from investing activities		
Payments into time deposits	Δ 14	-
Proceeds from withdrawal of time deposits	130	-
Purchase of Property, plant and equipment	Δ 8,283	Δ 9,580
Proceeds from sale of Property, plant and equipment	3	165
Purchase of Intangible assets	Δ 107	Δ 576
Proceeds from sale of investments in subsidiaries	-	38
Payments for long-term loans	Δ 200	-
Purchase of investment securities	Δ 86	Δ 323
Proceeds from sale of investment securities	40	-
Other	Δ 89	26
Cash flow from investing activities	Δ8,606	Δ10,251
Cash flow from financing activities		
Net change in Short-term borrowings (decrease in Δ)	10,531	15,052
Proceeds from long-term debt	45,458	34,692
Repayment of Long-term loans payable	Δ 25,586	Δ 25,165
Proceeds from issuance of common Bonds payable	150	300
Payments for redemption of Bonds payable	Δ 78	Δ 145
Repayments of lease obligations	Δ 18	Δ 17
Cash dividends paid	Δ 1,524	Δ 1,972
Dividends paid to non-controlling interests	Δ 140	Δ 22
Cash flow from financing activities	28,792	22,721
Increase (decrease) in cash and cash equivalents (decrease in Δ)	8,954	Δ 9,644
Cash and cash equivalents at beginning of term	32,693	47,148
Period-end balance of cash and cash equivalents	※ 41,648	※ 37,503

[Notes]

(Notes to Quarterly Consolidated Balance Sheets)

※ 1 Change in holding purpose of Assets

Previous fiscal year (As of March 31, 2023)

Power generation facilities for sale 1,024 Millions of yen was transferred to Machinery and equipment 1,024 Millions of yen in Current Consolidated Fiscal Year due to a change in the holding purpose from resale to Assets for business use.

In addition, as a result of the change in the holding purpose from development and lease to resale in Current Consolidated Fiscal Year, a portion of the real estate owned was transferred to Buildings and structures 5,107 Millions of yen, Tools, furniture and fixtures 32 Millions of yen ("Other (net)" by Property, plant and equipment), 8,274 Millions of yen and 2,254 Millions of yen ("Other (net)" by Property, plant and equipment), Land Lease Right 14 Millions of yen ("Land" by Intangible assets), and Software 0 Millions of yen ("Other" by Construction in progress) to Real estate for sale and Real estate for sale in progress. Certain of Assets were sold in Current Consolidated Fiscal Year and 6,765 Millions of yen of the 15,308 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, as a result of changing the holding purpose of a part of Mega solar generation Facilities to resale, Current Consolidated Fiscal Year transferred Prepaid expenses 7 Millions of yen ("Other" of Current assets), Machinery and equipment 2,579 Millions of yen, Land 60 Millions of yen, Construction in progress 525 Millions of yen ("Other (net)" of Property, plant and equipment), and long-term Prepaid expenses 235 Millions of yen ("Other" of Investments and other assets") to Power generation facilities for sale. Certain of Assets were sold in Current Consolidated Fiscal Year and 2,505 Millions of yen of the 3,408 Millions of yen transferred to Power generation facilities for sale were recorded in Cost of sales.

Current 2nd Quarter Consolidated Accounting Period (As of September 30, 2023)

As a result of the change in the holding objective from resale to Assets for business purposes, a portion of the real estate owned was transferred to Current 2nd Quarter Consolidated Cumulative period for Power generation facilities for sale 85 Millions of yen to Machinery and equipment 83 Millions of yen and long-term Prepaid expenses 2 Millions of yen ("Other" in Investments and other assets).

In addition, as a result of the change in the holding purpose from development and leasing to resale of a portion of real estate owned, Current 2nd Quarter Consolidated Cumulative period transferred Buildings and structures 2,903 Millions of yen and Tools, furniture and fixtures 10 Millions of yen ("Other (net)" of Property, plant and equipment), Land 6,428 Millions of yen and Construction in progress 576 Millions of yen ("Other (net)" of Property, plant and equipment") to Real estate for sale and Real estate for sale in progress. Certain of Assets were sold in Current 2nd Quarter Consolidated Cumulative period and 4,622 Millions of yen of the 9,436 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, a portion of Mega solar generation Facilities was transferred to Power generation facilities for sale in Current 2nd Quarter Consolidated Cumulative period for Machinery and equipment 29 Millions of yen and long-term prepaid expenses 11 Millions of yen ("Other" in Investments and other assets).

2 Contingent liabilities

Guarantees for loans from financial institutions

	End of Previous Consolidated Accounting Period (As of March 31, 2023)	Current 2nd Quarter Consolidated Accounting Period (As of September 30, 2023)
Joint and several guarantee obligations to financial institutions, Etc. until the completion of the registration of the establishment of mortgages on our group customer housing loans	15,420 Millions of yen	3,907 Millions of yen
Minato Vietnam Co., Ltd.	112	572
WISE ESTATE 3 Co., Ltd.	1,615	791
WISE ESTATE 8 Co., Ltd.	246	618
WISE ESTATE 10 Co., Ltd.	237	328
Total	17,632	6,218

3 In order to raise working capital efficiently, we have entered into overdraft and loan commitment contracts with 63 financial institutions (End of Previous Consolidated Accounting Period 68 companies). The balance of undrawn lines of credit under these agreements is as follows:

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Current 2nd Quarter Consolidated Accounting Period (As of September 30, 2023)
Maximum Overdraft Amount and Total Loan Commitments	85,033Millions of yen	96,699Millions of yen
Loan balance	51,105	62,633
Net amount	33,928	34,065

(Related to Quarterly Consolidated Statements of Income)

※ Major items and amounts of Selling, general and administrative expenses are as follows.

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
Advertising expenses	2,229 Millions of yen	2,366 Millions of yen
Sales commission	354	161
Promotion expenses	970	920
Salary allowance	2,199	2,257
Bonus Allowance provision	437	499
Retirement benefit expenses	90	114
Depreciation and amortization	111	139
Taxes and dues	592	498

(Notes to Quarterly Consolidated Statements of Cash Flows)

※ The relationship between the balance of cash and cash equivalents at the end of the quarter and the amount of items listed in the quarterly consolidated balance sheets is as follows.

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
Cash and deposits account	42,316 Millions of yen	38,255 Millions of yen
Time deposits falling due in more than three months	△20	-
Deposits received from customers	△647	△751
Cash and cash equivalents	41,648	37,503

(Shareholders' Equity)

I Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)

1. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	1 Shares Per share Dividends (Yen)	Record Date	Effective date	Source of dividends
June 24, 2022 Annual Shareholders' Meeting	Common stock	1,526	14	March 31, 2022	June 27, 2022	Retained earnings

(2) Dividends for which Record Date belongs to Current 2nd Quarter Consolidated Cumulative period for which Effective date of dividends is after the end of Current 2nd Quarter Consolidated Accounting Period

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share dividends (Yen)	Record Date	Effective date	Source of dividends
October 31, 2022 Board of Directors	Common stock	437	4	September 30, 2022	December 6, 2022	Retained earnings

2. Significant changes in the amount of Shareholders' equity

Not applicable.

II Current 2nd Quarter Consolidated Cumulative period (from April 1, 2023 to September 30, 2023)

1. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share Dividends (Yen)	Record Date	Effective date	Source of dividends
June 23, 2023 Annual Shareholders' Meeting	Common stock	1,976	18	March 31, 2023	June 26, 2023	Retained earnings

(2) Dividends for which Record Date belongs to Current 2nd Quarter Consolidated Cumulative period for which Effective date of dividends is after the end of Current 2nd Quarter Consolidated Accounting Period

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share Dividends (Yen)	Record Date	Effective date	Source of dividends
October 30, 2023 Board of Directors	Common stock	659	6	September 30, 2023	December 4, 2023	Retained earnings

2. Significant changes in the amount of Shareholders' equity

Not applicable.

(Segment information, etc.)

[Segment Information]

I Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)

Information on the amount of Net sales and income or loss for each Reportable segments and information on the breakdown of revenue

(Millions of yen)

	Reportable segments				Others (Note) 1	Quarterly Consolidated Statements of Profit amount posted (NOTE)2
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net sales						
Revenue arising from contracts with customers	63,396	5,026	638	69,061	1,411	70,472
Other revenue	2,998	-	-	2,998	-	2,998
Net sales to customers	66,394	5,026	638	72,059	1,411	73,471
Intersegment Net sales or transfers	-	-	-	-	-	-
Total	66,394	5,026	638	72,059	1,411	73,471
Segment income (loss) (Δ)	4,726	Δ484	292	4,534	Δ206	4,328

(NOTE) "Others" Category is a business segment not included in Reportable segments and includes rehabilitation-oriented day services, construction subcontracting, and hotel businesses Etc.

II Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)

1. Information on the amount of Net sales and income or loss for each Reportable segments and information on the breakdown of revenue

(Millions of yen)

	Reportable segments				Others (Note) 1	Quarterly Consolidated Statements of Profit (NOTE) 2
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net sales						
Revenue arising from contracts with customers	47,419	5,682	276	53,378	2,879	56,258
Other revenue	2,920	-	-	2,920	-	2,920
Net sales to customers	50,340	5,682	276	56,299	2,879	59,179
Intersegment Net sales or transfers	-	-	-	-	-	-
Total	50,340	5,682	276	56,299	2,879	59,179
Segment Profit Or loss (Δ)	1,396	1,061	Δ83	2,375	Δ4	2,370

(NOTE) "Others" Category is a business segment not included in Reportable segments and includes construction subcontracting and hotel businesses Etc.

2. Fixed assets' Impairment loss or Goodwill, etc. per Reportable segments
(Significant Impairment loss on fixed assets)

In Hotel business of Other, Impairment loss of fixed assets is recorded. The recorded amount of Impairment loss is 408 Millions of yen under Current 2nd Quarter Consolidated Cumulative period.

(Revenue Recognition)

Information disaggregating revenue from contracts with customers is presented in "Notes (Segment Information, etc.)."

(Per Share Information)

Quarterly net income per share or quarterly net loss per share and the basis for calculation, diluted quarterly net income per share and the basis for calculation are as follows:

	Previous 2nd Quarter Consolidated Cumulative period (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter Consolidated Cumulative period (From April 1, 2023 to September 30, 2023)
(1) Quarterly net income per share	26.35 yen	0.79 yen
(Basis of calculation)		
Quarterly net income attributable to owners of parent (Millions of yen)	2,875	87
Amounts not attributable to common shareholders (Millions of yen)	-	-
Quarterly net income attributable to owners of parent (Millions of yen) related to Common stock	2,875	87
Average number of shares of common stock outstanding during the period (Thousands of shares)	109,091	109,831
(2) Quarterly diluted net income per share	26.16 yen	0.79 yen
(Basis of calculation)		
Quarterly adjustments to net income attributable to owners of parent (Millions of yen)	-	-
Increase in common stock (thousands)	803	942
Summary of potentially dilutive shares not included in the calculation of Quarterly diluted net income per share due to their anti-dilutive effect, which had significant changes from the end of End of Previous Consolidated Accounting Period	-	-

(Significant Subsequent Events)

Not applicable.

2[Other]

At the meeting of Board of Directors of October 30, 2023, the interim dividends for the fiscal year under review were resolved as follows.

(1) Total dividends 659 Millions of yen

(2) Amount per share 6.00 yen

(3) Effective date of claims and payment commencement date of December 4, 2023

(NOTE) Payments will be made to shareholders of record as of September 30, 2023.

Part II. [Information Concerning Guarantors of the Reporting Company]

Not applicable.

November 9, 2023

MIRARTH HOLDINGS, Inc.

To the Board of Directors

Grant Thornton Taiyo LLC.

Tokyo Office

Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Ohki tomohiro
Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Tetsuya Ishihara
Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Takafumi Shimokawa

Auditor's conclusion

Pursuant to the provisions of Article 193-2 I of the Financial Instruments and Exchange Act, Audit Corporation reviewed the quarterly consolidated financial statements of MIRARTH HOLDINGS, Inc. for the period from April 1, 2023 to March 31, 2024 for 2nd quarter Consolidated Accounting period (from July 1, 2023 to September 30, 2023) and the quarterly consolidated financial statements of Second Quarter Consolidated Cumulative Period (from April 1, 2023 to September 30, 2023), consisting of quarterly Consolidated Balance Sheets, Quarterly Consolidated Statements of Comprehensive Income, quarterly consolidated statements of cash flows and Notes.

In the quarterly review conducted by Audit Corporation, the aforementioned quarterly consolidated financial statements were not deemed to present fairly, in all material respects, the financial position of MIRARTH HOLDINGS, Inc. and Consolidated subsidiaries as of September 30, 2023, and the results of their operations and their cash flows for Second Quarter Consolidated Cumulative Period then ended in conformity with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan.

Rationale for the auditor's conclusion

We conducted our quarterly reviews in accordance with quarterly review standards generally accepted in Japan. Our responsibilities under the standards for quarterly reviews are described in "Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements." We are independent of the Companies and our consolidated subsidiaries in accordance with the professional ethics regulations of our country, and we are responsible for the ethical conduct of others as an auditor. We believe that the evidence supporting the statements is available.

Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors to the Quarterly Consolidated Financial Statements Management is responsible for the preparation and fair presentation of the quarterly consolidated financial statements in accordance with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements based on the going concern assumption, and disclosing matters related to a going concern in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan. The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of directors' duties in the development and operation of the financial reporting process.

Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements

The auditor's responsibility is to express an independent conclusion on the quarterly consolidated financial statements in the quarterly review report based on the quarterly review performed by the auditor.

In accordance with quarterly review standards generally accepted in Japan, the auditor shall, through the course of the quarterly review, make judgments as a professional expert and conduct the following with professional skepticism:

- Questions, analytical procedures, and Others quarterly review procedures mainly for management, finance, and accounting-related persons. The quarterly review procedures are limited compared with the procedures for auditing the financial statements for the fiscal year conducted in accordance with auditing standards generally accepted in Japan.

- In the event that the Company determines that there is significant uncertainty with respect to events or circumstances that raise substantial doubt about the Company's ability to continue as a going concern, the Company will conclude, based on the evidence obtained, whether or not there are any matters that cause the Company to believe that they are not fairly stated in the quarterly consolidated financial statements in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan. In addition, if there is any material uncertainty regarding the Company's ability to continue as a going concern, the Company is required to alert the notes to the quarterly consolidated financial statements in the quarterly review report, or if the notes to the quarterly consolidated financial statements regarding material uncertainty are not appropriate, to express a limited conclusion or a negative conclusion on the quarterly consolidated financial statements. Although Auditor's conclusion is based on evidence obtained through the date of the quarterly review report, future events and circumstances may prevent an entity from continuing as a going concern.

- Evaluate whether the presentation and Details of the quarterly consolidated financial statements, including the related notes, and the matters which cause the Company to believe that the quarterly consolidated financial statements do not fairly present the transactions and accounting events underlying the quarterly consolidated financial statements, as well as whether the matters which cause the Company to believe are not in accordance with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan, are disallowed.

- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries to express a conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising and implementing the quarterly review of the quarterly consolidated financial statements. The auditor is solely responsible for the auditor's conclusion. The auditor shall report to the auditors and the board of auditors on the scope of the planned quarterly review and the timing of its implementation, as well as important findings in the quarterly review.

Audit will conduct Report of Audit & Supervisory Board Members and Audit & Supervisory Board with respect to compliance with the provisions of professional ethics in Japan regarding independence and Details for matters that are reasonably likely to affect human independence, and for cases where measures are taken to eliminate impediments or where safeguards are applied to reduce the impediments to an acceptable level.

Interests

The Company and Consolidated Subsidiaries have no interest in the Auditing Corporation or Operating Partners that should be stated pursuant to the provisions of the Certified Public Accountants Act.

Above

(NOTE) 1. The original Quarterly Review Report above has been filed separately by us (Annual Securities Report Filing Firm).

2. XBRL data is not included in the scope of quarterly reviews.