November 9, 2026

Company name: SRS HOLDINGS CO., LTD.
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(Securities code: 8163, TSE Prime Market)
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Notice of Recording of Extraordinary Income (Gain on Negative Goodwill) and Revision of Full-Year Consolidated Earnings Forecasts

SRS HOLDINGS CO., LTD. (the "Company") hereby announces that the extraordinary income (gain on negative goodwill) has been recorded for the six-month period of the fiscal year ending March 31, 2027, and that the consolidated earnings forecasts for the fiscal year ending March 31, 2027, which was announced on May 15, 2026, has been revised, as follows.

1. Recording of extraordinary income (gain on negative goodwill)

As stated in the "Notice of Acquisition of shares of KYOTARU CO., LTD." announced on August 7, 2026, and the "(Progress on Disclosed Matter) Notice of Change in the share Acquisition Cost of KYOTARU CO., LTD." announced on October 29, 2026, the Company acquired all shares of KYOTARU CO., LTD. and made it a consolidated subsidiary on September 1, 2026. As a result, the Company recorded a gain on negative goodwill of 1,477 million yen as extraordinary income for the six-month period of the fiscal year ending March 31, 2027. This amount, however, is provisional, as the allocation of the acquisition cost has not yet been finalized and may change in the future.

2. Revision of full-year consolidated earnings forecasts

(1) Revision of full-year consolidated earnings forecasts for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)
Previous forecasts (A)	83,000	3,200	3,000	1,800
Revised forecasts (B)	94,300	2,600	2,400	2,500
Change (amount: B - A)	11,300	(600)	(600)	700
Change (%)	13.6%	(18.8%)	(20.0%)	38.9%
(Reference) Results for the fiscal year ended March 2026	76,421	3,051	2,994	1,694

(2) Reason for the revision

Regarding the revision of the consolidated earnings forecasts for the fiscal year ending March 31, 2027, net sales are expected to exceed the previously announced forecast due to the inclusion of KYOTARU CO., LTD. in the scope of consolidation on September 1, 2026. On the other hand, operating profit and ordinary profit are expected to fall short of forecasts because a decrease in net sales during the first six months, due to factors such as unstable weather, made it difficult to fully offset an increase in various costs, despite an increase in profit from the consolidation of KYOTARU CO., LTD. Profit attributable to owners of parent is expected to exceed the previously announced forecast due to the recording of gain on negative goodwill, as described above.

The Company's basic policy is to maintain a consolidated dividend payout ratio of 20% or more. However, the Company will not revise the year-end dividend forecast for the fiscal year ending March 31, 2027, as the gain on negative goodwill is only recognized as profit under consolidated accounting and is therefore not currently included as a source of dividends.

Note: The earnings forecasts and other forward-looking statements contained in this document are based on the information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ due to a variety of factors.