

TOHO

TOHO GROUP INTEGRATED REPORT 2026

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Editorial Policy

This Integrated Report outlines the TOHO Group's management vision and business model, rooted in the philosophy of our founder, and highlights the initiatives we are undertaking to achieve sustainable, medium- to long-term growth in corporate value. Our commitment to clear and simple communication drives us to provide comprehensive, integrated information that supports deeper dialogue with stakeholders.
In preparing this report, we referenced the International Integrated Reporting Framework (IIRF) recommended by the IFRS Foundation and Japan's Ministry of Economy, Trade and Industry's "Guidance for Collaborative Value Creation."

Reporting Period

The reporting period covers March 2025 to February 2026 (FY2025 or FY2/26), though some activities before and after this period are also included.

Forward-Looking Statements

Forward-looking statements regarding the TOHO Group's plans, strategies, and performance forecasts in this report are based on information available at the time and on forecasts publicly announced as of August 2026. Actual results may differ materially from these forecasts due to risks and uncertainties.

Section 01

Our Journey

03 Corporate Philosophy
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Corporate Philosophy

Moments for Life

GROUP PURPOSE

TOHO founder, Ichizo Kobayashi, set forth the mission to **"widely provide inspiring entertainment to the general public."** This founding spirit has been carried forward as the driving force behind all of TOHO Group's activities to this day.

In today's rapidly changing world, we uphold this philosophy as our foundation and have established a new **GROUP PURPOSE: "Creating moments to move hearts and enrich lives."** With film, theater, anime, and real estate as our core pillars, we deliver moments that inspire and enrich the lives of our diverse audiences, becoming a source of joy for as many people as possible.

GROUP VALUES

Act with vivacity, modesty, fairness and grace.
Ichizo Kobayashi proclaimed these words as the company's motto. But this was not merely a corporate motto. It was a guiding principle for life—both as individuals and as creators. 94 years after our founding, this spirit remains deeply embedded in the DNA of all TOHO Group employees and executives.

As we prepare for our centennial, we have redefined these founding concepts as our **Group Values** and reaffirmed their place at the core of our corporate culture.

GROUP SPIRIT

TOHO founder Ichizo Kobayashi once said, **"Whatever joy we know, we owe to the happiness of our audiences."** These words embody the philosophy that our work is to inspire and bring joy to our customers, recognizing that we will be inspired in return.

The TOHO Group reaffirms the sentiment of our founder as our **GROUP SPIRIT**, the very foundation of our corporate philosophy. Inspiration is a cycle, and when we are inspired, we inspire others. Through our work, we remain committed to being a company that brings joy and inspiration to the world.

GROUP SLOGAN

Moments for Life

GROUP PURPOSE

Creating moments
to move hearts and enrich lives

GROUP VALUE

Act with vivacity, modesty, fairness and grace

GROUP SPIRIT

"to widely provide inspiring entertainment to the general public"
"Whatever joy we know, we owe to the happiness of our audiences."

History of Value Creation: From Providing “Inspiring Entertainment” to the Golden Age of Japanese Cinema, and Onward to Establishing a Solid Business Foundation

1932~ Founding and Philosophy



Tokyo Takarazuka Theater

In 1932, Tokyo Takarazuka Theater Co., Ltd. was established. Guided by Ichizo Kobayashi’s philosophy “to widely provide inspiring entertainment to the general public,” the history of TOHO began with the opening of its theater.

- *1932* Tokyo Takarazuka Theater Co., Ltd. established
- *1934* Tokyo Takarazuka Theater opens (closed for reconstruction in 1998)
- *1934* Hibiya Movie Theater opens (closed for reconstruction in 1984)



Ichizo Kobayashi



Takarazuka Revue Moon Troupe Production *Flower Anthology* (1934)

Management policy as championed by Ichizo Kobayashi **100 Theater Policy**

Acquired land for movie theaters nationwide and established a theater chain.
That land would later become the foundation of the real estate business.

1950~ Dawn of a Golden Age



The original *Godzilla*

Through the tumultuous postwar period and the hardships of the TOHO labor dispute, the company emerged into its golden age. 1954 saw the release of timeless masterpieces such as *Seven Samurai*, which captivated the world, and *Godzilla*, a landmark of special effects cinema.

- *1954* *Seven Samurai* opens in theaters
  The original *Godzilla* is released
- *1963* Japan’s first Broadway musical
  Premiere of the musical *My Fair Lady*
- *1966* The Second Imperial Theatre opens (closed for reconstruction in 2025)



Seven Samurai



The musical *My Fair Lady*

Recorded attendance figures for *Godzilla* (1954) **9.61 million**

More than 30 films have been released in the series across over 70 years, and it has become one of TOHO’s flagship IPs.

1970~ Establishing a Solid Business Foundation



Submersion of Japan

In response to the widespread adoption of television, the company implemented management rationalization measures, including the spin-off of its film production division. Alongside this, the record-breaking success of *Submersion of Japan* established the company’s reputation for producing blockbuster films and gave it a solid business foundation.

- *1973* *Submersion of Japan* opens in theaters
- *1980* *Doraemon the Movie* series launched
- *1984* Yurakucho Center Building (Yurakucho Mullion) opens
- *1987* Japanese premiere of the musical *Les Misérables*



Yurakucho Center Building (Yurakucho Mullion)



The musical *Les Misérables*

Total number of performances of musical *Les Misérables* in Japan **3,632**

For nearly 40 years, primarily at the Imperial Theatre, it has been performed in theaters across Japan.

(Note) As of May 2026. Cumulative domestic performances include only productions by TOHO.

History of Value Creation: Looking Ahead to the Next 100 Years Through Our Anime Business and Global Expansion

1990~ Transformation of the Movie Theater Business



TOHO Cinemas Roppongi Hills

In response to the advent of the multiplex era, TOHO acquired Virgin Cinemas Japan Co., Ltd. TOHO produced a string of blockbuster hits that captured the changing market, and by around 2006 Japanese films had come to dominate the market, far outpacing foreign films.

- *1997* *Princess Mononoke* opens in theaters
- *2000* Tokyo Takarazuka Building opens
- *2003* Acquired Virgin Cinemas Japan Co., Ltd., and changed the name to TOHO Cinemas Ltd.
  Bayside Shakedown 2: Save the Rainbow Bridge! opens in theaters
- *2004* *Crying Out Love, in the Center of the World* opens in theaters
- *2007* Theatre Creation opens



Princess Mononoke

TOHO Cinemas' share of domestic box office attendance **No. 1**

TOHO Cinemas, a Group company, is Japan's leading movie theater chain.
(as of May 2026)

2010~ A Leap Forward in the Anime Business

TOHO animation

TOHO established TOHO animation, marking its formal entry into the anime business. Through the production of hit works such as *Haikyu!!*, anime has become our "fourth pillar" alongside film, theater, and real estate.

- *2013* Establishment of the TOHO animation label
- *2015* Shinjuku TOHO Building opens
- *2016* *Shin Godzilla* opens in theaters
  Your Name. opens in theaters



Your Name.



My Hero Academia



Shinjuku TOHO Building

Domestic box office revenue for *Your Name.* **¥25.17 billion**

It broke the domestic box office record for a TOHO film production.
(as of May 2026)

2020~ A New Era of Global Expansion



GODZILLA MINUS ZERO

TOHO has set a long-term goal of increasing the proportion of consolidated overseas sales from the current level of approximately 10% to 30%. We are driving our global expansion by strengthening our overseas operations and the development of proprietary IP.

- *2023* *GODZILLA MINUS ONE* opens in theaters
- *2024* *GODZILLA MINUS ONE* awarded Best Visual Effects at the 96th Academy Awards®
- *2025* Stage adaptation of *Spirited Away* opens in London
  Annual box office revenue for TOHO-distributed films reaches a record high
- *2026* *GODZILLA MINUS ZERO* scheduled for simultaneous release in Japan and the U.S.



GODZILLA MINUS ONE at the 96th Academy Awards®
Winner of the Best Visual Effects Award



Stage adaptation of *Spirited Away*

Number of screens showing *GODZILLA MINUS ONE* in North America **2,622**

It grossed ¥8.3 billion at the North American box office (based on the exchange rate at the time of release) and was a global hit.

At a Glance

Operating revenue
¥360.6 billion

Operating profit margin
18.8%

Return on equity
10.4%

Founded
1932

Group companies
55

Employees (consolidated)
4,088

Film Business

TOHO Group

Box office revenue for distributed films
¥160.5 billion

Screens
717 screens

Annual admissions
≈49 million

IP & Anime Business

Total number of cours*
127

*Cours: An industry-standard term referring to broadcast quarters. One cour generally consists of 11 to 13 episodes of a series. Figures shown on a cour basis are cumulative.

Theatrical Business

Annual attendance
≈1.03 million*

*For TOHO-organized and co-organized performances only

Real Estate Business

Properties owned by TOHO CO., LTD.
131

▶Information current as of February 2026. For further details, please see the FACT BOOK. FACT BOOK



Harnessing Our Integrated Strengths to Create a Circle of Inspiration Across Every Business

Moments for Life

Our new Group Slogan, “Moments for Life,” expresses a simple but powerful ambition: to create moments that move people, inspire them, and enrich their lives, wherever they are in the world. And I believe that delivering moments that become a source of strength in people’ s lives is possible in every business across the TOHO Group. That is why I want every employee to feel a direct connection between their work and the experiences we create for our audiences. My hope is that, whenever they recognize that connection, “Moments for Life” will come naturally to mind as a shared sense of purpose.

Our mission has always been to deliver inspiration to our audiences. Yet inspiration does not flow in only one direction. When an audience is inspired by something we have created, we are inspired in return. That interplay gives us the energy and conviction to create the next experience. This is what we call the “Circle of Inspiration,” and I believe it lies at the heart of everything we do. As we look ahead, we will continue to carry forward the spirit of our founder, Ichizo Kobayashi, “to widely provide inspiring entertainment to the general public.” He famously said, “Whatever joy we know, we owe to the happiness of our audiences.” Guided by those principles, we will work to create a Circle of Inspiration across every aspect of the TOHO Group.

CEO Message

Our Business Environment and the Strengths of the TOHO Group

Understanding the Business Landscape

Three Forces Reshaping Entertainment

The entertainment industry is being transformed by three major forces: the evolution of technology, globalization, and changing expectations around the value of experience.

Digitalization has already expanded the ways in which we can reach and inspire audiences. Word of mouth, amplified through social media, now has more influence than ever. The success of *KOKUHO* is a striking example. Its subject—the beauty and depth of traditional Japanese culture—might once have been seen as appealing to a limited audience. Instead, the passion of moviegoers carried the film across generations and genres, allowing it to connect with a remarkably broad public. For me, this is one of the most encouraging developments of the digital age.

That kind of enthusiasm, shared between audiences, is something technology has made more powerful than ever. AI, at the forefront of this technological evolution, will also transform the way we work, dramatically improving efficiency and productivity. At the same time, I hold one conviction firmly: people decide how AI is used, and people remain responsible for the results. We should neither fear new technology nor place blind faith in it. Our task is to use it thoughtfully as a tool that supports human creativity.

Technology has also lowered many of the barriers that once made the overseas distribution of content difficult. Today, we can connect with audiences around the world more directly and more quickly than ever before. The success of *GODZILLA MINUS ONE* demonstrates what this can make possible. The film received tremendous support in the U.S. and broke a North American box office record for a Japanese live-action film that had stood for 34 years. Drawing on every advantage technology offers, and with Japanese anime commanding a growing global following, we are stepping up our efforts to bring entertainment from Japan to audiences worldwide.

Another of these major forces is the changing value audiences place on experience itself. The pandemic and the acceleration of digitalization have altered the way people engage with entertainment. Audiences no longer think only in terms of established categories such as film or theater. Increasingly, they seek memorable experiences that transcend those traditional boundaries.

The TOHO Group is responding to these changes with a number of important initiatives for the future. In Japan, we have launched TOHO-ONE, an integrated membership service designed to connect our content, theaters, and other customer touchpoints more seamlessly. By gaining a deeper understanding of individual interests and preferences, we aim to create a platform through which we can deliver meaningful moments throughout our customers' daily lives. At the same time, we are accelerating our overseas expansion. We have positioned the Anime Business as our fourth pillar. We are strengthening Toho International, Inc., which oversees the North American market, and expanding our capabilities through acquisitions and investments involving companies such as U.S. film distributor GKIDS. Through these initiatives, we are advancing vertical integration—from creative development and production through distribution—both in Japan and overseas.

Our mission is to recognize change early, respond decisively, and continue taking on new challenges. By combining speed with sound judgment, we intend to help shape the next era of entertainment.

The Strengths of the TOHO Group

Integrated Strengths Across the Group

Nothing is more fundamental to the TOHO Group than the integrated strengths created by exceptional people and organizations working together. We have a vertically integrated business foundation spanning production, distribution, and exhibition. This enables us to support a work throughout its entire journey—from the initial idea to its release and development in Japan and overseas—and to maximize its value at every stage. I believe this is one of the main reasons that our partners entrust us with their most important works.

But we cannot afford to take that foundation for granted. We must continually identify the areas in which we need to challenge ourselves, strengthen the capabilities we lack, and sharpen the strengths we already possess. Future growth will be built on the steady accumulation of those challenges.

And the engine of that growth is content itself. Every work begins with a creative vision. People and organizations give shape to that vision, bring it to life, and carry it into the world. TOHO's business model enables the creative vision of talented people and strong organizations to reach audiences on a global scale. Our people, our organizations, and our creative vision reinforce one another. That interaction creates the integrated strengths that underpin TOHO today.

CEO Message

Transforming Our Business Model and Maximizing IP Value

Evolving Our Earnings Structure

A Business Model Combining Stability with the Power of Hits

The evolution we seek is not a wholesale reinvention of the TOHO business model. Rather, we aim to make that model more resilient by combining two qualities: a stable, long-term foundation capable of absorbing the volatility inherent in entertainment, and the extraordinary growth potential generated by major hits.

Historically, TOHO has built its ambitious film business on the stable foundation of real estate. Today, that foundation is becoming broader. Our Theatrical Business has evolved into a more stable operation, while our anime IP portfolio is emerging as another source of long-term value. Revenue from a typical film gradually declines after its release. An IP business, by contrast, can continue to grow over ten or twenty years, remaining relevant to audiences and generating value through sustained development.

This stable foundation gives us the capacity to pursue ambitious films with the potential to become major hits and even social phenomena. When bold creative decisions succeed, the resulting profit contributes directly to the Group's growth. Just as importantly, the knowledge, relationships, and capital gained through those successes can be reinvested in the next work and the next IP. This creates a virtuous cycle. Our stable foundation gives us the confidence to pursue ambitious opportunities. The success of those opportunities then makes the foundation stronger. I believe this interaction between stability and the explosive power of hits is what will enable TOHO to continue growing in an increasingly uncertain world.

Four Priorities for Our Evolution

1 Our People

As our businesses become more global and more diversified, we must continue to recruit and develop outstanding people. At the same time, we will use AI and other technologies to improve operational efficiency and productivity. Our objective, however, is not simply to increase headcount. The real priority is to unlock the full potential of every colleague, drawing on the different experiences, perspectives, and abilities they bring. We want to create a vibrant workplace in which employees identify challenges proactively, take ownership of their work, and use their strengths to make a meaningful contribution.

2 Content & IP

People and creative vision will remain at the center of our content strategy. We will continue to enhance and carefully nurture the value of our own IP, led by Godzilla, as well as our anime titles. We will also continue creating a diverse range of content and use the full strength of the Group to maximize its value through multifaceted development in markets around the world.

3 Digital Technology

Since its launch following extensive planning, TOHO-ONE has continued to open up new possibilities as the initiative has progressed. By making more advanced use of data across every business, we will unlock its full potential to deepen our understanding of customer needs.

4 Overseas Expansion

We will take Japanese entertainment to the world without being constrained by traditional distinctions between anime and live action. By combining the competitive advantage created through our early market entry with a clear strategy for expansion, we will pursue greater profitability and a stronger presence across global markets.

Maximizing IP Value Across the TOHO Group

Combining Our Integrated Strengths and Compounding Expertise

The best way to maximize the value of IP is to use our integrated strengths to build on a continuing track record of success. To do that, we are breaking down the traditional silos between film, theater, and anime. These may be different businesses, but at their core they are all part of the same field: entertainment. The more effectively those businesses work together, the greater the possibilities become.

The multifaceted development of *SPY x FAMILY* is one example. The stage production of *Spirited Away*, which grew out of our experience in film, is another. In the case of *Spirited Away*, in particular, the Group's global network enabled us to take the production overseas, including its successful London performances.

Every new challenge builds knowledge within the company. Not every initiative will succeed on the first attempt. But by changing our approach and continuing to try, we deepen our understanding of what works. We believe TOHO's unique strength lies in its ability to develop a unified vision from the concept stage and bring it to life through the integrated strengths of the entire Group.

CEO Message

Our Approach to Sustainability

Sustainability and Human Capital: The Foundations of Endurance

1 Creators and Our People

A sustainable future for entertainment cannot be built by TOHO alone. It requires higher standards and stronger foundations across the industry as a whole. As a Group operating across film, theater, anime, and other fields, we have a responsibility to respond sincerely to the social expectations placed on our industry. This includes improving working conditions and ensuring appropriate protection for freelancers and others who contribute to the creation of our content. But our ambition must go beyond compliance. Creators and production staff are essential partners. We must provide an environment in which they can remain physically and mentally healthy and exercise their creativity to the fullest. This is not a cost. It is one of the most important investments we can make. That investment leads to better content. Better content reaches and inspires audiences. The value created then flows back to the people who made it possible. This is the true Circle of Inspiration we seek to create.

2 Environmental Considerations

We also view action on environmental issues as an important investment in future competitiveness. The work we are undertaking with JERA Co., Inc. to decarbonize TOHO Studios will not directly increase tomorrow's box office revenue. Its value lies elsewhere. By addressing these issues early, we can build knowledge, gain practical experience, and create an environmentally responsible ecosystem of our own. Taking action now will also make it easier to adapt smoothly if environmental regulations become more stringent in the future. We will continue moving steadily toward a more sustainable society, together with creators, investors, and other partners who share our commitment to these pioneering initiatives.

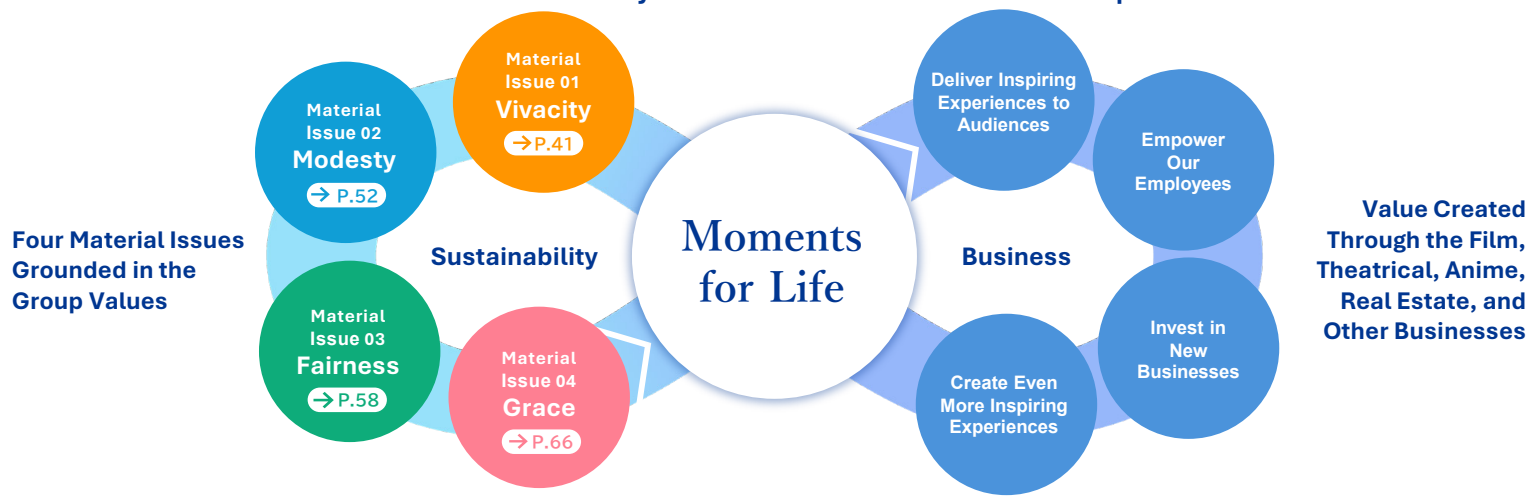
3 Governance

For TOHO to remain trusted around the globe and loved across generations, we must maintain rigorous standards of governance. As the head of management, I regard this as one of my most important responsibilities. Ambiguous governance and opaque practices that may once have been tolerated in Japanese society will no longer be acceptable. At the same time, governance must not become so restrictive that it suppresses creativity. If production teams are constrained by excessive rules, they will not be able to create the kind of bold, original work that moves people. We must therefore uphold discipline without exception while protecting the freedom of expression and the scope for experimentation that creators need. The challenge is knowing when to tighten the reins and when to loosen them. We must sharpen that judgment across the entire company. I want TOHO to demonstrate that strong and transparent governance does not limit creativity. On the contrary, it creates the trust and stability in which the most exciting ideas can flourish.

Sustainability and the Enduring Value Created by Our Businesses

The four material issues the TOHO Group has identified are deeply rooted in the words of our founder Ichizo Kobayashi: "act with vivacity, modesty, fairness, and grace." The word "sustainability" can sometimes feel abstract. But when we connect it with the values TOHO has carried forward throughout more than 90 years of history, it becomes something tangible—a principle that every employee can understand and apply in their daily work.

How Sustainability Is Connected Across the TOHO Group



CEO Message

A Message for What Lies Ahead

Our Film, Theatrical, Anime, and Real Estate businesses do not operate independently. They are inextricably linked. If one part of that system is weakened, it can create a vulnerability for the entire organization, resulting in unforeseen risks and failures. Fully exercising TOHO's integrated strengths therefore requires more than driving growth in each business. We must also strengthen the foundations that support the Group as a whole, including governance, the environment, and our people. Maintaining the right balance among these elements is essential. Our material issues give us confidence that we are moving in the right direction. They remind us that, by continuing with humility and determination along the path built by those who came before us, we can face the future with assurance.

We do not need to pursue novelty simply for its own sake. However, the world today is very different from the world of 90 years ago. Our fundamental commitment to our customers and society must never change. What must change is how we act on it day to day: flexibly, boldly, in step with the times and with what society asks of us. I believe this virtuous cycle—preserving what is essential while continuing to evolve—is the core of the TOHO Group's ability to enhance corporate value sustainably over the long term.

A Message for the Future

What matters most to me as the head of TOHO is not the pursuit of short-term profit. It is making our growth durable and dependable over the medium and long term. The TOHO Group is currently progressing well and delivering results at a pace that exceeds our expectations. But we must not allow ourselves to be driven by external expectations or immediate gains. For a company whose core business is entertainment—an industry defined by both extraordinary successes and inevitable fluctuations—rapid expansion alone does not constitute genuine growth. Nor should pressure born of impatience ever be allowed to damage the quality of our employees' work, their lives, or the mental well-being that sustains their creativity. Our ambition is to build a company capable of sustaining strong growth across generations. That means continuing to strengthen the foundation of the business so that our progress does not depend on the success or failure of any single title. At the same time, we must improve our ability to create the major hits that can accelerate growth. There will always be ups and downs. What matters is that, when we look back over five or ten years, we can see that TOHO has steadily reached a higher stage. I am convinced that this is the healthiest and most reliable form of growth for the Group.

It is equally important that the benefits of that growth reach our audiences. During more than 90 years of history, TOHO has faced serious crises and periods of decline. TOHO today is in a position to take risks and pursue new challenges thanks to the wisdom and hard work of our predecessors, who overcame those difficult periods and built the strong base of talent and assets we enjoy today. Our responsibility is to make full use of that foundation and pass an even stronger company to the next generation. Together with our stakeholders, the entire TOHO Group will continue moving forward as one—steadily, responsibly, and with the determination to shape the future of entertainment for generations to come.



Section 02

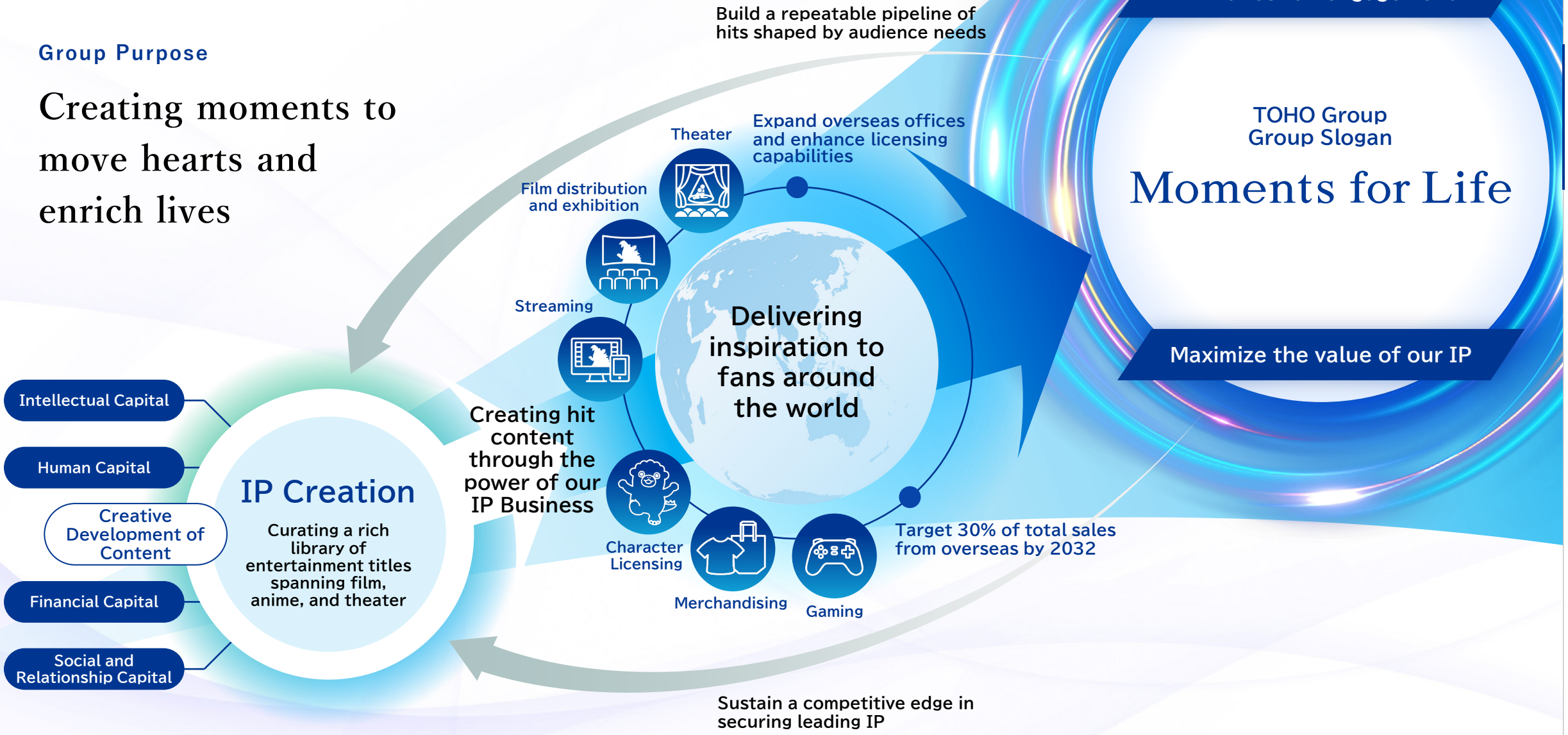
Management Strategy

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TOHO Group Value Creation Process

Group Purpose

Creating moments to move hearts and enrich lives



Positioning of the TOHO Group Management Strategy and Mid-Term Plan

Building on the growth narrative outlined in Long-Term Vision 2032 under the TOHO VISION 2032 Group Management Strategy, TOHO Mid-Term Plan 2028 positions this period as one of continued investment in growth and transformation as we strive to become an entertainment company loved by fans around the world.

Keywords

People. Stories. The World. Stronger Connections with Audiences Everywhere.

Human Resources

Content and IP

Key Points

Digital

Overseas

TOHO GROUP Group Slogan

Moments for Life

With this new Group slogan, we aim to further enhance corporate value.

TOHO Mid-Term Plan 2025
FY2/23 – FY2/25
Phase of Post-Pandemic Recovery and Building a Foundation for Breakthrough Growth

TOHO Mid-Term Plan 2028
FY2/26 – FY2/28
Phase of Ongoing Investment and Transformation

Phase of Breakthrough Growth and Expansion for the Future As We Approach the TOHO Centennial

Keywords Creative & IP / Anime / Digital / Overseas

Long-Term Vision 2032
FY2/23 – 2032

Key Points
- Promoting Growth Investments
- Focusing on Securing and Developing Talent
- Establishing Anime as the Fourth Pillar

People and Culture Strategy

Promotion of Sustainability Management

2022 2025 2028 2032

Mid-Term Plan 2028: A Look Back at the First Year

For FY2/26, we posted strong financial results that approached our operating profit target of ¥70 billion. ROE also reached 10.4%, exceeding the target of 9%, and we worked to strengthen shareholder returns through measures such as dividend increases and share buybacks.

In the second year (FY2/27), we will continue to push forward toward the goals of the Mid-Term Plan 2028.

Targets

	TOHO Mid-Term Plan 2025 FY2/23 – FY2/25 Phase of Post-Pandemic Recovery and Building a Foundation for Breakthrough Growth	TOHO Mid-Term Plan 2028 FY2/26 – FY2/28 Phase of Ongoing Investment and Transformation	Phase of Expansion for the Future Towards our 100th Anniversary—the Target of our Long-Term Vision 2032—with Breakthrough Growth
Operating Profit	Aiming to achieve record-high operating profit (¥52.8 billion) by FY2/25	Over ¥70 billion (by FY2/28)	¥75–100 billion
Shareholder Returns	Maintain a dividend payout ratio of 30% or more, based on an annual dividend of ¥8 per share, and execute flexible share buybacks	Achieve a minimum annual dividend of ¥17 and a dividend payout ratio of 35% or more. Implement flexible share buybacks	Further strengthen shareholder returns
ROE	At least 8%	9.0% or more	Aim to maintain at least 10% (Raised from the original target range of 8–10%)

Achievements

	FY2/25 (Final Year of the Previous Mid-Term Plan)	FY2/26 (First Year of the Mid-Term Plan)
Operating Revenue	¥313.1 billion	¥360.6 billion
Operating Profit	¥64.6 billion	¥67.8 billion
ROE	9.3%	10.4%
Net Profit Attributable to Owners of Parent	¥43.3 billion	¥51.7 billion
Dividend Per Share / Dividend Payout Ratio	¥17 / 33.4%	¥22 / 35.9%

We will position Creative & IP as the source of all value, and animation in particular as a growth driver.

Leveraging the power of digital technology to transcend time, space, and language, we will boldly take on new challenges to achieve breakthrough growth overseas.

TOHO VISION 2032: TOHO Group Management Strategy

Looking ahead to the company's 100th anniversary in 2032, we aim to enhance corporate value by implementing a growth strategy centered on four key areas: Creative & IP, Anime, Digital, and Overseas.

Key Points

We are laying the foundations to reach our financial targets for the TOHO Mid-Term Plan 2028 and achieve our Long-Term Vision 2032 by promoting the four key points of people, content and IP, digital technology, and overseas expansion.

Human Resources Scaling Excellence

- Scaling Excellence: From a Select Few to a Skilled Many.
  Recruit approximately 200 people over the next three years.
  We will continue investing in our people—the source of our growth—and enhancing employee engagement.

Progress Through FY2/26 and Future Developments

- 128 new hires in FY2/26.
  (More than 70% of mid-career hires were assigned to business divisions.)
- By FY2/28, we plan to hire approximately 100 additional employees.
  (Approximately 80% will be content and IP or IT/digital professionals.)

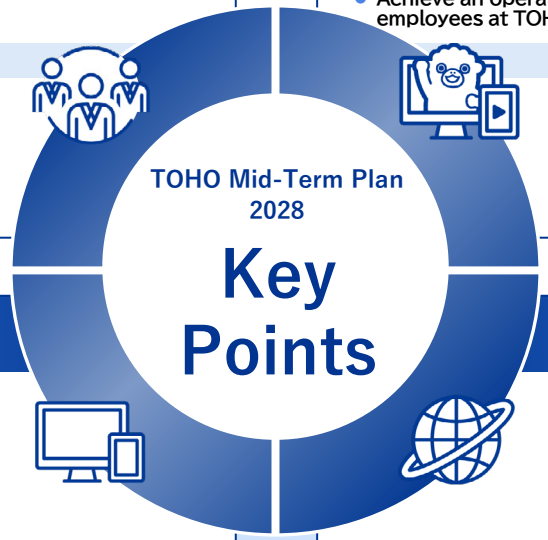
Ongoing Strategic Investment for Business Growth Content & IP

- Deliver world-class entertainment with a diverse lineup of approximately 200 titles, bringing joy and inspiration to audiences across the globe.
- Invest approx. ¥70 billion over the next three years in the creative development and production of films, animation, theatrical productions, games, and other content, as well as the creation of related IP.
- Invest approx. ¥15 billion over the next three years in the development and expansion of the Godzilla IP to further strengthen the IP business.
- Allocate approx. ¥120 billion over three years for growth investments such as M&A in the content and IP fields and new multiplex openings.
- Achieve an operating profit of 200% or more* in the IP & Anime Business by doubling the number of employees at TOHO animation by 2032.

Progress Through FY2/26 and Future Developments

- Expanded premium viewing experiences with IMAX® and Dolby Cinema® and introduced a mobile ordering system at TOHO Cinemas.
- Investment in creative development and production of content, as well as IP creation, totaled ¥17.7 billion in FY2/26.
- Completed the acquisition of Anime Limited and co-founded To-Smile to strengthen merchandise operations, among other initiatives.

*Operating profit for the IP & Anime Business for FY2/25 (¥22.2 billion).



Digital Develop a New Customer Data Platform

- Invest approximately ¥5 billion in the TOHO-ONE Project to develop the TOHO Group's customer data platform.
  Spring 2026: Launch of a new membership service that connects TOHO with our audiences

Progress Through FY2/26 and Future Developments

- TOHO-ONE® is a new membership service that integrates customer IDs across the Group's movie, theatrical, merchandise, and other services, launched in March 2026 (initial investment: approximately ¥4.5 billion).
- Since its launch, migration from CineMileage® and other membership programs has progressed smoothly.
- Game integration is scheduled to begin during FY2/27. Through continued expansion and new partner services, we aim to reach 10 million members by 2032.

Connect Directly with Our Fans Around the World Overseas

- Accelerate the expansion of our overseas offices while creating synergies with companies that have recently joined the TOHO Group.
- Increase the current overseas revenue ratio from approx. 10% to 30% by 2032.

Progress Through FY2/26 and Future Developments

- The percentage of overseas sales for FY2/26 was 10.1%, up 0.2 points from 9.9% in FY2/25.
- Established TOHO Europe Limited as the regional headquarters for Europe and completed the acquisition of Anime Limited.
- Increase overseas headcount to approximately 250 employees by December 2027 while strengthening the infrastructure to support further business expansion.
- GKIDS will distribute *GODZILLA MINUS ZERO* in North America. We aim to surpass the previous installment's performance in both overseas box office revenue and merchandise sales.

CFO Message

Two Consecutive Years of Record-High Profits: Continued efforts to enhance corporate value through further growth investments.



Nobuyuki Tako Representative Director, Executive Vice President

Upon Assuming the Role of CFO

My name is Nobuyuki Tako, and I assumed the positions of Representative Director, Executive Vice President, and CFO in May this year. As TOHO's first CFO, I fully recognize the significance of this responsibility and am deeply committed to developing financial and capital strategies that support the sustainable enhancement of corporate value.

Having spent much of my career in corporate planning, I have been deeply involved in formulating the TOHO Mid-Term Plan, strengthening our governance framework, and executing capital policies while maintaining a Group-wide management perspective. Through my recent experience overseeing investor relations, I have gained firsthand insight from discussions with shareholders and investors into their expectations for our medium- to long-term growth story and their strong focus on capital efficiency. Drawing on these insights, I will carefully assess our strategic direction even in an uncertain business environment while supporting the CEO in making timely and well-informed decisions. By balancing disciplined growth investment with the optimization of our capital structure, I am committed to leading the TOHO Group into its next phase of growth.

TOHO Mid-Term Plan 2028: A Review of the First Year

Record-High Profits and Improved Capital Efficiency

FY2/26, the first year of TOHO Mid-Term Plan 2028, got off to an exceptionally strong start. In addition to the Film Business, which delivered blockbuster hits including *Demon Slayer: Kimetsu no Yaiba Infinity Castle* and *KOKUHO*, our IP & Anime Business established itself as our second major earnings pillar. The Theatrical and Real Estate businesses also delivered solid performance, enabling us to achieve record-high results at every level of profit. Particularly noteworthy was the strong progress we made toward our financial KPIs. Operating profit reached ¥67.8 billion, approaching our ¥70 billion target, while ROE rose to 10.4%, surpassing our target of 9% or higher. I believe these results demonstrate that our diversified business portfolio possesses both the resilience to adapt to changing market conditions and the ability to generate sustainable earnings.

Deepening Our Business Foundation: Renewed Recognition of the "Experiential Value" of the Film Market

The performance of our Film Business was particularly outstanding. Annual box office revenue from films distributed by the TOHO Group exceeded ¥160 billion, while our domestic market share surpassed 50%, reinforcing our overwhelming presence in the Japanese film market. Although consumer behavior has evolved since the COVID-19 pandemic, audiences are once again recognizing the unique value that only cinemas can provide—an immersive environment and a truly extraordinary shared experience. We have also seen the establishment of a virtuous cycle in which word-of-mouth on social media—beginning with *KOKUHO*—has generated widespread momentum extending well beyond its initial target audience. Even as Japan faces a declining population, I am confident that we can unlock further growth potential in the domestic market by continuing to enhance the experiential value of the moviegoing experience.

Accelerating Our Growth Strategy: Entering the Investment Phase for the IP & Anime Business

Our IP & Anime Business, a key medium- to long-term growth driver, became an independent reporting segment in the previous fiscal year, enhancing the transparency of its financial performance. Although profit declined due to one-off expenses—including higher goodwill amortization associated with the acquisitions of GKIDS and Science SARU, as well as increased amortization related to games launched in the previous fiscal year—license revenue from streaming and character licenses, the foundation of our business, remained at a high level.

Having completed the expansion of our operational bases in North America, Europe, and Asia, we are now in the investment phase of building a direct global distribution network. As a result, there may be periods over the next few years when investment expenses temporarily outpace earnings. However, we remain committed to achieving operating profit of ¥40 billion or more in this business by 2032 and will continue to accelerate its growth. Beginning with the worldwide release of *GODZILLA MINUS ZERO* this November, we will further maximize the value of Godzilla, one of our flagship proprietary IPs.

CFO Message

Capital Allocation Strategy

Capital Allocation and Financial Discipline

Under TOHO Mid-Term Plan 2028, we expect total cash inflows of ¥200–210 billion over the three-year period and plan to allocate the majority to growth investments (¥160 billion) and shareholder returns (¥40–50 billion). In the first year, supported in part by the sale of strategic shareholdings, operating cash flow reached ¥66.6 billion, exceeding our original expectations.

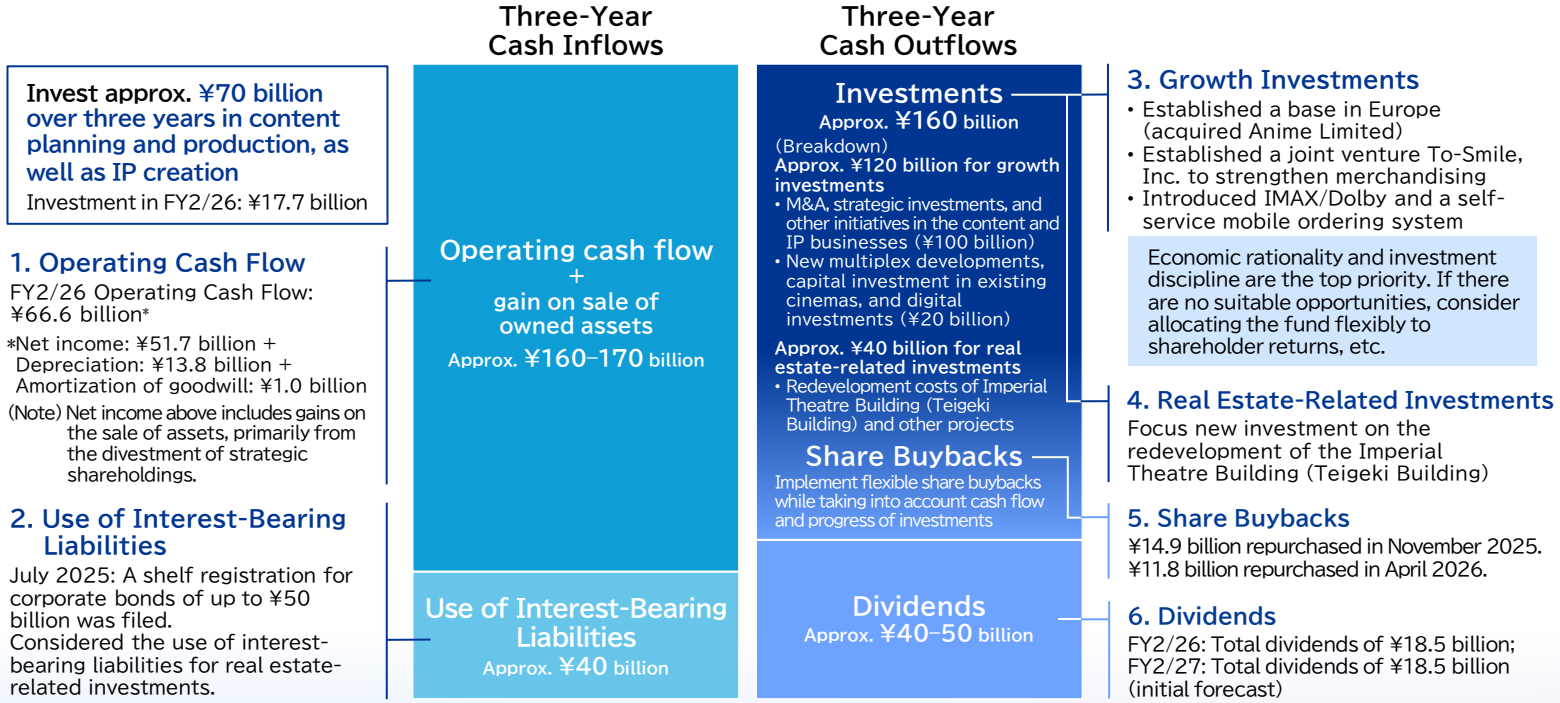
In response, we executed a ¥14.9 billion share buyback as part of our flexible capital management policy. In addition to maintaining a dividend payout ratio of at least 35%, we achieved a total payout ratio of approximately 65%, significantly enhancing shareholder returns. Going forward, our priority will be executing investments—including M&A—that support growth in the content and IP businesses. Although we have established a ¥100 billion investment allocation, our objective is not simply to utilize the entire amount. Every investment opportunity will be evaluated carefully based on its strategic significance, with economic rationality and investment discipline taking precedence. If suitable opportunities are not available, we will flexibly allocate surplus cash to share repurchases and other shareholder return measures, while maintaining a strong focus on capital efficiency.

Utilizing Financial Leverage in the Real Estate Business

For the large-scale, long-term redevelopment of the Imperial Theatre Building (Teigeki Building), we will adopt the financing structure best suited to the project's characteristics. Given the long investment recovery period inherent in this project, we will carefully assess the relationship between expected investment returns and our weighted average cost of capital (WACC), while making effective use of interest-bearing debt to help improve ROE.

Improving Asset Efficiency: Reduction Targets for Strategic Shareholdings

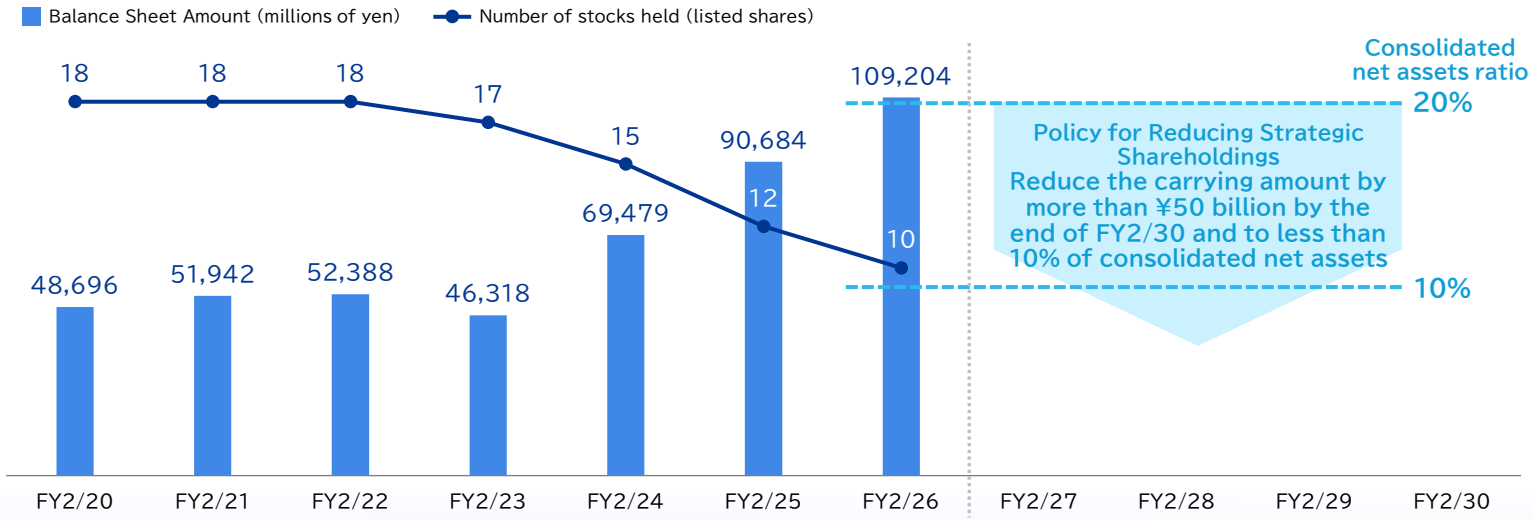
To further optimize our balance sheet and improve capital efficiency, we will accelerate the reduction of our strategic shareholdings. Although we have steadily reduced the number of strategic shareholdings, we recognize that rising market values for certain holdings have resulted in their carrying amount exceeding 20% of net assets as of the end of FY2/26. Accordingly, in July of this year, we established a clear quantitative target to reduce the balance sheet carrying amount of strategic shareholdings by more than ¥50 billion and lower the ratio to net assets to below 10% by the end of FY2/30. Cash generated through the phased sale of these holdings will be allocated to growth investments and enhanced shareholder returns, thereby improving capital efficiency.



CFO Message

Management Centered on ROE

As CFO, I view ROE not merely as an outcome metric, but as a compass for assessing the effectiveness of every management initiative. To achieve a sustainable increase in corporate value, it is essential that we maintain ROE consistently above the cost of capital and continue generating a positive equity spread. Our foremost priority is, of course, to strengthen our earnings power by enhancing profitability and improving margins in our core Film and IP & Anime businesses. Equally important, however, is improving asset efficiency through balance sheet optimization. In addition to systematically reducing strategic shareholdings, we will review the property portfolio of our Real Estate business, dispose of non-core assets that no longer serve a compelling strategic purpose, and reinvest the proceeds in growth areas. At the same time, we will maintain an appropriate level of equity by flexibly combining dividends and share buybacks, taking into account the progress of growth investments and our cash position. By exercising disciplined control over both the denominator (equity) and the numerator (profit), we will establish a robust management framework that delivers high capital efficiency and meets the expectations of global capital markets.



(Note) Balance sheet carrying amount: Total of listed shares, unlisted shares, and deemed holdings.

Conclusion: Expanding Our Community of Fan Shareholders

The 5-for-1 stock split implemented in March this year was intended to reduce the investment required per trading unit, making it easier for a broader range of investors to participate in TOHO's growth. We believe that broadening our shareholder base not only enhances market liquidity, but also helps build a stable base of shareholders who have a deep understanding of our corporate philosophy and our content. Our shareholders are also valued fans of our works. We will also strengthen our IR activities to deepen engagement with these "fan shareholders" and support the long-term development of our share price.

We sincerely ask for your continued support as we pursue sustainable growth and further enhance corporate value.

Policy for the Reduction of strategic shareholdings

- We will reduce the balance sheet carrying amount of strategic shareholdings by more than ¥50 billion by the end of FY2/30, compared with the level at the end of FY2/26, and lower the consolidated net assets ratio to below 10%.
  - ✓ We will also continue to dispose of strategic shareholdings in a phased and disciplined manner through the end of FY2/30.
  - ✓ During FY2/27, we will continue selling strategic shareholdings through the fiscal year-end and reduce the consolidated net assets ratio to below 20%.
- Sale proceeds will be allocated primarily to growth investments, while also being used to fund shareholder returns aimed at improving capital efficiency.

Stakeholder Relations

Enhancement of Dialogue

TOHO attaches great importance to constructive dialogue with stakeholders as part of its efforts to drive sustainable corporate value creation. Under the specialized system established by the Corporate Communications Department in October 2024, we further strengthened information disclosure in FY2/26 and began full-scale SR activities focused on governance.

Market perspectives and feedback gained through direct dialogue with investors and analysts, led by the executive officer responsible for investor relations, are regularly shared with the Board of Directors and other relevant bodies, where they inform refinements to management strategy and initiatives to improve capital efficiency.

IR Events (FY2/26)	Main Participants (At the time)
Earnings Presentation	President and Representative Director, Director and Executive Vice President
Investor Briefing	Operating Officer in Charge
Investor Relations Meetings	Director and Executive Vice President, Investor Relations Team

Internal Feedback	Frequency
Board of Directors/Management Committee	5 times a year (quarterly and annually)
Individual Meetings between Relevant Departments and IR	Quarterly

Strengthening Disclosure

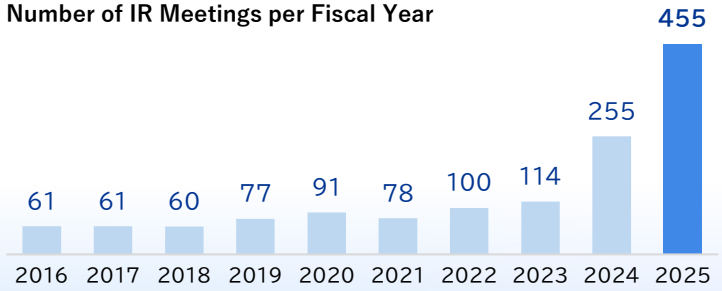
Starting in the second quarter of FY2/25, we have enhanced our financial presentation materials and, from FY2/26, we have established our growth pillar “IP & Anime Business” as an independent segment, facilitating a detailed visualization of our revenue structure.

In addition, in FY2/27, we have completely renewed our IR site to improve availability of information and convenience.

Investor Relations Meetings

With the expansion of our IR capabilities, the number of meetings held since the second quarter of FY2/25 has remained at a high level. We have received approximately 16,000 inquiries through dialogue, cumulative since the second quarter of FY2/25. Through the year, we further strengthened our system to quantitatively and qualitatively evaluate these inquiries and provide internal feedback.

Number of IR Meetings per Fiscal Year



(Note) Total from after full-year results through post-3Q-results meetings. One meeting = one case

Deepening Communication with Investors

In December 2025, we held our first investor studio tour, giving participants the opportunity to experience the filming sites and facilities of TOHO Studios, furthering the understanding of our business. In March 2026, we conducted a tour of TOHO Cinemas Oimachi, and in April we held a discussion session with sell-side analysts.

Participation in Domestic and International Conferences

We are active participants in conferences hosted by securities firms, with the aim of expanding our domestic and international investor base and deepening mutual understanding.

Overseas, in FY2/26, both of our Representative Directors participated in conferences in the North American, European, and Asian regions, explaining our growth strategies to institutional investors and engaging in active discussion. On top of this, in FY2/27, we held our first roadshow in North America, led by our President and CEO.

In Japan, the Representative Director and Executive Vice President and the IR team also participate in conferences hosted by securities firms, creating opportunities to engage with a broad range of investors and analysts across the country.

Section 03

Our Businesses

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Harnessing TOHO Group's Integrated Strengths to Deliver to People Everywhere

TOHO draws on the strengths of the Group to be deeply involved in every step from creative development to delivery across all its businesses. Leveraging the Group's capability for expansion, we work closely with our business partners to deliver the highest quality entertainment to our customers both in Japan and overseas. Going forward, we will continue to leverage the TOHO Group's comprehensive strengths, and by expanding our business across a wide range of entertainment-focused areas, we will strive to become an entertainment company loved by fans across the globe.

Creative development

TOHO Group's Rollout Capabilities

Film

- Creative development and production: 東宝
- Production: TOHO STUDIOS
- Distribution and publicity: TOWA
- Exhibition: TOHO CINEMAS
- Digital distribution | International distribution: TOHO intl., GKIDS, TOHO GLOBAL, ANIME LTD

IP & Anime

- Creative development and production: 東宝, TOHO animation
- Production: TOHO animation STUDIO, SCIENCE SARU, IGLOO STUDIO, Orange
- Publicity | Digital distribution | Events | Home entertainment | Music: TOHO MUSIC
- Merchandising | E-commerce: TOHO entertainment ONLINE | Retail: ゴジラ・ストア GODZILLA STORE | Gaming: TOHO Games
- International expansion: TOHO GLOBAL, TOHO intl., GKIDS, TOHO ENTERTAINMENT ASIA, TOWA PUBLISHING

Theater

- Creative development and production | Exhibition: 東宝, TOHO STAGES
- Merchandise | E-commerce: 東宝モール, TOHO STAGES STORE
- Digital distribution | Live-viewing: TOHO CINEMAS
- International expansion: 東宝, TOHO GLOBAL

Real Estate

- Planning and development: 東宝
- Rental operations: Chanter HIBIYA, TOHO STUDIOS, TOHO CINEMAS, 帝劇, シアタークリエ, 東京楽天地 TOKYO RAKUTENCHI GROUP, 東宝 TOHO RETAIL, TOHO CHOFU SPORTS PARK GOLF & TENNIS
- Facility management: 東宝 FACILITIES, SHICO, 東宝TBM 東宝ビル管理株式会社

TOHO-ONE

Improvement in Fan Engagement

Stronger Connections with Audiences Everywhere

IP Value Maximization

The Four Pillars of Our Business

Film

Strengths

Solid business foundation supports record-high box office revenue and continued leading market share

The greatest competitive advantage of the TOHO Group's film business lies in its integrated strengths, which enable it to handle the entire process in-house, from film development and production to theatrical release and secondary usage.

Concerning production, TOHO CO., LTD., which handles the development and production of Japanese films, leads the effort, while TOHO Studios Co., Ltd. provides a production environment that offers the highest standards in Japan. While pushing forward with the production of in-house projects, it is also working with its overseas group companies to advance the production and development of live-action projects aimed at a global audience, with the goal of strengthening its framework for creating high-quality content.

For distribution, in addition to TOHO CO., LTD.'s strong lineup of Japanese films, TOHO-TOWA Co., Ltd. and TOWA Pictures Co., Ltd. handle the import and distribution of foreign films. Furthermore, through TOHO NEXT, we are expanding the distribution of non-film content (ODS) and forging connections with new customer segments.

TOHO Cinemas Ltd. operates 76 movie theaters nationwide as of August 31, 2026. In addition to actively installing specialty theaters such as IMAX® and Dolby Cinema®, it provides the highest-quality viewing experiences through initiatives that include the rollout of a self-service mobile ordering system.

Leveraging these integrated strengths across production, distribution, and exhibition, the Group delivered mega-hits including *Demon Slayer: Kimetsu no Yaiba – The Movie: Infinity Castle – Part 1: Akaza Returns* and *KOKUHO*, helping drive domestic box office revenue to an all-time high.

These integrated strengths form the business foundation that allows TOHO to maintain an unshakable leading market share in the domestic film market.

Opportunities

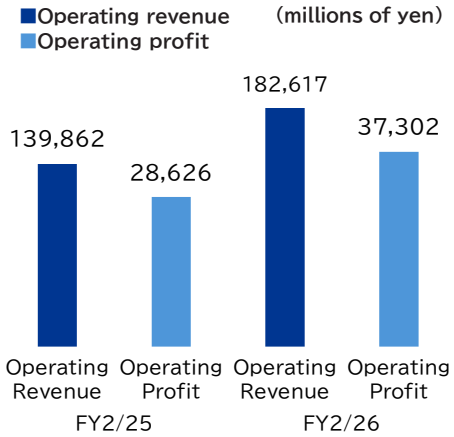
Expanding production and distribution globally and delivering a world-class viewing experience

On the production side, led by the Planning & Production Department, we are working to expand the production of in-house projects for both domestic and international markets, with the goal of producing approximately 10 films per year. In addition, the newly established Content Business Development Office is fostering the development of new businesses and the discovery and cultivation of creators.

With respect to distribution, in addition to our lineup of Japanese films, we will expand our selection of foreign films to distribute and, through our new label TOHO NEXT, deliver a diverse range of films to tap into new audience segments.

On the box office front, as well as opening new theaters in Oimachi and Sakae in Nagoya in 2026, the Company aims to provide a world-class viewing experience through the introduction of special-format theaters such as IMAX® and mobile ordering, with the goal of achieving annual Group box office revenue consistently exceeding ¥100 billion.

Performance for FY2/25–FY2/26



IP & Anime

Strengths

Maximizing IP value through integrated strengths, from development and acquisition to expansion across multiple platforms and markets in Japan and overseas

The greatest competitive advantage of the TOHO Group's IP & Anime business lies in its integrated strengths—the ability to create high-quality animated works through TOHO animation, create powerful IP such as the global Godzilla brand, and maximize IP value across all areas of the value chain. This strength has remained unchanged following the establishment of the IP & Anime business as an independent business segment.

With regard to creative development and acquisition, the Group is highly regarded by partner companies for its ability to handle a wide range of activities end-to-end as a single entity, from development and production to digital distribution and merchandising, leveraging the integrated strengths we have cultivated as a film studio. This has given us a strong competitive advantage when acquiring prominent source materials and promising content.

Our producing capability rests on two things: development skill that maximizes the appeal of the source material, and the promotional expertise we built as a film distributor, which lets us communicate what makes each title compelling. With animation studios such as Science SARU and TOHO animation STUDIO within the Group, we have built a structure that enables us to consistently create high-quality content for global audiences.

For business expansion, the Company leverages its domestic and international networks to manage a broad range of downstream rights and distribution channels, including streaming, merchandising, and gaming, beginning with theatrical release. In recent years, it has rapidly strengthened its direct overseas distribution capabilities by bringing companies such as GKIDS, a North American distributor, and Anime Limited, a U.K. distributor, into the TOHO Group.

By combining these producing and expansion capabilities into an integrated strength, we have built a global fanbase for titles and franchises such as *JUJUTSU KAISEN* and *Godzilla*. Rather than relying on one-off hits, this has enabled us to establish a recurring revenue base that generates sustained earnings and serves as a strong fourth pillar driving growth across the Company.

Opportunities

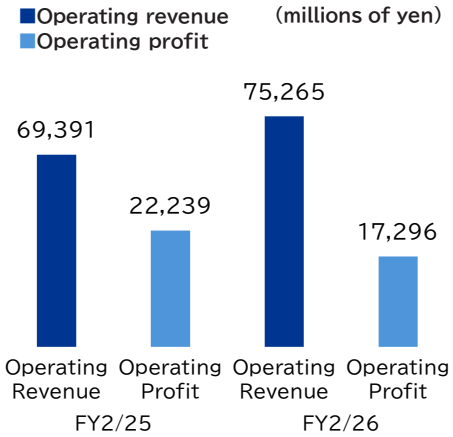
Driving revenue growth through expanded overseas operations, stronger merchandising, and an evolving fan business

Against the backdrop of the expansion of the global anime market, we will actively invest in the creation of content and IP and expand our production capabilities to ensure a stable supply of high-quality works.

Concerning business expansion, TOHO will not limit itself to the video business but will accelerate multifaceted initiatives such as the development of video games and merchandise based on Godzilla and anime IP, while also driving global expansion through its expanded overseas network.

Through TOHO-ONE, the new membership service launched in March 2026, the Group is unifying customer data that had previously been fragmented, delivering a seamless experience. By connecting directly with fans, we aim to maximize the value of our IP and achieve dramatic profit growth and a significant increase in the proportion of overseas sales.

Performance for FY2/25–FY2/26



The Four Pillars of Our Business

Theater

Strengths

TOHO Stage continues its evolution as a global theatrical brand, building on a foundation of high-quality theatrical productions in Japan

The greatest competitive advantages of the TOHO Group's theatrical business are its overwhelming brand power, epitomized by the Imperial Theatre, and its unwavering commitment to pursuing a "fusion of popular appeal and artistic excellence."

In addition to strategies aimed at maximizing the value of existing works such as *Les Misérables* and *Elisabeth*, TOHO has worked on a wide variety of productions, including ARENA LIVE performances of *Knights' Tale*, successful original musical adaptations of hit series like *Itaewon Class* and *The Twelve Kingdoms*, and the development of series based on *SPY x FAMILY* and *Kingdom*. It has built strong, trusting relationships with outstanding talent both in Japan and abroad. Furthermore, by owning its own flagship theaters, TOHO has established a unique operational structure that integrates everything from creative development and production to on-stage performances, and continues to provide extraordinary experiences for its audiences, transporting them into each production's world.

In recent years, the quality of these stage productions has also been highly acclaimed overseas. The stage production of *Spirited Away* followed its long run at the London Coliseum with major successes in Shanghai and Seoul. The three runs combined drew a total audience of over 550,000 people, demonstrating the solid potential for Japanese theatrical content to take flight on the world stage and paving the way for its global expansion.

This business goes beyond the pursuit of short-term profits and contributes significantly to the development of the performing arts and the preservation of culture in Japan. By continuing to stage high-quality productions over many years, TOHO not only attracts new audiences but also plays a vital role in nurturing talented creators and actors who will lead the next generation.

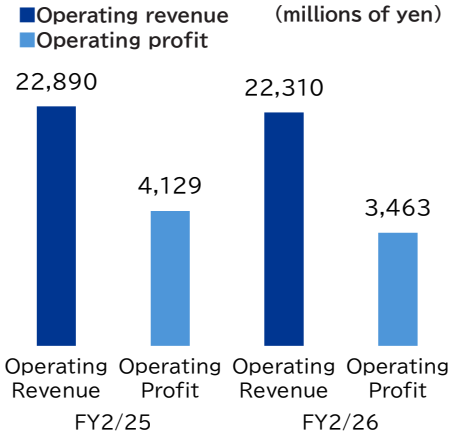
Opportunities

Looking ahead to the next generation of TOHO Stage, through multifaceted development and global expansion

Even during the closure of the Imperial Theatre due to its reconstruction, TOHO will maintain its revenue base by actively utilizing external theaters, launching the new membership service TOHO-ONE, and diversifying ticket pricing. At the same time, it will focus on developing original productions and maximizing the value of existing popular works, while also expanding multi-use development such as digital distribution and merchandising.

Furthermore, we will accelerate our global expansion, including overseas performances, and leverage the enhanced brand power of TOHO Stage to pave the way for the opening of the New Imperial Theatre.

Performance for FY2/25–FY2/26



Real Estate

Strengths

Our real estate business starts with real places and lifts the value of the communities around them

The greatest competitive advantage of the TOHO Group's real estate business lies in its ability to directly incorporate physical entertainment facilities, such as movie theaters and performance venues, into its own properties. TOHO manages both sides in-house: the physical spaces and the entertainment that brings them to life. These spaces then serve as the starting point for our own urban development and IP utilization, which is a key strength for us as an entertainment company.

TOHO currently owns approximately 130 properties nationwide, building a solid revenue base to support company-wide growth investments while also revitalizing local communities. The Godzilla Head in Shinjuku, an emblematic example of this approach, integrates a powerful IP with its own building, attracting visitors from both Japan and overseas. It brings renewed vibrancy to the area and contributes to the enhancement of its value as an outstanding tourist attraction.

This philosophy is the direct successor to the Hibiya "Film and Theater District," which originated from founder Ichizo Kobayashi's "Yurakucho Amusement Center Concept."

The ongoing joint redevelopment of the Imperial Theatre Building is an extremely important project that will carry this vision forward to the next generation.

While preserving the history of the Imperial Theatre—which has supported Japan's entertainment culture for over half a century—for the future through digital archiving and by reusing materials from the theater, we will promote sustainable value creation and unique urban development centered on a new theater of the highest international standard.

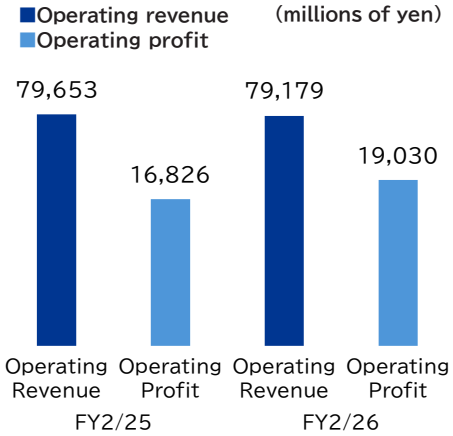
Opportunities

Portfolio optimization and acceleration of urban development integrated with entertainment

We will continue to optimize our property portfolio with the aim of maintaining our medium- to long-term revenue base and improving asset efficiency. With property prices remaining high, we will carefully select new acquisitions that offer potential synergies with the entertainment sector, while implementing measures to enhance the value of existing properties and sell properties with limited strategic value.

We will also steadily advance the joint redevelopment of the Imperial Theatre Building, our largest project, and, through the creation of a future entertainment hub and our unique approach to urban development, provide strong support for the Group's further growth.

Performance for FY2/25–FY2/26



Film Business



Setting a New Record at the Box Office and Diversifying the Lineup

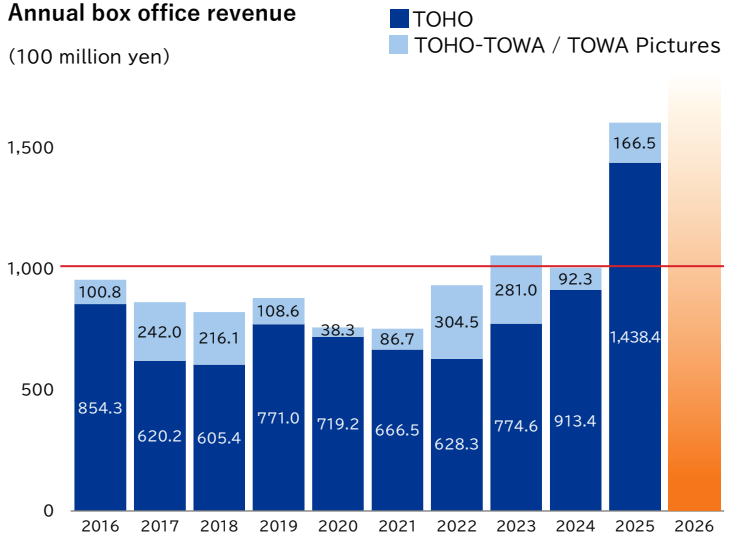
Taichi Ueda
Executive Officer
In charge of Production & Acquisitions,
Motion Picture Group, Entertainment Unit

Achieving record box office revenue

In the previous year, TOHO-distributed films generated total box office revenue of ¥143.8 billion, setting a new all-time record. Box office revenue for the TOHO Group as a whole exceeded ¥160 billion.

Annual box office revenue

(100 million yen)



Our animated releases delivered exceptional results, including *Detective Conan: Fallen Angel of the Highway*, *Demon Slayer: Kimetsu no Yaiba Infinity Castle*, and *Chainsaw Man – The Movie: Reze Arc*. In live action, *KOKUHO* achieved historic success, breaking the box office record for a Japanese live-action film for the first time in 22 years. By bringing the outstanding works created by our creators to audiences of all ages, four TOHO-distributed films each surpassed ¥10 billion at the box office in a single year. Moving forward, we will continue working together across the Group to enhance the moviegoing experience and pursue even greater achievements.

Building a pipeline of hits through strong partnerships

Strong partnerships are central to our ability to consistently deliver hit films. Our long-standing relationships of trust with the companies behind such enduring theatrical anime franchises as *Doraemon*, *Detective Conan*, and *Crayon Shinchan* are particularly important to us. Close collaboration with television networks is another key strength. Under this model, networks develop theatrical adaptations of nationally popular television dramas with their casts and creative teams, while TOHO handles distribution. These partnerships with creators and media companies enable us to generate a sustained pipeline of successful films rather than relying on isolated hits.

Future growth strategy

Creating original works and developing new IP

Alongside maximizing the value of our established content, we will make the creation of successful original works a key pillar of our growth strategy. TOHO-developed original films such as *1ST KISS*, released in February 2025, and *Dollhouse*, released in June of the same year, have already achieved success. Creating a hit from an original work without the foundation of an existing story or established recognition is exceptionally challenging. However, the experience and capabilities gained by bringing such projects to success will become a significant source of strength for TOHO in the years ahead. Maximizing the value of existing IP and creating compelling original works designed for the theatrical experience will serve as twin drivers of sustainable corporate value creation.



From left to right: Kobayashi, Okada, Ito

How TOHO's Marketing Teams Drove the Success of *KOKUHO*

A promotional strategy to keep audiences engaged

Naoki Okada Promotion Planning, Marketing Dept., Motion Picture Group, Entertainment Unit, TOHO CO., LTD.

For this film, we built the promotional campaign around the human drama of the *kabuki* actors rather than *kabuki* itself. Drawing on the wealth of expertise at TOHO, we rolled out a carefully coordinated campaign. In addition to an unprecedented level of publicity—including around 100 media announcements and promotional initiatives—we continued to generate interest after the film's release through measures such as IMAX screenings and a special New Year's Eve screening at the Kabukiza Theatre, helping to maintain momentum throughout its theatrical run. The film's exceptional quality and strong word of mouth were major factors in its success. At the same time, I believe the sustained promotional efforts undertaken in pursuit of the Distribution Department's box office targets also helped support its extended run. The Distribution Department was not alone in delivering strong results. The Production & Acquisitions Department and our North American partner, GKIDS, also made significant contributions, helping to lay the foundation for future overseas expansion.

Using data to maximize screenings

Tomohiro Ito Planning & Sales, Distribution Dept., Motion Picture Group, Entertainment Unit, TOHO CO., LTD.

Because the film runs for three hours, a single screen could accommodate only four showings per day. To address this constraint, we used accumulated audience data to negotiate with theaters for additional screenings during time slots when our target audience was most likely to attend. Ahead of the release, we also built anticipation by sharing reactions from sold-out preview screenings, together with a comment from Shuichi Yoshida, author of the original novel, who described the film as "a once-in-a-century masterpiece of performing arts cinema." After the release, weekly growth in attendance helped us maintain the number of screenings through the highly competitive summer vacation period. We also responded quickly to the growing buzz around the film, working with the Marketing Department to expand television advertising and produce a secondary audio commentary track. Overseas attention generated by news of the film's recognition at the Academy Awards further helped extend its theatrical run. I believe we were able to respond flexibly to a succession of increasingly ambitious targets thanks to the organizational strength we have built through our work on many productions.

Sustaining a long theatrical run through in-theater promotions

Miyuki Kobayashi Theatrical Promotion, Distribution Dept., Motion Picture Group, Entertainment Unit, TOHO CO., LTD.*

*Currently: TOHO Publicity Office, TOHO MARKETING CO., LTD.

Our theatrical promotion focused primarily on in-theater touchpoints, including trailers and lobby displays. Because we expected the film's audience to grow after its release, we negotiated with theaters to keep large promotional displays in place beyond their usual end date—the day before opening—and worked closely with the Marketing Department to produce and deploy a wide range of promotional materials. One particular highlight was a series of banners featuring messages tailored to each theater. These were well received by exhibitors and displayed prominently at many venues. Some theaters continued displaying promotional materials for more than six months, giving the film a sustained in-theater presence rarely seen even among long-running releases. Although the initiative required many exceptional arrangements, I believe this success will set a valuable precedent for future films.



Film Business





Understanding TOHO's Content Production Capabilities Through the Godzilla Franchise

Kazuaki Kishida
Strategic Development, Production & Acquisitions Dept., Motion Picture Group, Entertainment Unit, TOHO CO., LTD.

Carrying forward a legacy: Godzilla as a reflection of its time

Godzilla is a unique IP with a history spanning more than 70 years. Today, our approach to creative development is grounded in an understanding of the history and intentions behind the creation of Godzilla, as well as careful consideration of what we should portray now. There is a real sense that we are carrying forward the baton passed down by our predecessors. Godzilla also serves as a reflection of its time. The state of anarchy portrayed in *GODZILLA MINUS ONE* unexpectedly resonated with the COVID-19 pandemic and the changing global landscape. Godzilla's defining strength lies in its ability to naturally embody the spirit of each era, making it possible to create a fresh new work every time.

TOHO's strengths and the value of Japanese creativity

The role of a producer is to do everything possible to make a work a success, because that success helps create future opportunities for the cast and crew who brought it to life. What enables us to maximize the value of each work and drive its success is the collaborative strength of "All TOHO," with every function—from production, promotion, distribution, exhibition, and overseas expansion—working together across the Group. As we expand globally, what matters most is not imitating Hollywood, but pursuing forms of expression rooted in Japan's creative traditions. The unique culture and storytelling traditions that are part of our everyday lives are, from an international perspective, fresh and valuable assets. We believe that this distinctiveness is the key to connecting with audiences around the world.

Taking Godzilla into the next era

The greatest challenge in continuing to evolve Godzilla is connecting with the next generation of fans. As our core audience becomes increasingly established, reaching younger generations with a view to the next 20 years is essential. Going forward, we will actively explore new areas and create more opportunities for children to encounter Godzilla in their everyday lives. Now, as the IP enjoys unprecedented momentum, we will continue working together across the company to plant the seeds for the next era of Godzilla.

Strengthening theater and production infrastructure and solidifying the customer base

◆ New TOHO Cinemas openings

TOHO Cinemas Oimachi and TOHO Cinemas Nagoya Sakae opened. We introduced Dolby Cinema® (Oimachi) and IMAX® Laser (Nagoya Sakae) to provide high-quality viewing environments.



TOHO Cinemas Oimachi
Opened March 2026



TOHO Cinemas Nagoya Sakae
Opened June 2026

◆ Membership service TOHO-ONE →P.36

TOHO-ONE was launched, allowing for the centralized management of points across the TOHO Group's services, including movies, theater, shopping, and more.

TOHO-ONE

Service launched in
March 2026

◆ Production studio enhancement

A post-production center equipped with Dolby Vision® and Dolby Atmos® has been established at TOHO Studios.



Completed in December
2025

Creating World-Captivating Content and Driving Further Growth

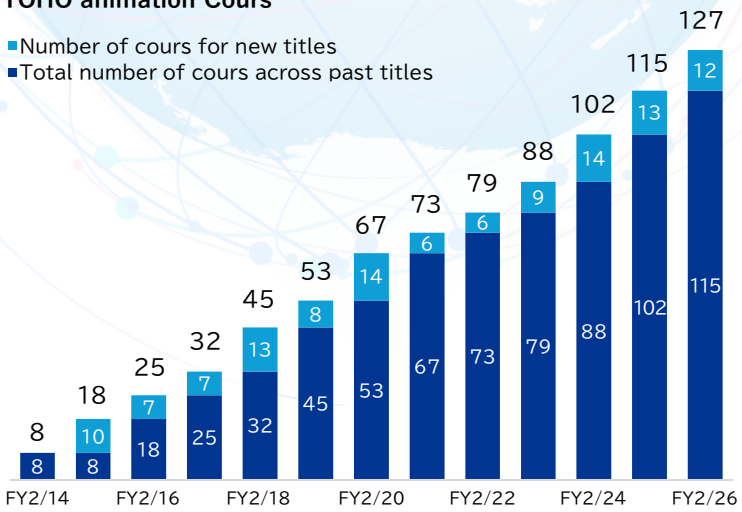
We launched TOHO animation in 2013, marking the start of our full-scale anime business, and from FY2025, established the IP & Anime business segment as the core of our growth strategy. Here we cover creative development, production, and rights management of TOHO animation titles, as well as the Godzilla licensing business.

Godzilla IP Market Size Approx. ¥55 billion	36 Partner Studios	IP & Anime Operating Profit Approx. ¥17.3 billion
30 Godzilla titles* *Japanese live-action films	Over 4.3 million TOHO animation channel subscribers	179+ Titles 127 TV Cours 51 Film Titles



IP

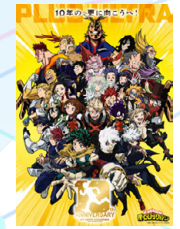
TOHO animation Cours



(Note) One cour is approximately 12 episodes.

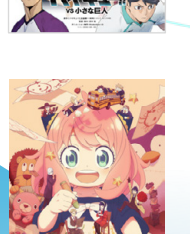


















Anime

TOHO animation Gains Momentum: Our Current Growth Strategy for the Anime and Game Business



Kazutaka Yamanaka Operating Officer in charge of TOHO animation IP & Anime Group, Entertainment Unit

Under TOHO VISION 2032, the TOHO Group has positioned anime as a "fourth pillar," following its film, theatrical, and real estate businesses. The anime market continues to expand globally, and expectations for our Anime Business have never been higher, as it is a key driver of future growth.

In FY2/26, operating revenue in the IP & Anime Business increased significantly, reaching ¥75.2 billion. This was largely driven by the strong performance of TOHO animation titles such as *JUJUTSU KAISEN*, *My Hero Academia*, *Haikyu!!*, *Frieren: Beyond Journey's End*, *SPY x FAMILY*, and *The Apothecary Diaries* across a wide range of uses in Japan and overseas. We also made steady progress in expanding our production capabilities, including the acquisition of Science SARU as a wholly owned subsidiary and capital alliances with companies such as Orange Co., Ltd.

Our goal is to achieve the ambitious target set forth in TOHO Mid-Term Plan 2028: by 2032, to increase operating profit in the IP & Anime Business to 200% or more of its level in FY2/25. To that end, our top priority in the Anime Business is strengthening production capabilities. We are significantly expanding TOHO animation's creative development and production capabilities as we continue to deliver high-quality titles to customers around the world. Our goal is to build a structure capable of producing 30 cours per year, supported by a team of 120 people, by 2032. We have already made progress by securing anime adaptation rights to a number of leading original works. We plan to deliver approximately 20 cours per year by 2028, and have already increased our staff to about 80 people. Our target of 30 cours per year should be understood as a measure of production capacity, not an end in itself. To avoid compromising quality, we will continue to work closely with talented creators and production studios both within and outside the TOHO Group. By strengthening our creative vision to fully bring out the appeal of the source material and by establishing mechanisms to encourage professional development, we aim to create titles that will be cherished for generations to come. In addition to GKIDS in North America, we have acquired Anime Limited in the U.K., establishing regional headquarters across Japan, Europe, North America, and Asia. Going forward, we will deliver directly targeted content and products to each region, advancing the localization and cultural adaptation of our IP and transforming it into long-term IP.

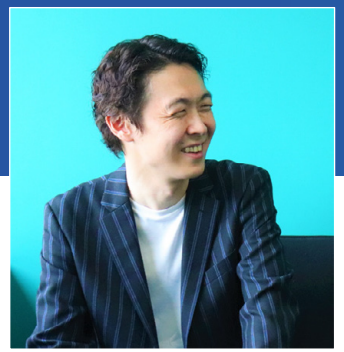
In game development, we will continue to focus our efforts on hit IP, including Godzilla and popular anime series from TOHO animation. In this highly competitive market, we will leverage our greatest strength—our deep understanding of each title's worldview and the appeal of its characters—while carefully assessing development scale and pursuing the optimal approach from a range of options, including collaborations. We prioritize quality that accurately reflects fan needs, rather than the number of titles. We aim to provide fans with experiences that go beyond anime and merchandise, while continuing to enhance the value of each IP as a whole. In FY2/27, we plan to release *Haikyu!! ALL Challengers* for smartphones in Japan.

We are also actively developing original IP, with the aim of bringing it to audiences from 2029 onward. While our focus is on original anime, we currently have several titles in development, including collaboration projects.

The TOHO Group's greatest competitive advantage has always been its creative vision. To ensure fans choose our anime, games, and merchandise, we must bring an added edge to our creative vision. By combining the creativity needed to bring out the best in each project with the TOHO Group's many integrated strengths, we will continue to create entertainment beloved by fans around the world.

TOHO animation STUDIO x TOHO animation

The Apothecary Diaries and the Road to Becoming a National Anime Phenomenon





Shushin Muramoto

Producer, Production Division, TOHO animation STUDIO Inc.

As an animation producer, Muramoto handles everything from creator recruitment to production coordination, overseeing every stage of the production process.

Takanari Iwata

Producer, Planning Anime Division, TOHO animation, IP & Anime Group, Entertainment Unit, TOHO CO., LTD.

As a production producer, Iwata drives and coordinates the project as a whole, including setting the strategic direction for the title.

Iwata The first season of *The Apothecary Diaries* received tremendous support from viewers, particularly on streaming platforms. 2026 will be the biggest year in the project's history, with the third season and theatrical film rolling out in tandem. Our goal is to elevate the series into a title embraced by the entire country across generations.

Muramoto I joined the project for the theatrical film, and my top priority is to carefully build on everything achieved through the first two seasons. The theatrical film features an all-new episode written exclusively by the original author, Natsu Hyuga, and the team's primary focus is bringing director Norihiro Naganuma's vision to the screen as faithfully as possible.

Iwata We are deeply grateful to the original author, Natsu Hyuga, and Imagica Infos Co., Ltd. for their continued and tremendous support of the anime adaptation. I believe this theatrical release is designed to be enjoyable even for first-time viewers.

Muramoto Exactly. I feel confident that audiences will find this film genuinely entertaining—mystery elements and all.

Iwata After the second season finished airing, we announced the third season and theatrical film, and the excitement from fans was unforgettable. To coincide with the theatrical release, we are deepening fan engagement through nationwide touring exhibitions and collaborations with local governments. Because TOHO animation STUDIO (TaST) leads on-the-ground production for the theatrical film, while OLM does the same for the TV series, we producers at TOHO animation (Ta), on the publisher side, can focus on the business side.

Muramoto It is a real advantage to have both production and publisher functions within the Group. Compared to partnering with external companies, we can discuss from the outset, in clear terms, what we can and cannot do. That trust within the Group ultimately leads to more polished projects. I believe the ideal role of a production company is to focus on making great films.

Iwata My role involves coordinating the production committee and developing business strategies to ensure the project reaches a wide audience and maximizes its revenue potential. Since part of my job is to serve as a liaison between the production team and the production committee, I am in close contact with Mr. Muramoto. Has the environment changed since you first started working in anime?

Muramoto Things have changed dramatically over the past 17 years. I think everyone enters the anime industry with the goal of creating great anime. However, because not all companies have well-established working environments, the loss of talent has sometimes hindered the growth of production companies. At TaST, we aim to achieve both: great works and a great company.

Iwata When I visit the TaST office, I see young creators working together in a friendly, relaxed atmosphere, and I get a sense of how open and welcoming the environment is. We often see young creators from TaST making headlines for directing or creating opening sequences for other companies' works.

Muramoto TaST respects creators who hone their skills by working on projects for other companies. I believe a culture that embraces this kind of fluidity—allowing people to bring back insights gained from the outside—is ultimately what underpins the quality of titles like *The Apothecary Diaries*.

Iwata We have already launched several joint projects between TaST and Ta, and we plan to continue strengthening our production structure to leverage Group synergies.

Growth Strategy 1 IP & Anime | Godzilla Special Feature



Hidehiko Hotta

Operating Officer
In charge of Godzilla and Products & Licensing,
IP & Anime Group,
Entertainment Unit; General Manager,
Products & Licensing Dept.,
IP & Anime Group, Entertainment Unit

From Visual Content to IP: Enhancing the Value of the Godzilla Brand Through Multi-Use Development

Godzilla Strategy: Maximizing IP Value and Accelerating Global Expansion

To strengthen the business development of the Godzilla IP, for which TOHO holds 100% of the rights, we have expanded and reorganized the former Godzilla Room into the Godzilla Department. By establishing four divisions within the department—the Creative Development, Marketing, Licensing, and Merchandising Divisions—and staffing them with specialized personnel, we have deepened collaboration with each business unit and enabled rapid decision-making. Through our merchandising expansion, we have grown our retailer network to cover all 47 prefectures in Japan and are also expanding overseas locations. Limited-edition products, particularly those tied to major events such as Godzilla Fest, performed well, with merchandise sales for the fiscal year ended February 2026 reaching 183% of the previous year's level. In addition, the Godzilla Card Game, released last July, continues to sell worldwide, with cumulative shipments exceeding 2.45 million packs, making it a cornerstone of the fan community.

In the attractions domain, we have produced the new Godzilla the Ride: Great Clash. We are exploring opportunities for global expansion into regions such as Asia and the United States. In addition, the Godzilla Monument installed at Haneda Airport Terminal 3, the gateway to Japan, serves as an iconic photo spot welcoming visitors to Japan, contributing to stronger brand appeal and increased awareness among inbound tourists.

In our store strategy, alongside expanding suburban stores in Japan, we will leverage the April 2026 reopening of the newly renovated GODZILLA STORE Umeda and the grand opening of GODZILLA STORE Hakata to raise lifetime value through ties with the TOHO-ONE membership program. In film and gaming, we will continue to strengthen the presence of Godzilla IP across the board.



The Full Picture of Multi-Use Development

To further expand our Godzilla business, we will create an environment where fans, including younger audiences, can engage with the IP every day. Approximately ¥15 billion will be invested over the next three years, through 2028. We will integrate our comprehensive portfolio—including film, merchandise, events, retail, and games—to build a global ecosystem centered on Godzilla. This will enable us to accelerate the sustained enhancement and monetization of IP value on a global scale, ensuring that growth is not merely a passing trend.

Godzilla-Related Topics for 2026

Month	Milestone
January	Godzilla Science Exhibition
May	Godzilla Card Game Festival Spring 2026
June	Godzilla Expo in Fukuoka
July	Godzilla: The Art Exhibition at Kobe Artists Museum
November	Godzilla Fest 2026
November	Release of the film *GODZILLA MINUS ZERO*

GODZILLA STORE Openings in 2026

Month	Milestone
January	GODZILLA STORE Malaysia
April	GODZILLA STORE Hakata
April	GODZILLA STORE Umeda (newly relocated and renovated)
September	GODZILLA STORE Nagoya

The Long-Awaited Release of *GODZILLA MINUS ZERO*

With the decision to release the film almost simultaneously in Japan and North America, we expect a dramatic expansion of its international fan base. For the IP business, this film represents a prime opportunity to further cultivate overseas markets and capture inbound spending by international visitors to Japan. We will cultivate new fan bases domestically while further energizing existing fans, thereby taking the global presence of the Godzilla brand to the next level.



Growth Strategy 2 Overseas



Beyond Distribution: A Sustainable Growth Strategy to Maximize IP Value in Global Markets

Koji Ueda
Operating Officer in charge of International Business, Entertainment Unit
President and Representative Director, TOHO Global Inc.

Overseas Growth Strategy

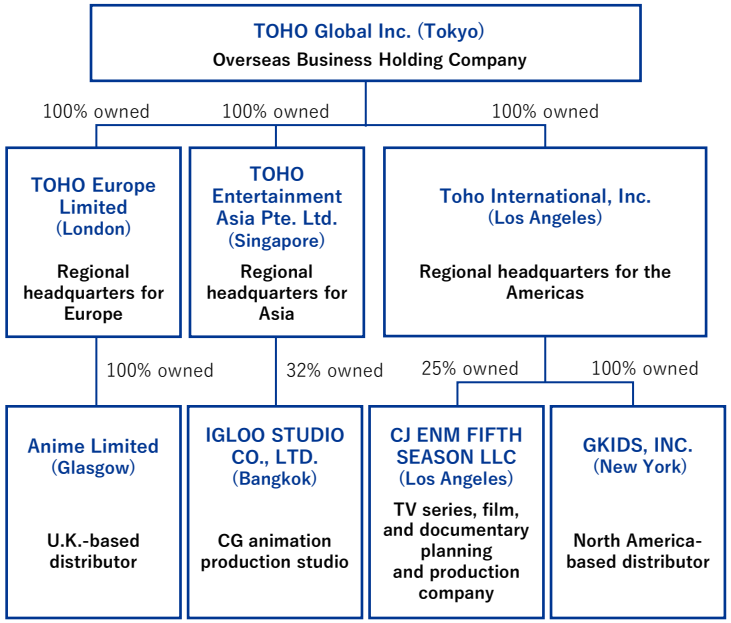
The global landscape has changed far more dramatically than anyone could have imagined since TOHO first launched its international business.

To address differing legal and tax frameworks around the world, we have established local companies and built a solid regional foundation. Going forward, however, the key to our international expansion lies in seamless collaboration across these organizations.

Our mission extends beyond simply bringing our stories to audiences around the world. Our true goal is to maximize the value of our IP through merchandising and a wide range of related business opportunities. Expanding our global fan base while increasing lifetime value (average spend per fan) will be the key to our sustainable growth.

As part of this strategy, in 2025 we welcomed U.K.-based distributor Anime Limited into the Group and established TOHO Europe Limited as our regional headquarters for Europe.

Major Overseas Group Companies



The biggest reason we chose GKIDS and Anime Limited as partners was not simply to expand our distribution network, but because they have the ability to build deep, trusting relationships with Japanese creators. I also believe that one of the TOHO Group's greatest strengths is its publicity and marketing capabilities, which always put creators' intentions first. They deeply understand and embody our culture and our creator-first philosophy.

Going forward, we will continue bringing together the strengths of each organization and regional base across our international business while strengthening collaboration among them, enabling us to deliver outstanding entertainment to fans around the world.

November 2026 Release of *GODZILLA MINUS ZERO* in Japan and the U.S., with Near-Simultaneous Releases in Other Markets

As we accelerate our international strategy, *GODZILLA MINUS ZERO*—arriving three years after the hit *GODZILLA MINUS ONE*—will be released in Japan on Tuesday, November 3, 2026 (a national holiday), followed by its North American release on Friday, November 6. Distributed by GKIDS, which joined the TOHO Group in 2024, the film represents a new international strategic initiative that leverages the Group's North American distribution network.

The film is also scheduled for near-simultaneous release across Latin America, Europe, Asia, the Middle East, Australia, and New Zealand during the same week.





Bringing Japanese Anime to Every Corner of Europe: Creating New Value and Embracing New Challenges with TOHO

Andrew Partridge Founder, Anime Limited and Chief Content Officer, TOHO Europe Limited

The Founding of Anime Limited

When I founded Anime Limited in 2013, only Studio Ghibli films and a handful of anime series were readily available in Europe. The diverse range of Japanese anime that fans truly wanted had yet to reach the market. I founded the company driven by a passion to build a new market alongside those fans.

The first major turning point after our founding came with *Your Name.*, which we distributed in partnership with TOHO. It became the first original anime film to surpass £500,000 at the U.K. box office, demonstrating the tremendous potential of anime.

We built on that momentum with the distribution of *GODZILLA MINUS ONE*. With box office revenue exceeding £2.7 million, it became the highest-grossing Japanese live-action film ever released in the U.K., which was a truly historic achievement.

It proved that outstanding titles can succeed without the backing of a major distributor and laid the foundation for our joining the TOHO Group.

Our Alignment with the TOHO Group

The greatest synergy from Anime Limited joining the TOHO Group lies in our ability to manage and advance the entire value chain—from TV series and films to events and merchandising—under a single, unified strategy. Equally important is our ability to adapt the successful strategies developed by Toho International and GKIDS in the U.S. to the unique characteristics of the European market.

By building on the strong relationships we have built with local anime fans over many years, I believe we can serve as a bridge between the TOHO Group and the European market, contributing to sustainable growth.

Future Outlook for the European Anime Market

Compared with the U.S., Europe's anime market has limited marketing resources, and rights to individual titles have traditionally been fragmented across multiple companies. As a result, building IP brand value across Europe has been extremely challenging. To address this challenge, we are accelerating a title-led approach under which we manage every stage in-house—from initial IP promotion through to merchandising and other secondary uses. The European anime merchandise market is still in its infancy, but we see tremendous opportunity in developing this emerging market from the ground up and building a new supply chain to accelerate our business growth.

In addition to deepening our presence in key markets such as the U.K. and France, we also see significant untapped demand in emerging markets across Eastern Europe, including Poland.

Going forward, through carefully tailored localization strategies that reflect the unique characteristics of each market, we aim to introduce outstanding IP to new fans while delivering a consistent brand experience, driving sustainable growth and enhancing corporate value across Europe.

Growth Strategy 2 Overseas Initiatives in Each Overseas Region

Europe

TOHO Europe Limited

- TOHO Europe Limited established in the U.K. as a regional headquarters and key hub for our European strategy (December 2025)
- Strategic partnership with PLAION PICTURES expands distribution and streaming of TOHO titles across Europe beyond the U.K. and France (December 2025)

Anime Limited

- Acquired Anime Limited and strengthened operations in the U.K. and France

Asia

Toho Entertainment Asia

- Securing a series of merchandise licensing agreements across Southeast Asia
- Opened GODZILLA STORE Taipei and GODZILLA STORE Malaysia (September 2025, January 2026)
- Entered into a strategic partnership with SCLA to advance the GODZILLA IP licensing business in mainland China (July 2025)



IGLOO STUDIO

- Development of a new anime series is underway



North America

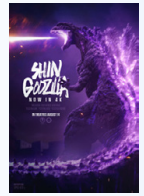


Toho International, Inc.

- Strong sales of Godzilla Blu-rays and apparel at Godzilla Store U.S.
- Strong sales of apparel and related merchandise featuring *JUJUTSU KAISEN*, *My Hero Academia*, and other titles at TOHO animation STORE U.S.
- For *GODZILLA MINUS ZERO*, scheduled for release in November 2026, we aim to build on the heightened IP value of *GODZILLA MINUS ONE* and surpass its overseas box office and merchandise sales

GKIDS, INC.

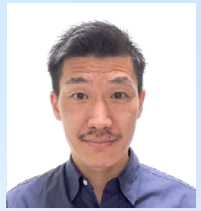
- Released the 4K remastered version of *Shin Godzilla* in North America. Released *KOKUHO* and *Hypnosis Mic: Division Rap Battle*
- The theatrical compilation *JUJUTSU KAISEN: Execution -Shibuya Incident x The Culling Game Begins-* was a hit. Worldwide box office revenue, including Japan, reached approximately ¥6.5 billion (as of March 2026)
- Handling North American distribution of *GODZILLA MINUS ZERO*, slated for release in November 2026





Employee Insights

Toho International, Inc. (TI), the TOHO Group's regional headquarters for the Americas, works alongside U.S.-based GKIDS, INC. to bring Japanese content, primarily Godzilla and anime, to audiences across the Americas, with the goal of serving as a bridge between local fans and Japanese creators. With *GODZILLA MINUS ZERO* scheduled for release in November 2026 and the Hollywood film *Godzilla x Kong: Supernova* following in March 2027, TI intends to further strengthen its merchandising, licensing, and e-commerce businesses centered on Godzilla.



Takemasa Arita
President CEO
Toho International, Inc.

Employee Insights

TOHO Entertainment Asia Pte. Ltd. began operations in Singapore in November 2024. As a strategic hub in the rapidly growing Asian market, we are developing a diverse range of businesses, including licensing and merchandising, centered on IP such as Godzilla and major anime titles. We will also serve as a hub for identifying emerging trends across Asia and implement marketing tailored to each country and region, with the aim of strengthening fan engagement and maximizing the market value of our IP.



Tatsuya Ishizu
CFO
TOHO Entertainment Asia Pte. Ltd.



Yoshito Hiramatsu
Director,
TOHO Digital Lab.,
TOHO CO., LTD.

What is TOHO Digital Lab.?

TOHO Digital Lab. is the organization within TOHO CO., LTD. that leads the creation of new value through digital technologies. It comprises three divisions: the Growth Marketing Division, which oversees communication and marketing strategies centered on TOHO-ONE; the Product Operations Division, which develops systems and manages the membership platform; and the Data & Service Development Division, which leverages integrated data to solve business challenges and develop new services and AI solutions. Our mission extends beyond conventional system management and operational efficiency. By harnessing the power of digital technology, we aim to expand the reach of TOHO Group's businesses and create new value.



TOHO-ONE official character **Chibi ONE**

The Path to 10 Million Members: A Growth Strategy Powered by the TOHO-ONE Customer Platform

Background to Development and Business Challenges

The TOHO Group launched TOHO-ONE in March 2026, but the origins of the project date back to the COVID-19 pandemic. When our physical touchpoints—our greatest strength, including cinemas and theaters—were restricted, we faced a major business challenge: we had no direct means of communicating with our customers. We believed that building a direct customer platform was essential for expanding the market—not only by enriching the two-hour experience of a movie or the three-hour experience of a stage production, but also by seamlessly connecting entertainment experiences before and after those moments to deepen customer engagement. This conviction became the driving force behind the project.

Maximizing Return on Investment and Pursuing Enterprise-wide Optimization

While adopting an existing third-party loyalty point system was one option, we concluded that without owning our own customer platform, we could neither fundamentally solve our business challenges nor maximize customer value. We therefore made the strategic decision to invest in developing our own platform. The initiative initially faced internal opposition, and integrating the long-established operational processes and systems that had been optimized independently within each business unit required extensive discussion.

Eventually, we rallied behind a shared vision: not to create another points program, but to deliver uniquely TOHO entertainment experiences that leverage the strengths of our cinema, theatrical, anime, and other businesses. This alignment ultimately led to the successful launch of the service. Going forward, we will encourage cross-use across theaters, commercial facilities, retail, online stores, and games, raising the baseline performance of the TOHO Group as a whole.

Advancing Marketing Through Data Utilization

Data accumulated through TOHO-ONE will primarily be used to advance our marketing capabilities. Data is an exceptionally powerful asset in marketing. For example, while we previously lacked visibility into the customers who purchased merchandise or programs, we will now be able to identify which customer segments purchase which products and when. By feeding these insights back into each business, we can improve product planning, promotional effectiveness, and the quality of business decision-making. Over time, this will enable us to develop products and services tailored to specific member segments, creating new opportunities for diverse content and service offerings.

Digital Strategy TOHO-ONE

Membership Plans and Customer Value

The membership program offers three plans designed to maximize customer value.

Points accumulated through eligible purchases—including movie tickets at TOHO Cinemas, stage tickets, merchandise, dining at Hibiya Chanter, and more—can be redeemed for purchases at a value of one yen per point or exchanged for exclusive TOHO experiences through Point Rewards.
Paying members* enjoy enhanced benefits, including the ability to redeem 240 points for a ¥2,000 TOHO Cinemas movie ticket, representing an effective return of approximately 16%.

In addition to free movie tickets, members can exchange their points for a wide range of rewards, including popcorn, theatrical programs, entries into prize drawings for special tours of TOHO Studios, and anime merchandise. Members also enjoy a variety of other benefits, such as early access to movie tickets from 9:00 p.m. three days before the screening and discounted admission every Tuesday on Member Day. The Premium Plan, available for an annual fee of ¥3,000, offers further benefits, including advance entry into ticket lotteries for stage productions and musicals, as well as complimentary access to the digital edition of Monthly Pia. TOHO-ONE serves as a comprehensive platform that enables fans to engage more deeply with the entertainment delivered by TOHO.

*Available to members enrolled in a paid plan: the Premium Plan, Standard Plan, or Standard Plan (Saison).

Three Membership Plans

The Ultimate Entertainment Experience!	**Premium Plan**	Annual Fee ¥3,000 tax included
Movies at the Heart of Your Entertainment!	**Standard Plan**	Annual Fee ¥500 tax included
Entertainment Made Easy!	**Light Plan**	Free

Earn TOHO Points

Premium Plan / Standard Plan
per 100 yen (tax included) **2 points**

Light Plan
per 100 yen (tax included) **1 point**

Earn points based on your spending across TOHO Group theaters, stores, ticket purchases, and other eligible services.

Up to an effective 16% return

Use TOHO Points

All plans
1 point = **1 yen**

Redeem your points for tickets and merchandise purchases.

Exchange TOHO Points

Premium Plan / Standard Plan

Point Rewards

Redeem your points for a variety of products, services, and exclusive experiences.

- **Movie Ticket Reward** 240 points (standard adult ticket)
- **Popcorn (S)** 90 points
- **Premium Seat Upgrade** from 20 points

Future Growth Vision

We have established a milestone of reaching 10 million members by 2032, and will continue creating new value by executing the growth roadmap developed to achieve this goal.

Looking ahead, we envision a platform where customers and TOHO can collaborate to create entirely new forms of entertainment and content together. By evolving TOHO-ONE into an entertainment platform made possible by bringing customers together, we aim to contribute to the TOHO Group's sustainable growth and long-term enhancement of corporate value.





TOHO-ONE



Theatrical Business

Building on the Heritage of the TOHO Stage Brand and Striving for Further Growth

The Second Imperial Theatre, which has been a source of countless moving moments since its opening in 1966, temporarily closed its doors on February 28, 2025, amid widespread regret. We are currently moving forward with plans for the third-generation Imperial Theatre, designed by architect Tetsuo Kobori.

While the Imperial Theatre is closed, we are presenting our productions at various alternative venues. The musical *Knights' Tale: ARENA LIVE*, which was staged at the Tokyo Garden Theater in August 2025, attracted attention for its unprecedented scale in an arena seating over 6,000 people. Similarly, the musical *Les Misérables: World Tour Spectacular*, which was staged at Tokyu Theatre Orb in August 2025, marked the first time this production had been invited to perform overseas. The musical *Elisabeth*, which marked the 25th anniversary of its TOHO premiere, successfully concluded its run in four cities across Japan.
We continue to focus on developing new works, and new productions such as the musical *Itaewon Class* and the musical *The Twelve Kingdoms: Shadow of the Moon, Shadow of the Sea* have been well received. In addition, we have produced the second installments in several series, such as the stage play *Kingdom II: Far and Away* and the musical *SPY x FAMILY 2.*



As part of our marketing initiatives, with the launch of the TOHO Group-wide loyalty program TOHO-ONE, we are exploring new approaches to customer service and working to expand our audience of TOHO Stage fans.

Enhancing Our Global Presence

Following its 2024 run in London, the stage production of *Spirited Away* has accelerated its international expansion onto Asian stages. Following the success of the Shanghai performances in the summer of 2025, from January to March 2026, we staged the largest production in the history of Korean theater at the Seoul Arts Center Opera House in Seoul, South Korea, featuring a Japanese cast performing in Japanese. The audience response was overwhelming. It sold out every performance, setting a new record and showcasing the quality of TOHO Stage to the world. The cumulative attendance for this piece in these three overseas cities exceeded 550,000 people.



In addition, we took the musical *Nodame Cantabile*, which was staged at Theatre Creation in 2023, on tour as a symphonic concert, performing not only at the Tokyo Garden Theater but also at the Taipei Music Center, marking a new step in our overseas expansion.

We intend to continue focusing on international expansion and strive to enhance the presence of TOHO Stage.

Employee Insights



Junichi Tsukada
Producer Planning & Production Div.
Theatrical Dept.
Theatrical Group
Entertainment Unit
TOHO CO., LTD.

Knights' Tale was first staged at the Imperial Theatre and has been revived numerous times. Even during the theater's temporary closure, the production never stopped moving forward; under the direction of John Caird, alongside an international creative team and Japanese cast, orchestra, and staff, it has expanded its horizons through a new format called ARENA LIVE.

Also, the musical *The Twelve Kingdoms: Shadow of the Moon, Shadow of the Sea* successfully adapted a novel that was said to be difficult to bring to the stage, remaining faithful to the original work and drawing on the theatrical expertise TOHO Stage has cultivated over the years. I'm delighted that so many customers enjoyed it.

We hope to continue staging the various TOHO Stage productions we hold dear, while also launching new productions and initiatives.

Real Estate Business

TOHO Studios Launches New Stage Project

Since its predecessor, the Photochemical Research Institute, was founded in 1932, TOHO Studios has a history spanning approximately 100 years. Construction is currently underway on the site to build new stages, the first since 2010.

The new venue will feature two stages—each approximately 900 square meters, making them the largest in the country—along with support facilities such as production offices and cast rooms. Stage construction isn't simply a project to build a big box. To make a stage more versatile in various ways, we need to carefully consider every detail. Designers, contractors, and operators are pooling their expertise to move the project forward by, for example, optimizing the layout of equipment to maximize the usable area for filming and thoroughly ensuring soundproofing quality to minimize the impact on nearby residential areas.

Once the new stages are completed, we plan to lease them to Netflix for several years. We view this collaboration with the company, which operates one of the world's largest digital distribution services, as an opportunity to promote the TOHO Studios brand both domestically and internationally and to showcase our studio as a film production hub open to the world. For this reason, this project aims not only to pursue profitability as a real estate business venture but also to contribute to the growth of the entire Group.

The plan also reflects our commitment to sustainability, including the planned use of electricity generated using hydrogen power technology.



Conceptual rendering of the new stage

Creating IP Touchpoints Through the Real Estate Business

A key focus of TOHO's real estate business is creating physical touchpoints for its IP and contributing to increased awareness of that IP.

As part of that initiative, the commercial facility Hibiya Chanter, operated by TOHO, contains TOHO entertainment STORE. We sell merchandise related to film, theater, anime, Godzilla, and other TOHO IP, and our products have been very popular.

In addition, at the Godzilla Head at the Shinjuku TOHO Building, which is bustling with tourists every day, we created a tourist map highlighting Godzilla-related landmarks in the Shinjuku area and installed wall advertisements featuring QR codes to direct visitors to those locations.

Through these initiatives, we not only contribute to the IP business, but have also succeeded in enhancing its customer appeal as a real estate business, generating synergies with other operations.



TOHO entertainment STORE, inside Hibiya Chanter

Employee Insights

The business environment surrounding the real estate business has become extremely challenging due to soaring construction costs. Even in this business environment, we are moving forward with several redevelopment projects, and we are increasingly encountering situations that require a different approach than before. We are able to move forward with our redevelopment projects by working on them with new construction companies we haven't done business with before and by leveraging synergies with our entertainment business.

Going forward, we intend to further strengthen our collaboration with each business unit within the Group and explore a unique approach to the real estate business that is specific to our company.



Takayuki Nakashima

Chief Manager
Development
Corporate Real Estate Dept.
Corporate Real Estate Group
TOHO CO., LTD.

Section 04

Sustainability

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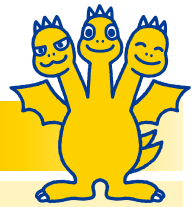
TOHO Group Sustainability Policy

Sustainability Policy

The TOHO Group is committed to harnessing the power of entertainment—through its values of vivacity, modesty, fairness, and grace—to help build a society where everyone can enjoy rich, full lives.



Materiality: The TOHO Group's Four Material Issues and Action Goals



Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

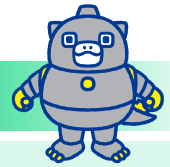
- Build a diverse, energetic organization regardless of gender, career background, age, nationality, or disability
- Promote health-oriented management and encourage internal communication to enhance well-being



Material Issue 02 Modesty

Promoting environmentally friendly business practices that are protective of our planet

- Reduce CO_2 emissions through the use of renewable energy and other means to achieve decarbonization
- Solve environmental issues by using materials with less environmental impact in business activities, reducing waste, etc.



Material Issue 03 Fairness

Respecting human rights and fostering a constructive and fair corporate culture

- Create environments where all customers can enjoy entertainment without exclusion
- Respect the human rights of all stakeholders and maintain systems that enable the sustainable delivery of "inspiring entertainment"



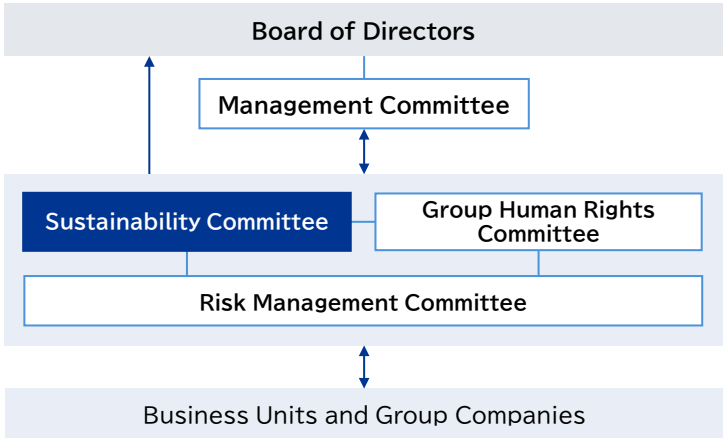
Material Issue 04 Grace

Creating a rich film and theater culture for the next generation

- Contributing to Japanese film and theater culture by preserving original film materials, carrying forward theatrical works, and protecting intellectual property rights
- Cultivate audiences and future talent by providing formative cultural experiences for children and supporting and nurturing creators

Sustainability Promotion Framework

We have established a Sustainability Committee to identify risks and opportunities related to the TOHO Group' s four material issues and to monitor progress. The committee' s discussions are reported to the Board of Directors, which determines and oversees group-wide sustainability policies and confirms progress.



Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

Human Resources Strategy



Strengthening Talent Acquisition

Under TOHO Mid-Term Plan 2028, we identified strengthening talent acquisition, enhancing talent development, and redesigning our HR systems as key people-related initiatives. First, in talent acquisition, we have set a target of hiring approximately 200 people over three years. In FY2/26, we hired approximately 120 people in total, comprising both new graduates and experienced professionals, and made steady progress in strengthening our talent base. In our 2026 graduate recruitment, all candidates who received offers accepted them. In mid-career recruitment, in addition to hiring experienced professionals, we also began recruiting candidates without prior industry experience. We believe we are successfully securing the people needed to support future business growth, including diverse, high-potential talent and highly specialized professionals.

Enhancing Talent Development

In talent development, we introduced a new e-learning platform that enables employees to learn independently. In addition to mandatory programs linked to promotion requirements, we offer optional courses that employees can select based on their own career aspirations and interests. Participation has been strong, and we believe this is helping to foster a culture of continuous learning. We view training as a key component of our investment in human capital and have doubled training expenditure compared with the previous year. Going forward, we will further strengthen initiatives to develop future executive candidates and management talent who will play a central role in leading the organization.

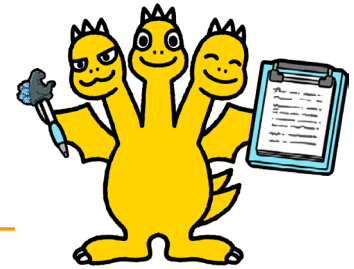
Redesigning Our HR System

In June 2025, we also introduced a new HR system. The redesign moves away from a uniform, seniority-based framework. Guided by the principles of Growth, Ownership, and Well-being, it is intended to support employee development and self-directed career building while increasing employees' confidence in and acceptance of the system through greater transparency and fairness. Under the new system, we raised compensation to market-competitive levels. As part of our efforts to support self-directed career development, we also introduced an Internal Recruitment System. Employees across a wide range of age groups applied, and selected applicants were successfully transferred to new roles. The Human Resources Department also conducted interviews with all employees to gather feedback on the workplace environment and understand their career aspirations. Although the interviews were intended to create a more supportive workplace and promote career ownership, they also revealed that a growing number of employees were struggling to balance work with caregiving responsibilities. In response to this feedback, we revised our caregiving support policies. Introducing an HR system is only the beginning. The key lies in how effectively it is implemented and managed over time. We are committed to advancing these initiatives while placing great importance on dialogue with employees, as we work to build an organization where diverse talent can thrive.



Material Issue 01 Vivacity **Creating a healthy work environment where everyone feels valued for their contributions**

- Build a diverse, energetic organization regardless of gender, career background, age, nationality, or disability
- Promote health-oriented management and encourage internal communication to enhance well-being

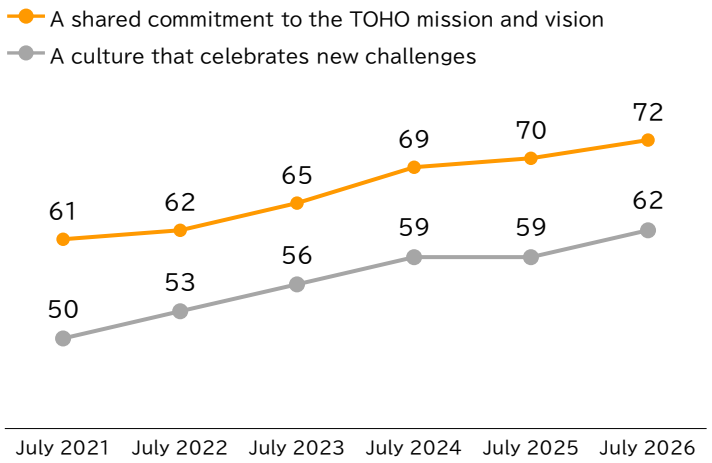


Strengthening Employee Engagement

Commitment to Engagement

At the core of the TOHO Group's People & Culture Strategy is its vision of creating "a fulfilling workplace where inspiration comes full circle." As one of its material issues for sustainability, the Group is also committed to creating "a healthy work environment where everyone feels valued for their contributions." We view these as essential organizational foundations for the shared growth of both individuals and the company.

TOHO Engagement Score Trends



(Note) Wevox score

Initiatives in FY2/26

Through our monthly employee engagement survey, conducted since 2021, we promote dialogue across the organization based on survey results while continuously improving our workplace culture. In the July 2026 survey, the priority indicators of "a shared commitment to the TOHO mission and vision" and "a culture that celebrates new challenges" reached record-high scores of 72 and 62, respectively, demonstrating steady improvement.

We regard the survey as the organization's "thermometer." In April 2025, we introduced AI-powered analytics to help identify early signs of organizational issues, creating an environment that enables management to respond quickly and effectively. We also provided division heads with feedback on employee stress check and engagement survey results and created opportunities to discuss the direction of future initiatives. In addition, the Human Resources Department and the Corporate Communications Department have established a joint administrative office to provide tailored support to each division and deliver multifaceted feedback through cross-analysis of engagement survey and stress check results.

Executive Compensation Linkage / Executive Training Session

We also conducted an employee engagement workshop for executives to identify current organizational challenges and redefine the role that management should play in addressing them.

Using the latest survey data, we analyzed employee characteristics, their level of alignment with our mission, and other key findings, while holding in-depth discussions on the specific initiatives our leadership team should implement.

Furthermore, to reinforce the effectiveness of our employee engagement initiatives, we have established an employee engagement score as one of the performance indicators for the performance share units granted to directors, clearly demonstrating management's commitment to strengthening organizational capabilities.

Going forward, we will continue to implement a wide range of initiatives to enhance employee engagement, fostering a workplace where every employee can take pride in their work and thrive.

Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

Strengthening Employee Engagement

TOHO CHALLENGE AWARD 2025

Since 2023, TOHO has held the TOHO CHALLENGE AWARD to recognize initiatives by each division and foster a culture that celebrates challenge. Now in its third year, the award accepted entries not only from divisions, but also from individuals and project teams. Winning teams were selected through evaluations by the President and Vice President, together with employee voting. At the awards ceremony, winners were honored and presented with commemorative gifts, making for a truly festive occasion. Through this initiative, TOHO celebrates employees' proactive challenges across the Company, regardless of scale.



At the TOHO CHALLENGE AWARD 2025

Moments Cafe

TOHO launched Moments Cafe to foster dialogue between management and employees and deepen understanding of the Group's new slogan. Through small-group conversations over meals centered on unforgettable moments in life and work, this initiative encourages participants to share diverse perspectives that might otherwise remain unseen in their day-to-day work. By rediscovering shared values and unexpected sides of one another, it fosters mutual understanding and strengthens connections across departments and organizational levels.

These conversations also provide opportunities for employees to personally connect with the "Moments for Life" that TOHO aspires to create.



Inside Moments Cafe

Employee Insights

Now more than ever, as our workforce and business continue to expand, we are planning and implementing a wide range of initiatives to foster smooth communication among employees and create a healthy workplace with high levels of engagement.

Many of our employees are united by a strong passion for entertainment. Through these initiatives, we will continue to bring employees together by connecting their shared passion, fostering meaningful relationships, and creating a workplace where everyone can thrive.



Yu Murayama

Public Relations
Corporate Communications Dept.
Corporate Management Group
TOHO CO., LTD.

Invitations to Theatrical Performances for Employees

The TOHO Group invites employees to attend selected theatrical performances to deepen their understanding of the theatrical business and create opportunities to experience the entertainment it delivers. Firsthand experience with the productions created by the TOHO Group deepens employees' understanding of the business and gives them a tangible sense of the inspiration and excitement we bring to audiences.

Material Issue 01 Vivacity Creating a healthy work environment where everyone feels valued for their contributions

Strengthening Employee Engagement

Company-wide Meeting

Since 2024, TOHO has held company-wide meetings where senior management communicates the Company's management policies and business outlook directly to employees. In 2025, the second company-wide meeting was held at Hulic Hall Tokyo, formerly the Nihon Gekijo (TOHO Cinemas Nichigeki), with participation expanded to employees across the TOHO Group. Approximately 1,500 employees attended the event, including those joining via livestream. The event opened with the premiere of a corporate video conveying the message that the work of TOHO Group employees empowers and inspires people in their lives. President Matsuoka then unveiled the Group's new slogan, "Moments for Life." By sharing the background and aspirations behind the new slogan, President Matsuoka reaffirmed employees' sense of unity across the TOHO Group and strengthened their shared commitment to the Company's corporate philosophy. Following the meeting, a networking reception provided employees with opportunities to connect across departmental and Group company boundaries.



Group Photo from the Company-wide Meeting

Corporate Philosophy Training for New Graduate Employees

TOHO provides a special training program designed to deepen new graduate employees' understanding of the Company's corporate philosophy and the businesses of the Hankyu Hanshin Toho Group. The program includes an off-site training retreat featuring visits to the Ichizo Kobayashi Memorial Museum, the Takarazuka Grand Theater, and other Hankyu Hanshin Holdings facilities, as well as locations associated with the Company's founder, Ichizo Kobayashi. Through these visits, participants gain a deeper understanding of the vision behind TOHO's founding and how it has been reflected in our Group slogan. The retreat also includes joint training with new graduate employees of Hankyu Hanshin Holdings, fostering stronger relationships among participants and laying the foundation for future Group-wide collaboration.

TOHO Employees Appear as Extras in the Film *Soon, It's Farewell* Employee On-Set Experience Program

To enhance employee engagement and deepen understanding of the film business, TOHO launched the Employee On-Set Experience Program. As the first initiative under the program, employees participated as extras in the film *Soon, It's Farewell* (Japanese: *Hodonaku, Owakaredesu)*, released on Friday, February 6, 2026. Participants experienced not only how film production works but also the passion and dedication required on set. Participants also attended preview screenings during the editing process, observed stage greetings, and took part in promotional planning meetings that included opportunities to interact with the producers, further deepening their understanding of and appreciation for the film business.

Employee Insights

The idea for this project came from the 2024 town hall meeting, where I heard a wide range of perspectives from colleagues working outside the Motion Picture Group. It made me wonder whether we could create opportunities for employees to experience the work of other departments and foster greater mutual understanding between them. In addition to appearing as extras during filming, participants actively shared their feedback on the film while it was still in post-production, as well as on promotional materials such as posters and trailers. Their contributions made this an extremely valuable initiative. If similar opportunities become available in other departments in the future, I would be delighted to participate myself.



Yu Inagaki

Chief Manager
Strategic Development
Production & Acquisitions Dept.
Motion Picture Group
Entertainment Unit
TOHO CO., LTD.

Strengthening Employee Engagement

TOHO University: An In-House Corporate University

Since 2022, TOHO has operated TOHO University, its in-house corporate university, to foster employee growth and enhance engagement through shared learning experiences among participants. Guided by the themes “Inspire,” “Reframe,” and “Transform,” the program invites top innovators from diverse fields as lecturers and has offered a wide range of courses. Past speakers have included Sang-il Lee, director of the film *KOKUHO*. The curriculum continues to expand each year. In 2025, author Yoko Ogawa, best known for *The Housekeeper and the Professor*, gave a special lecture titled “The Imperial Theatre Through My Research” to commemorate the publication of her novel set in the Imperial Theatre during its temporary closure. Employees also serve as lecturers, providing valuable opportunities to share their expertise across the Company. In particular, TOHO University has created valuable opportunities for mid-career hires to build connections with one another, making it a highly effective onboarding initiative. In the TOHO Mid-Term Plan 2028 announced in April 2025, “enhancing talent development” is identified as one of the key pillars of TOHO’s people and organizational strategy. As a key initiative supporting this goal, we are developing a talent development program centered on TOHO University.



Director Sang-il Lee gives a talk



Employee presentations



Writer Yoko Ogawa gives a talk

Implementation and Promotion of Our e-Learning System

In conjunction with the restructuring of our training system following the June 2025 overhaul of our personnel system, we introduced an e-learning system to promote self-directed career development and consolidate knowledge dispersed across the organization. More than just a learning tool, we are positioning the system as a platform where employees can proactively acquire skills and enhance each other’s knowledge, thereby accelerating the development of employees who embody the TOHO spirit and demonstrate creative vision.

Employee Insights

The growth of our people is essential as the source of TOHO’s continued business growth. To achieve this, we believe it is essential to strengthen off-the-job training alongside on-the-job training. Our goal is not only to provide company-led training, but also to create an environment where employees can learn independently whenever they choose. To support self-directed independent learning, we have introduced a new e-learning system. Looking ahead, we also envision expanding TOHO University into a comprehensive learning platform. By leveraging these platforms, we aim to cultivate employees who embody the TOHO spirit and demonstrate creative vision, enabling employees to learn from one another while delivering inspiration to audiences around the world.



Kojiro Okabayashi

Human Resources Strategy
Human Resources Dept.
Corporate Management Group
TOHO CO., LTD.



Material Issue 01 Vivacity Creating a healthy work environment where everyone feels valued for their contributions

Health Management

The Hogaraka Health Approach

At TOHO, we are undertaking a wide range of initiatives to realize our material issue of creating a vibrant and healthy workplace where everyone can thrive.
Believing that the physical and mental well-being of our employees forms the foundation for the growth of both our people and the company, we follow the Hogaraka Health Approach, TOHO's own distinctive approach to health and well-being.

Organizational Chart

Chief Promotion Officer	Representative Director, President & CEO	Hiro Matsuoka
Head of Promotion	Representative Director, Executive Vice President	Nobuyuki Tako
Promotion Lead	Operating Officer	Yoko Matsuura
Promotion Secretariat	Work Style Promotion Office Human Resources Department Corporate Management Group	



Goals and Current Status

Under our Hogaraka Health Approach, we focused on four areas in FY2/26: mental care and workplace fulfillment, lifestyle improvement, health checkups, and working practices. Although we fell short of some of our numerical targets, we are fostering an environment where employees can work while maintaining both physical and mental well-being through a multifaceted set of initiatives. In FY2/27, we will review the results and challenges identified through these initiatives and formulate our next plan, which will contribute to the sustainable enhancement of corporate value.

	Indicators (FY2/26 Targets)	2023	2024	2025
Mental care Job satisfaction	1. Engagement survey "health score" of 50 or higher across all workplaces (max. score: 100) 2. Employees absent for more than one month due to mental health issues: 0	1. 72/84 sections achieved target (March 2024) 2. 16 people	1. 75/94 sections achieved target (March 2025) 2. 9 people	1. 90/104 sections achieved target (March 2026) 2. 12 people
Lifestyle improvements	• Proportion of employees with an exercise habit equivalent to walking for one hour a day: 60%	• 47.3%	• 50.0%	• 52.3%
Health checkups	• 70% of employees with no abnormal blood lipid levels/BMI following dietary improvements	• Blood lipids 64.8% BMI 60.7%	• Blood lipids 63.1% BMI 57.9%	• Blood lipids 76.7% BMI 58.7%
How we work	1. Average monthly overtime per employee: 22.2 hours (5% reduction from 2019) 2. Days of annual paid leave taken: All employees to take 12 days or more	1. Monthly average 24.9 hours 2. Acquisition rate 39.4%	1. Monthly average 25.2 hours 2. Acquisition rate 32.1%	1. Monthly average 23.5 hours 2. Acquisition rate 25.3%

Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

Health Management

At TOHO, we believe that advancing health and well-being management in a sustained manner enables us to make a lasting contribution to our employees' health. In line with our Employee Health Statement, which outlines our efforts to create a workplace where employees are healthy in mind and body and empowered to realize their full potential, we will continue to drive forward initiatives that are both sustainable and impactful.

Mental Health

To build an organizational culture where employees can fully utilize their abilities and work with peace of mind, TOHO formulated its "Three-Year Mental Well-being Plan" in 2025 and is comprehensively strengthening its mental health initiatives.

We designated the first year as the "Awareness" phase and focused on disseminating the knowledge that forms the foundation of this initiative. Specifically, we compiled a Mental Health Information Guidebook for all employees and management, outlining guidelines ranging from preventing mental health issues to preventing their recurrence. Through this guidebook, we have worked to build a foundation where everyone can go about their daily lives with peace of mind by fostering mutual understanding regarding medical leave and returning to work.

Currently, our top priority is to translate this knowledge into practical skills that can be applied on the job.

In these initiatives, we recognize a lack of knowledge regarding workplace adaptation as a result of increased mid-career hiring, as well as a lack of understanding about self-care and line management support when long working hours occur, as key challenges. We aim to foster a culture in which each individual is aware of their own mental well-being and those around them are sensitive to these changes and support one another. Another major objective is to enhance psychological safety through bottom-up dialogue in the workplace. To enhance its effectiveness, we will focus on the following three measures.

Sharing Insights from Specialists	Through ongoing lectures, we will further deepen our understanding of mental health issues.
Remote Training for All Employees	We will establish a common language for self-care and mutual support to foster a culture where we can support one another.
Role-Play Training for Managers	Through simulated experiences, participants will develop the ability to recognize changes in their subordinates and hone their practical dialogue skills.

Physical Health

At TOHO, we are encouraging the establishment of self-directed exercise habits with the goal of "building a body capable of sustaining high performance over the long term, rather than just temporary bursts of energy." To date, we have organized step-counting ranking events using apps, introduced "exercise on the go" initiatives in the workplace, and distributed regular health information. In FY2026, we will continue these existing initiatives, hold trial sessions at partner gyms on a quarterly basis, and organize walking events designed to be enjoyable and accessible.



Posters that contribute to internal awareness campaigns



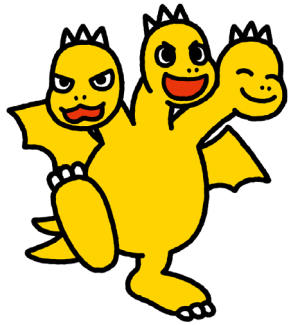
Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

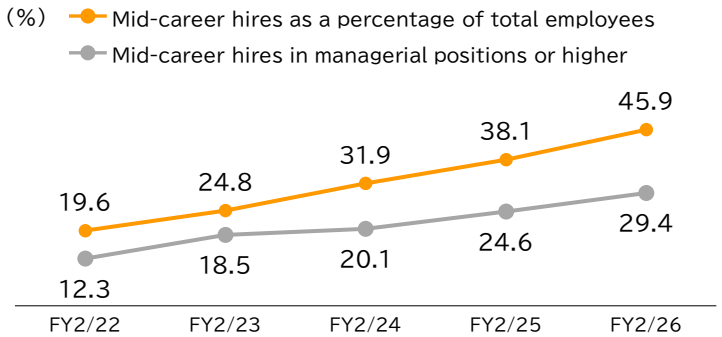
Diversity, Equity & Inclusion

Mid-career Hiring

In the TOHO Mid-Term Plan 2028, “strengthening talent acquisition” is identified as one of its key strategies for achieving sustainable growth. In particular, we believe it is essential to expand and strengthen our recruitment of individuals with diverse values and advanced expertise gained outside the Company, and we have therefore focused our efforts on mid-career hiring. In FY2/26, we accelerated the recruitment of mid-career professionals in our Content & IP, Digital, and Overseas businesses. At the same time, we actively promoted talent mobility across group companies to create synergies that support business expansion, resulting in the hiring of 98 employees. Since we began our mid-career recruitment efforts in earnest in 2022, we have gradually expanded hiring of professionals from diverse backgrounds. As of the end of February 2026, mid-career hires accounted for 45.9% of our total workforce. Diversity within leadership has also continued to increase, with employees hired through mid-career recruitment accounting for 29.4% of management positions at the section manager level and above. Going forward, we will continue to actively recruit talent, targeting approximately 200 hires—including both new graduates and mid-career hires—over the next three years, through 2028. At the same time, we are creating an environment where diverse employees can leverage their individual strengths and perform to their fullest potential through revisions to our HR systems and onboarding initiatives. We are committed to building an inclusive organizational culture and an optimal talent portfolio as we move toward our next stage of growth.



Mid-career Hiring Trends



Employee Insights

Several years have passed since our efforts to hire mid-career professionals ramped up in 2022 with the goal of bringing people with diverse backgrounds and perspectives into the TOHO Group. I have personally seen our corporate culture become more diverse in a positive way as we continue to evolve.

To realize the vision of “Scaling Excellence” outlined in the TOHO Mid-Term Plan 2028, it is essential that we respond swiftly to changes in the business environment while further refining our recruitment strategy.

We will continue to pursue strategic recruitment initiatives with the aim of creating an environment where every employee can thrive and realize their potential.



Kosuke Takahashi

Human Resources Strategy
Human Resources Dept.
Corporate Management Group
TOHO CO., LTD.

Mid-career Recruitment Networking Events

Since 2025, TOHO has hosted networking events for employees hired through mid-career recruitment who joined the Company at different times, providing opportunities to learn about the Company as a whole and build connections with peers across the organization. Through these networking events, we hope to build a corporate culture that promotes a deeper understanding of the Company and enables a diverse workforce to build cross-departmental networks by providing a forum for sharing challenges and experiences across departments, based on stories shared by senior employees.



Mid-career Recruitment Networking Events



Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

Diversity, Equity & Inclusion

Closing the Gender Gap

TOHO has been actively deploying initiatives to close the gender gap, and as of the end of February 2026, the percentage of women in management positions stood at 19.4%. Although we fell just short of our initial target of 20%, the figures have been steadily improving. In the new action plan formulated in March 2026, we have set a new goal of achieving a ratio of at least 30% female managers by February 28, 2031, with the aim of further increasing the proportion of women in management positions. In addition, paternity leave is becoming firmly established among male employees. While maintaining a high paternity leave utilization rate, we have also set a new target for the number of days of childcare-related leave and promote initiatives that encourage practical participation in childcare tailored to each family's circumstances. Furthermore, in line with our commitment to respecting diverse family structures, we will continue our efforts to extend benefits, including wedding gifts, to include common-law spouses and same-sex partners. As an organization that leverages the diversity of its workforce as a strength, one that scales excellence, we are committed to fostering a workplace environment where everyone can thrive with a positive attitude.

Actual*1

Ratio of male to female employees*2

Men	Women
62.5%	37.5%

Women in management positions*2 (%)

Those in positions at the section chief level or higher within the organizational structure

19.4%

Take-up rate of parental leave among male employees*2 (%)

Percentage of leave taken

87.5%

Gender pay gap*2

Permanent employees

81.6%

*1 Figures for TOHO. *2 As of February 28, 2026

New KPIs*1

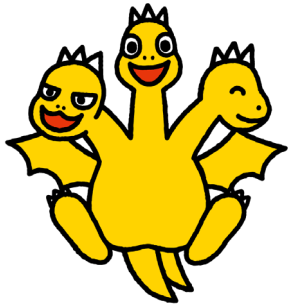
Plan of Action for General Employers, under the Act on the Promotion of Female Participation and Career Advancement in the Workplace
(by February 28, 2031)

KPI 1	Increase the percentage of female workers among those in managerial positions to 30% or more
KPI 2	Reduce the average number of overtime hours per month for employees to less than 10 hours

Plan of Action for General Employers under the Act on Advancement of Measures to Support Raising Next-Generation Children
(by February 29, 2028)

KPI 1	Achieve male employee take-up rate for parental leave and other leave of 70% or higher, and also ensure those taking only childcare-related leave take at least 3 days.
KPI 2	Reduce the average number of overtime hours per month for employees to less than 12 hours

Conducting a Survey on DEIB Awareness



At TOHO, the workplace environment is changing significantly amid workforce growth, more diverse ways of working, and the introduction of a new personnel system.

To date, we have been working across several areas in an effort to promote Diversity, Equity, and Inclusion (DE&I), including analyzing quantitative indicators such as the percentage of female managers and the rate of paternity leave taken, as well as facilitating flexible work arrangements and various measures to support work-life balance. Going forward, in order to further accelerate DE&I and move it to the next stage, it is essential not only to strengthen our institutional frameworks but also to visualize and improve employees' perceptions and shifts in mindset. Therefore, at the end of 2025, we conducted our first internal awareness survey focused on DEIB, incorporating the new "B (Belonging)" perspective.

We will go beyond simply closing the gender gap and use the findings of this survey to take the next steps toward building an environment where all diverse talent is valued and employees can fully realize their potential.



Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

Diversity, Equity & Inclusion

Employment of People with Disabilities

TOHO Initiatives

Employment rate of people with disabilities*1
1.80%

In addition to creating employment opportunities for people with disabilities, TOHO is committed to fostering a workplace where every employee respects diversity. The workforce grew rapidly as TOHO increased graduate and mid-career hiring under its Mid-Term Plan launched in FY2025. As a result, the employment rate fell below the statutory requirement. We will continue working to expand employment opportunities for people with disabilities and create a workplace where they can feel secure and supported.

Universal Manners Certification

Starting FY2025, TOHO has introduced the Universal Manners Certification Level 3*2 for all executives and employees. Conducted in-person and through active discussion, the certification course equips participants with the awareness and practical skills to engage in respectful and appropriate ways with people from diverse backgrounds, knowledge they can then apply to their daily work.



During the course

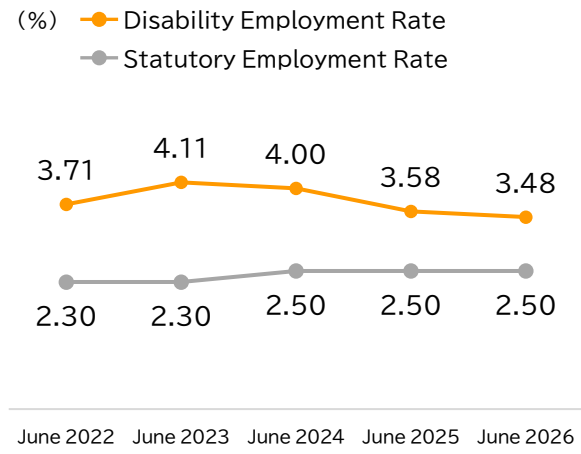
TOHO Group Initiatives

TOHO Cinemas

Employment rate of people with disabilities*1
3.48%

TOHO Cinemas actively promotes the employment of people with disabilities. Since 2008, it has continued initiatives aimed at expanding employment opportunities across its theaters nationwide, and in 2026 achieved an employment rate of 3.48%, significantly exceeding the statutory employment rate. At each theater, regular meetings are held with employees with disabilities to discuss goals, review their work, and carefully identify any challenges they may face in the workplace. Based on these discussions, the theaters, TOHO Cinemas headquarters, and local employment support organizations work closely together to support continued employment. Through these efforts, TOHO Cinemas seeks not only to broaden opportunities for social participation, but also to support professional growth through practical work experience.

Trends in Disability Employment Rate and Statutory Employment Rate



TOHO Facilities

Employment rate of people with disabilities*1
3.06%

TOHO Facilities promotes the employment of people with disabilities, achieving 3.06%, exceeding the legally mandated rate. Many employees with disabilities have contributed to the company and built successful careers at TOHO Facilities. Recruitment is not limited to specific positions. TOHO Facilities actively hires for a wide range of roles based on each individual's abilities and aptitudes.

*1 As of June 1, 2026
*2 The Universal Manners Certification is administered by Mirairo Inc. and provides a structured program for learning and developing both the mindset and practical actions required to engage with people with disabilities, older adults, and others from diverse backgrounds.

Material Issue 01 Vivacity

Creating a healthy work environment where everyone feels valued for their contributions

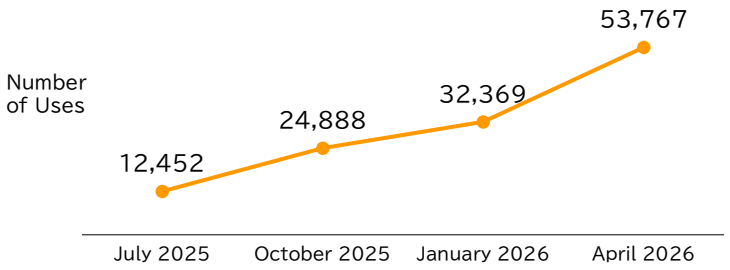
Flexible Working Practices

Working the TOHO Way

How We Work

At TOHO, we are gradually introducing AI services to transform the way we work and create a workplace where employees can stay healthy, energized, and thrive. Following the Company-wide rollout of standard generative AI services in 2024, TOHO established the AI Solution Promotion Office in October 2025 to promote their widespread adoption. Through interviews with each business division, the office identifies employee needs and flexibly selects and adjusts the AI tools best suited to each use case, helping build a business support system that meets those needs. In daily operations, AI has significantly reduced the burden of time-consuming routine tasks, such as preparing meeting minutes and presentation materials, as well as translation work related to overseas expansion. This helps create an environment where employees can approach their work with greater mental and physical well-being, while maximizing individual performance and improving productivity. Since their introduction, usage of standard AI services has continued to rise steadily, and the foundation for using AI in daily operations is steadily taking shape. Going forward, we will continue to use AI to reduce workloads and unlock employee performance, creating a workplace where everyone can work with health, energy, and purpose.

Trends in Generative AI Usage



Employee Insights

As TOHO works to expand the scale of its business, improving each employee's productivity has become an urgent priority. To promote operational efficiency through AI, we are currently conducting AI proof-of-concept (PoC) initiatives in collaboration with our business divisions.

At the same time, we are committed to preserving and passing on the human expertise that lies at the heart of TOHO's competitiveness. We are also ensuring that AI complements—not replaces—human expertise by identifying where people and technology can work most effectively together. We will position AI as a partner that brings out the best in our people, helping drive the sustainable enhancement of corporate value.



Aya Kaneko

AI Solution Promotion Office
Information Technology & System Dept.
IT Promotion Group
TOHO CO., LTD.

Where we work

●TOHO Hibiya Building 5F Entrance

We renovated the entrance area on the fifth floor of the TOHO Head Office. The renewed space features logo displays and video monitors that communicate TOHO's philosophy and businesses, encouraging communication both inside and outside the Company.



TOHO Hibiya Building 5F Entrance

●T-SPACE: A Group Company Workspace

In October 2025, a new workspace for TOHO Group employees also opened on the third floor of Hibiya Chanter. The space is designed to strengthen connections across the TOHO Group and foster new business collaboration and ideas.



T-SPACE



Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**

- Reduce CO_2 emissions through the use of renewable energy and other means to achieve decarbonization
- Solve environmental issues by using materials with less environmental impact in business activities, reducing waste, etc.

Climate Change

Climate-related disclosure

The TOHO Group recognizes that addressing climate change—including the adaptation to global warming and the promotion of decarbonization—is one of the most critical social issues related to sustainability. Our recognition is grounded in global agreements such as the Paris Agreement and the commitment to the 1.5°C target established at COP26.

Addressing our material issue of environmentally friendly, clean business activities and appropriately responding to climate change is an essential foundation for sustainably conducting business and continuously delivering entertainment to customers worldwide. We believe that assessing climate-related risks and opportunities and integrating response measures into our business strategy helps enhance corporate value and advance a more sustainable society. We are committed to TCFD-based disclosure and to building resilient management practices that support a sustainable global future.

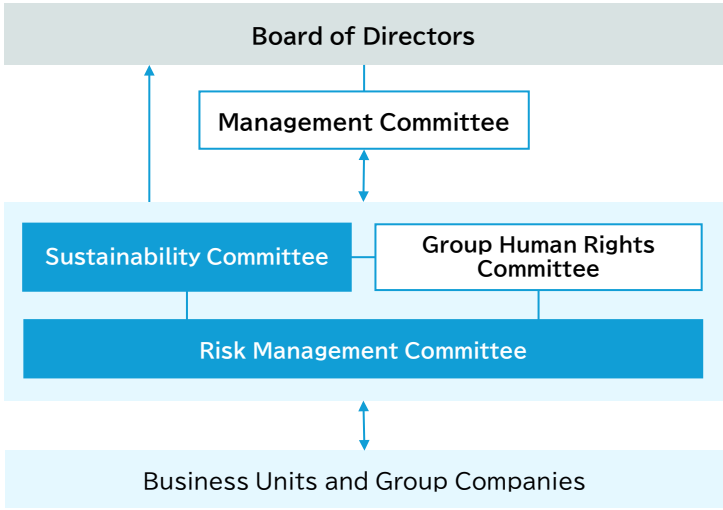
Governance

The TOHO Group's Board of Directors meets once a month to set and oversee group-wide climate policy and to monitor progress. On the executive side, a Sustainability Committee has been established under the Management Committee and comprises the same members. Chaired by the President & CEO, the committee identifies climate-related risks and opportunities, develops risk management structures, sets targets and initiatives for decarbonization and energy efficiency, and tracks progress. Discussions and outcomes of this committee are reported to the Board of Directors.

Under the Performance Share Unit (PSU) program introduced in conjunction with the TOHO Mid-Term Plan 2028, the CO_2 emissions reduction rate has been established as one of the performance indicators. We aim to ensure that the program provides an appropriate incentive for our officers—including executive directors and operating officers—to take action toward achieving the target.

Risk Management

The TOHO Group has established a Risk Management Committee chaired by the President & CEO, in accordance with its Risk Management Framework (see TOHO Group Risk Management Framework on →P.86). This governance framework also encompasses the identification, evaluation, and management of climate-related risks and opportunities. Identified climate-related risks are reported to the Sustainability Committee and, following deliberation, material risks are escalated to the Board of Directors.



(Note) In this report, the term "renewable energy" refers to electricity derived in substance from renewable sources, achieved through the use of non-fossil certificates with tracking.



Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**

Climate Change

Metrics and Targets

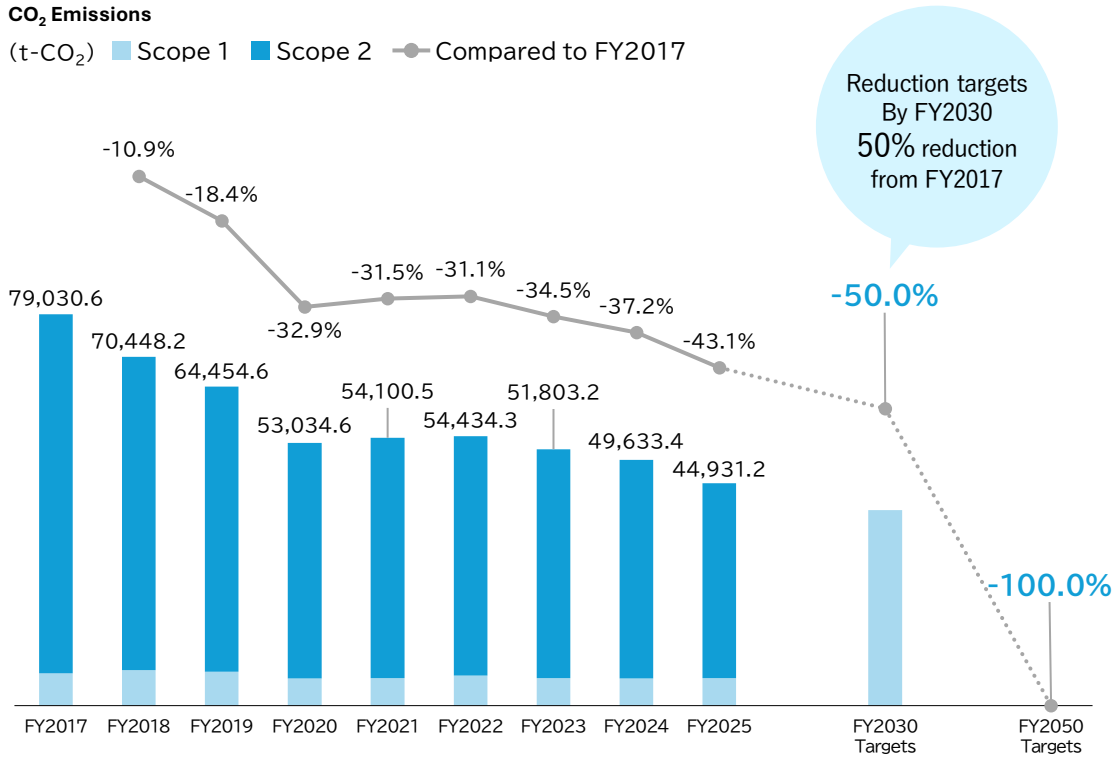
The TOHO Group recognizes energy consumption associated with its business activities, such as movie theater operations and lease of land and buildings, as our major climate-related risk. In response, we are promoting the introduction of renewable energy →P.55 and obtaining environmental certification for our properties, →P.57 working to reduce CO_2 emissions with a focus on this key indicator.

We have set a target to reduce Scope 1 and 2 CO_2 emissions by 50% from FY2017 levels—the highest in recent years—by FY2030, and to achieve net-zero emissions by FY2050. We are currently monitoring progress towards these targets each period, and the most recent fiscal year's CO_2 emissions (Scope 1, 2) amounted to 44,931.2 t-CO_2. Compared to the baseline year, we have steadily achieved a reduction of 43.1%, and we are on track towards our reduction targets. Details are as follows:

Unit: t-CO_2

Scope	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Scope 1	6,529.0	7,186.9	6,841.5	5,460.0	5,534.4	6,042.8	5,547.8	5,483.8	5,589.5
Scope 2	72,501.6	63,261.3	57,613.1	47,574.6	48,566.1	48,391.5	46,255.4	44,149.6	39,341.7
Scope 1+2	79,030.6	70,448.2	64,454.6	53,034.6	54,100.5	54,434.3	51,803.2	49,633.4	44,931.2
Compared to FY2017	0.0%	-10.9%	-18.4%	-32.9%	-31.5%	-31.1%	-34.5%	-37.2%	-43.1%

(Notes)
- The calculation of the TOHO Group's CO_2 emissions is conducted based on TOHO's fiscal year. The specific periods are as follows: FY2017: March 1, 2017–February 28, 2018; FY2018: March 1, 2018–February 28, 2019; FY2019: March 1, 2019–February 29, 2020; FY2020: March 1, 2020–February 28, 2021; FY2021: March 1, 2021–February 28, 2022; FY2022: March 1, 2022–February 28, 2023; FY2023: March 1, 2023–February 29, 2024; FY2024: March 1, 2024–February 28, 2025; and FY2025: March 1, 2025–February 28, 2026.
- The CO_2 emissions of the TOHO Group exclude the Subaru Enterprise Group, which is a listed company.
- The TOHO Group's CO_2 emissions cover only the energy sources required to be reported under the Act on Rationalization of Energy Use and Shift to Non-fossil Energy.
- For FY2023, FY2024, and FY2025, the reported CO_2 emissions (Scope 1 and Scope 2) have been verified through a third-party assurance report by SOCOTEC Certification Japan in order to enhance reliability.





Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**

Climate Change

Strategy

The TOHO Group conducts scenario analysis to identify future uncertainties, risks, and opportunities arising from climate change, drawing on multiple projections published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). As of FY2023, two scenarios were established for analysis of projected impacts in 2030: a 4°C scenario, in which global warming intensifies, and a 1.5°C scenario, in which decarbonization advances and carbon neutrality is achieved by 2050.

Under the 4°C scenario, projected risks include direct damage to owned facilities and disruptions to theater operations caused by increasingly severe extreme weather events, greater electricity consumption due to rising temperatures, and surging raw material prices. At the same time, the market could see increased demand for streaming services. The TOHO Group assesses that opportunities may arise to meet such climate adaptation needs by delivering visual content tailored to customer demand, including the utilization of the customer data platform TOHO-ONE introduced in March 2026.

Under the 1.5°C scenario, stricter greenhouse gas emissions regulations are expected to increase electricity costs due to the shift to renewable energy, as well as expenditures from the introduction of carbon taxes. In addition, we recognize the growing demand for CO_2 reductions in film and content production processes, including anime, with an assumption that CO_2 reduction efforts will be required across the entire supply chain, particularly in our growing overseas markets where environmental regulations are tightening. In the real estate business, demand for zero-energy buildings (ZEB)* is projected to rise. The TOHO Group views its company-wide climate action efforts as contributing to corporate value, and believes that appropriate information disclosure and improving the environmental performance of owned properties can lead to new business opportunities.

Based on these scenario analyses, we will continue to study strategies that ensure resilience to climate change. In our decarbonization efforts, we have set CO_2 emissions reduction targets as a priority in the TOHO Mid-Term Plan 2028 announced in April 2025, and we are also advancing compliance with the domestic disclosure standard SSBJ. As a specific initiative, we are promoting decarbonization initiatives at TOHO Studios, →P.55 helping to lead the entertainment industry's transition to net zero and contributing to a sustainable global environment.

*Zero-energy building (ZEB)
A building designed to achieve net-zero energy consumption by maintaining indoor environmental quality through both energy conservation and energy self-sufficiency.

4°C Scenario

The average temperature rises by 4°C by the end of this century compared to the global average in the pre-industrial era. Both the scale and frequency of disasters caused by global warming would increase while efforts to transition to decarbonization would not go beyond current measures.

References:
IPCC: RCP8.5, IEA 2021: STEPS

1.5°C Scenario

Increased efforts by governments and markets to decarbonize in order to achieve carbon neutrality limit the global average temperature to a 1.5–2°C increase by the end of this century compared to the pre-industrial era.

References:
IPCC: RCP2.6, IEA 2021: SDS / NZE2050

External Evaluation

CDP Discloser 2025

TOHO Group has achieved a "B" rating in the CDP* Climate Change Score for three consecutive years. This assessment indicates that our initiatives to address climate change are delivering measurable results.

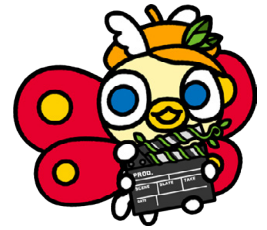
S&P/JPX Carbon Efficient Index

The TOHO Group was also selected for the S&P/JPX Carbon Efficient Index, following its inclusion in 2025.

*Carbon Disclosure Project (CDP)
Carbon Disclosure Project (CDP) is a U.K.-based charitable NGO that operates a global disclosure system for environmental impact. In partnership with institutional investors, CDP requests companies to disclose strategies and data related to climate change and greenhouse gas emissions.



Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**



Environmental Management

TOHO Studios × JERA: Decarbonization Initiatives

As the first step in our collaboration with JERA and its subsidiary JERA Cross Inc., both industry leaders in decarbonization, TOHO is advancing decarbonization at TOHO Studios.

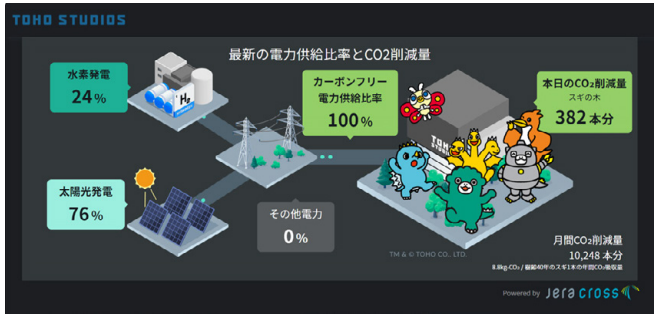
In November 2024, TOHO Studios began sourcing its electricity from solar and other renewable sources, along with Japan's first commercial-scale*1 hydrogen-fueled thermal power that emits no CO_2 during generation. Ultimately, we aim to achieve 24/7 carbon-free energy*2 and we are continuing operations with this goal in mind. Furthermore, we are raising awareness of decarbonization among employees and studio users by providing real-time visibility into TOHO Studios' electricity supply status on monitors inside the studios and on the official website. Website



Hydrogen Generator

*1 Based on JERA research

*2 24/7 carbon-free energy
"24/7 carbon-free energy" refers to power that generates no CO_2 emissions every hour of every day, 365 days a year. It means supplying 100% of electricity demand with zero-emission power sources—such as renewable energy and hydrogen-based generation—while also providing environmental value through non-fossil certificates in accordance with the Ministry of Economy, Trade and Industry's "Guidelines Concerning the Management of the Electricity Retail Business." However, it does not imply zero CO_2 emissions across the entire lifecycle, including fuel production and transportation.



Power supply dashboard (sample image)

Introduction of Renewable Energy

The TOHO Group is actively promoting the use of renewable energy sources that generate no CO_2 during power production to help realize a decarbonized society.

In the real estate business, since April 2026, we have switched 100% of electricity to renewable energy in our TOHO Hibiya Building and Shinjuku TOHO Building, in addition to TOHO Nangai Building, Shibuya Hikarie* and SHIBUYA AXSH*.

TOHO Cinemas has also implemented a switch to renewable energy at several theaters, including TOHO Cinemas Shinjuku and TOHO Cinemas Namba.

The TOHO Group will continue to advance the introduction of renewable energy in owned properties, thereby contributing to the realization of a decarbonized society and the promotion of a more sustainable global environment.



Shinjuku TOHO Building

100% renewable energy

- TOHO Hibiya Building
- TOHO Hibiya Promenade Building
- Shinjuku TOHO Building
- TOHO Nangai Building
- SHIBUYA AXSH*
- Shibuya Hikarie*
- 9 TOHO Cinemas theaters

30% renewable energy

- Tokyo Takarazuka Building

*Partially owned properties

(Note) In this report, the term "renewable energy" refers to electricity derived in substance from renewable sources, achieved through the use of non-fossil certificates with tracking.



Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**

Environmental Management

Energy Conservation Initiatives

In parallel with its renewable energy initiatives, the TOHO Group is actively advancing energy conservation measures across its operations.

The TOHO Group is steadily converting lighting in its properties to LEDs and has nearly completed LED upgrades in flagship properties such as the TOHO Hibiya Building, Tokyo Takarazuka Building, and Rakutenchi Building, as well as nearly 100% of the lighting fixtures* of TOHO Cinemas across the country.

At TOHO Cinemas, we are also introducing high-efficiency laser projectors and the “GrEenM2” system (formerly GeM2), which automatically adjusts temperature and airflow in movie theaters for optimal HVAC performance, to reduce energy consumption.

The TOHO Group will continue to consider energy conservation in its business activities and strive to reduce CO_2 emissions.

*Portion attributable to company-owned assets

TOHO Group Environmental Management Dialogue

Nakamichi: TOHO’s Corporate Real Estate Department manages 130 properties across Japan, and improving the energy efficiency of these assets is a key priority. TOHO Cinemas is an important partner in our decarbonization efforts.

Osakada: TOHO Cinemas’ Construction Group oversees the management and renewal of all equipment at our theaters, from interior fixtures to projection systems. We, too, see the Corporate Real Estate Department as a key partner in advancing decarbonization.

Nakamichi: As part of our work towards 100% LED lighting in major properties, we recently transitioned the Shinjuku TOHO Building to renewable energy. We appreciate your understanding of the increased costs associated with this.

Osakada: It was an important step we took together. Our priority for energy conservation is not compromising the customer experience. If it leads to decreased safety or satisfaction, it defeats the purpose. The brightness required in movie theaters has evolved over time, so we are not simply replacing lighting fixtures with LEDs. We are also making adjustments such as increasing brightness and adapting interior design as needed to maintain a safe environment.

Nakamichi: We also value that customer comfort. The highest-level environmental certifications that we have earned at the TOHO Hibiya Promenade Building and co-owned properties like Shibuya Hikarie are testaments to environmental consideration and user satisfaction.



From left: Atsushi Nakamichi, Corporate Real Estate Dept., TOHO CO., LTD., and Yosuke Osakada, Construction Dept., TOHO Cinemas Ltd.

In the future, we are aiming to upgrade to high-efficiency air-conditioning systems, and we are also considering how to respond to social demands for improved coexistence with nature, in areas such as biodiversity conservation, to contribute to the creation of new value.

Osakada: Although managing office and commercial buildings differs from operating movie theaters, we regularly share information on areas of common interest, such as energy-saving measures and potential business partners.

Nakamichi: Since we each have our own areas of expertise, there are many situations where it is helpful to acknowledge that “we hadn’t thought of that idea.”

Osakada: Our focus extends beyond decarbonization. Going forward, we want to draw on the strengths of the Group and work together on a broad range of environmental management initiatives.



Material Issue 02 Modesty **Promoting environmentally friendly business practices that are protective of our planet**

Environmental Management

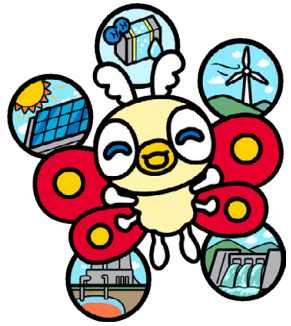
Environmental Certifications

In its real estate business, TOHO prioritizes environmental responsibility and the well-being of office workers, working to provide comfortable, high-quality office environments.

The office floors of Shibuya Hikarie earned the highest S rank in the CASBEE for Real Estate Certification*1 in 2024.

Additionally, the TOHO Hibiya Promenade Building earned the highest S rank in the CASBEE-Smart Wellness Office Certification*2.

SHIBUYA AXSH received the same S rank and additionally achieved “ZEB Ready”*3 certification for its environmentally conscious office spaces.



*1 CASBEE for Real Estate Certification
An assessment system administered by the Institute for Built Environment and Carbon Neutral for SDGs (IBECs) that evaluates the environmental performance of buildings.

*2 CASBEE-Smart Wellness Office Certification
An assessment system administered by the Institute for Built Environment and Carbon Neutral for SDGs (IBECs) that evaluates building specifications, performance, and initiatives aimed at maintaining and enhancing occupant health and comfort.

*3 ZEB Ready
A Zero Energy Building (ZEB) refers to buildings that aim for net-zero energy consumption while maintaining indoor environmental quality through energy efficiency and energy self-sufficiency. ZEB Ready is a certification given to buildings that reduce annual primary energy consumption by 50% or more compared to standard buildings of the same type.

Waste Reduction Initiatives

Recycling of Discarded Uniforms

Following the uniform renewal of 2025, TOHO Cinemas introduced new uniform items in March 2026. At that time, we worked to reduce waste and environmental impact by recycling approximately nine tons of retired uniforms and equipment through a circular recycling scheme.

Imperial Theatre Legacy Collection Website

TOHO launched a project called “Imperial Theatre Legacy Collection” with the goal of reusing materials from the Second Imperial Theatre, which temporarily closed in February 2025. The project aims to reduce waste generated from the reconstruction and maintain theater culture. We are preserving memories of the theater by producing and selling furniture and guitars built from the materials derived from its dismantling, as well as selling seats and seat-number plates. We not only limit environmental impact through waste reduction, but also develop unique sustainability activities that connect the next generation with traditional culture.

*A portion of the proceeds will be donated to the Performing Arts Network Japan to support the continued growth of Japan’s theater community.



Imperial Theatre Premium Repurpose Products



Imperial Theatre Original Guitar

Employee Insights

As my first assignment after joining the Company was at the Imperial Theatre, I experienced firsthand, through my daily work, the deep affection our patrons have for the theater. This led me to consider how we might create an initiative that would carry those feelings forward to the next Imperial Theatre.

The Second Imperial Theatre, now under redevelopment, opened in 1966. At this major milestone in the theater’s nearly 59-year history, we were able to bring this initiative to life as an expression of our gratitude to all those who have cherished the Imperial Theatre over the years. We will continue to do everything we can to ensure these patrons also visit the forthcoming third-generation Imperial Theatre.



Hideaki Hatano

IP Strategies Div.
Theatrical Dept.
Theatrical Group
Entertainment Unit
TOHO CO., LTD.



Material Issue 03 Fairness **Respecting human rights and fostering a constructive and fair corporate culture**

- Create environments where all customers can enjoy entertainment without exclusion
- Respect the human rights of all stakeholders and maintain systems that enable the sustainable delivery of “inspiring entertainment”

Our Approach to Human Rights and Raising Awareness

The TOHO Group is committed to respecting human rights and establishing a constructive and fair corporate culture. In this term, to further strengthen our business and human rights initiatives, we focused on reviewing and improving our human rights due diligence methodology, raising management-level awareness of business and human rights initiatives, and communicating related messages from senior management.

Overview of Human Rights Initiatives

Since establishing and releasing the TOHO Group Human Rights Policy in March 2023, the Group has implemented a human rights due diligence process, focusing on Group officers and employees.

For the second time since the introduction of the Human Rights Policy, we conducted a human rights due diligence process for all TOHO officers and employees beginning in August 2025. Taking on board issues that were identified in the previous survey, conducted from December 2023, we aimed to identify human rights risks in more detail, taking actions such as reviewing the design and questions within the survey for target participants—the starting point for understanding human rights risks—as well as working on corrective measures to tackle human rights risks newly identified through this iteration of the survey.

In addition, as part of our stakeholder research, we extended the human rights risk survey to TOHO’s direct business partners in May 2025. We launched initiatives to identify new human rights risks in the supply chain. We are taking action to address the issues that were identified.

Raising Human Rights Awareness

Executive Training by Business and Human Rights Experts

In August 2025, we established the Group Human Rights Committee, which comprises all of TOHO’s full-time directors, as the highest decision-making body for the Group’s business and human rights policies. In the lead-up, all full-time directors attended a seminar on business and human rights in June 2025 delivered by attorney Hideaki Roy Umetsu (partner at Mori Hamada & Matsumoto), a committee member of the Business and Human Rights Lawyers Network Japan. The seminar deepened executives’ understanding of business and human rights while also updating them on the latest international developments related to human rights issues.



President’s Message on Business and Human Rights

Senior leadership at the TOHO Group consistently communicates its commitment to advancing its business and human rights initiatives. In July 2025, Representative Director, President & CEO, Hiro Matsuoka, released a statement on business and human rights. He highlighted awareness of human rights issues connected to the entertainment industry and stated a commitment to respecting the human rights of each and every person involved in our business activities.

A video message from President Matsuoka was also distributed to TOHO Group officers and employees prior to the human rights due diligence process that began in August 2025. In this video, the Group’s senior leadership personally underscored the importance of respecting human rights as a pillar of corporate social responsibility. It emphasized the need to take action to identify and remedy issues identified through the due diligence process. He also spoke about how employee feedback leads to the development of an improved workplace environment, emphasizing how senior management messaging guides the entire TOHO Group to stronger awareness.



Material Issue 03 Fairness Respecting human rights and fostering a constructive and fair corporate culture

Our Approach to Human Rights Education and Due Diligence

Human Rights Education

A video was distributed to all TOHO Group officers and employees in advance of the human rights risk survey that we conducted from August 2025. Made in both Japanese and English, it explained the fact-checking flow that would follow survey responses and the mechanisms for ensuring confidentiality, to improve the transparency of the human rights due diligence process and enable reporting with peace of mind. As a result, the survey response rate improved from 59% in its previous iteration to 84% this time, demonstrating how trust in and understanding of our initiatives has spread through the organization.

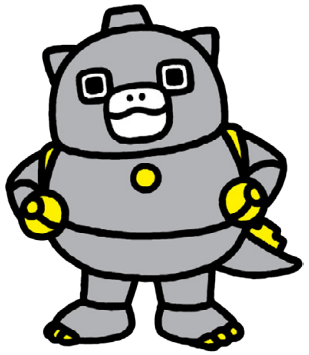
Evaluating the Effectiveness of Human Rights Due Diligence Initiatives

We implemented corrective measures in response to the issues of harassment and excessive working hours identified in our previous human rights due diligence process, including revised harassment prevention regulations and more robust labor monitoring. Many responses to the human rights risk survey indicated that the situation had improved in regard to both harassment and excessive working hours, with the most common reason cited being “a deeper understanding of risks that has been translated into action.” We will continue to further verify the impacts of our initiatives through approaches such as strengthening the monitoring system employed after remedial measures are taken.

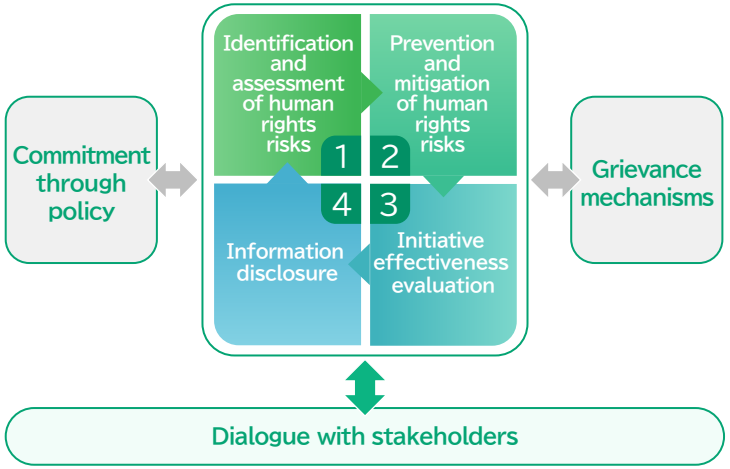
Identification and Mitigation of Human Rights Risks

The TOHO Group strives to identify and address adverse impacts in line with the human rights due diligence process, which is based on the UN Guiding Principles on Business and Human Rights (“Guiding Principles”).

Through our human rights risk survey, we identified “excessive or unfair working hours,” “power harassment,” and “occupational health and safety” as high-priority issues, as they were the categories with the highest reporting rates among the Ministry of Justice’s 26 categories of major human rights risks that companies should address, based on the Guiding Principles. To address occupational health and safety issues, we responded to reports of insufficient workspace stemming from an increase in employee numbers by introducing phased office expansion and proactive deployment of teleworking. We are also pursuing further remediation for “power harassment” and “excessive or unfair working hours,” as these issues have been recognized since the previous human rights due diligence process.



The Human Rights Due Diligence Process



TOHO CO., LTD. Human Rights Risk Survey

Implementation period	August 12 – September 12, 2025
Scope	All officers and employees (full-time, contract, and temporary); selected contractors
Total individuals subject to assessment	640
Method	Online survey (Japanese and English)
Survey responses (response rate)	540 (84%)



Material Issue 03 Fairness Respecting human rights and fostering a constructive and fair corporate culture

Mechanisms for Human Rights Risk Mitigation and Due Diligence in the Supply Chain

Human Rights Due Diligence in the Supply Chain

In May 2025, we examined human rights risks across our supply chain through dialogue with a range of experts in the field of business and human rights as well as internal business units, with risks that have surfaced in the entertainment industry in recent years in mind. We followed that with a human rights risk survey covering 13 industry-specific items, including excessive working hours, occupational health and safety, harassment, and child labor. The survey was delivered to 216 business partners, and we received responses from a total of 72 companies.

We promptly conducted fact-finding investigations looking into the human rights risks identified through the survey, and implemented necessary measures. We also provided reports to the business partners who responded.

Human Rights Risk Survey in the Supply Chain

Implementation period	May 20 – June 20, 2025
Scope	216 business partners in entertainment business fields such as film, theater, anime, and merchandising
Method	Online survey
Respondent companies	72 (response rate: 33%)

The results of the survey reaffirmed the importance of conveying the TOHO Group Human Rights Policy to our business partners and engaging in further dialogue with them.

In the future, we aim to collaborate with external experts and expand dialogue with stakeholders, with the goal of completing a value chain analysis across the entire TOHO Group. This will facilitate the creation of a risk map organizing the severity and likelihood of potential human rights risks, as well as the formulation of a new Supplier Code of Conduct as a reference point for business partners.

We will continue to identify risks that require action through the Guiding Principles. By focusing on areas that have been identified as high risk, we will create opportunities for explanation and dialogue with stakeholders regarding our Human Rights Policy and Supplier Code of Conduct, and we will push forward with the integration of human rights due diligence throughout our supply chain.

Mechanisms for Reducing Human Rights Risks

At the TOHO Group, we attach importance to enacting remedies for human rights risks as well as identifying them. We strive to enhance our consultation system to ensure that everyone feels comfortable raising their voice.

In addition to the internal reporting desk for the entire Group (the TOHO Group Reporting and Consultation Desk), we have established individual harassment consultation desks for film and theatrical productions, and also introduced a system that can be used by business partners and freelancers engaged in production work.

The human rights risk survey revealed that a number of employees feel hesitant to use the reporting and consultation system, for reasons such as “not knowing if their concerns qualify for reporting.”

With this in mind, we will raise awareness of how to use the desks and ensure that mechanisms to guarantee the privacy and safety of those making reports are in place.

Since the implementation of the human rights risk survey, the number of cases reported to the TOHO Group Reporting and Consultation Desk has more than doubled compared to the same period last year. This should not be viewed simply as an increase in employee concerns or issues to be addressed, but rather as the outcome of increasing trust that it is safe to speak up through the system.

Moving forward, we will examine ways in which we can make improvements across our entire value chain, including the supply chain, and redouble our efforts to improve the effectiveness of remedial measures, as outlined in the Guiding Principles.



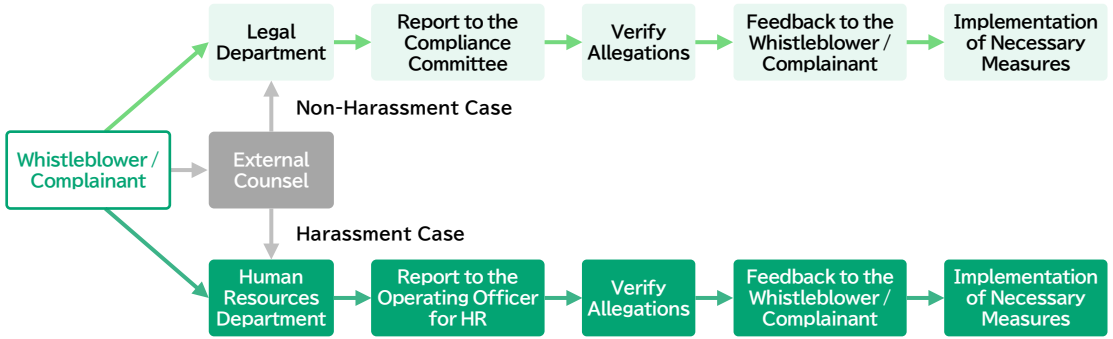


Material Issue 03 Fairness Respecting human rights and fostering a constructive and fair corporate culture

Addressing Harassment

Framework

TOHO has established a whistleblowing and consultation desk to provide employees with a direct channel for seeking advice or raising concerns. Harassment cases are handled by the Human Resources Department, while other matters are addressed by the Legal Department or external legal counsel. Every case is managed with the utmost rigor and impartiality.



Specific Initiatives

●Revision of Regulations

We have established the Harassment Prevention Regulations to help ensure a workplace free of discrimination and harassment. These regulations have been revised to extend their scope across the entire TOHO Group.

●Zero Tolerance for Harassment Month

To further strengthen harassment prevention efforts, we regularly observe “Zero Tolerance for Harassment Month.” During this period, we aim to raise employee awareness through seminars, internal announcements, and workplace posters.

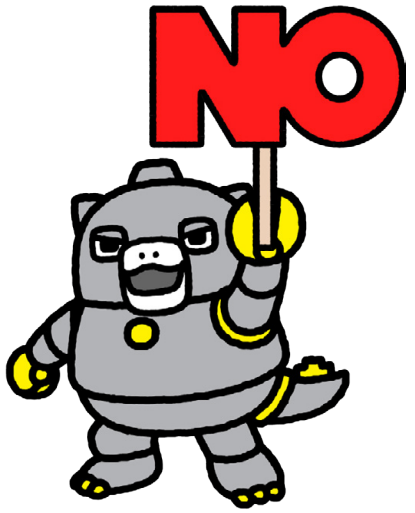
●Internal Awareness

To help employees gain accurate knowledge about harassment, we have created a dedicated channel on our internal communication platform. Through regular information sharing, we are promoting more approachable and ongoing awareness activities.

Stance on Customer Harassment

Under the slogan “Moments for Life,” the TOHO Group strives to bring inspiration and enriching experiences to all our audiences. We believe that only through the shared presence of our audiences and employees can these extraordinary spaces and moments generate joy for tomorrow.

To continue to provide genuine hospitality, it is essential for us to establish an environment where our employees are healthy in both mind and body, and able to enjoy their work. The TOHO Group considers creating a safe work environment for our employees as a top priority, as evidenced by our established policies regarding customer harassment at TOHO Cinemas Website and TOHO-ONE Website, and our stated corporate position. We will not tolerate inappropriate behavior (customer harassment) in any form, including verbal abuse, intimidation, detaining staff for prolonged periods, excessive demands, or slander on social media, and we will take firm action against it. We believe these measures protect the safety and peace of mind of our employees and help deliver the full value of the entertainment experience to our audiences.



With the understanding and cooperation of our employees and customers, we will continue to take sincere action against all forms of harassment, including customer harassment, while creating experiences and spaces that inspire and enrich people’s lives and sustain the Circle of Inspiration.



Material Issue 03 Fairness **Respecting human rights and fostering a constructive and fair corporate culture**

On-Site Initiatives

On-Set Production Initiatives

TOHO Studios Initiatives

At the TOHO Group, we support J-MOPS' mission while advancing our own initiatives to improve on-set working conditions.

In December 2025, TOHO Studios opened a new on-site childcare facility and baby care room, continuing our efforts to create a workplace environment where everyone at the studio can thrive with peace of mind.

Furthermore, following the success of last year's "cherry blossom viewing party for female employees," organized by volunteers from the Childcare Support Study Group*, the event was held again this year across two sessions (day and night), with TOHO Studios providing the venue. Subsidized babysitting service costs were also facilitated, making it easier for employees with childcare responsibilities to participate and fostering lively discussions. We also held a children's tour of TOHO Studios, aiming to inspire a new generation of interest. Through these measures, we will continue to provide support for those balancing film production and childcare, and to implement workplace improvements that will help women working in the film industry from now into the future.

*Childcare Support Study Group
Established in 2023, this forum brings together film and video professionals to exchange ideas and perspectives on balancing film production with childcare responsibilities.



Inside the childcare facility at TOHO Studios



Cherry blossom viewing party for female employees

Japan Motion Picture Production Standards Association (J-MOPS)

J-MOPS, which aims to improve the environment for live-action film production, enters its fourth year in 2026. The number of applications for J-MOPS certification (the organization's compliance certification) totaled 102 in 2025, bringing the cumulative total to 235. TOHO films certified in 2025 include *Exit 8* and *Soon, It's Farewell*. As a full member of J-MOPS, we will take the April 2026 revision of the Trade Guidelines for the Sustainable Development of Film Production—which includes the introduction of weekly rules—as an opportunity to further support sustainable development of production sites and facilitate an environment where all staff can demonstrate their creativity.

Production Initiatives for Film and Theater

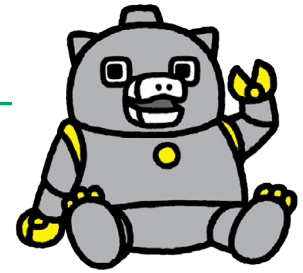
We regularly conduct Respectful Communication Training at our film and theater production locations. We have implemented this in many TOHO productions, and we have also set up harassment consultation desks for all projects, with the goals of early detection and prevention of recurrence. These initiatives are aimed at the establishment of a healthy production environment where everyone, staff and cast alike, can fully utilize their talents.



Material Issue 03 Fairness

Respecting human rights and fostering a constructive and fair corporate culture

On-Site Initiatives



Film and Theater Initiatives

Ensuring Access for Guests with Hearing and Visual Impairments

Film Initiatives

The TOHO Group undertakes a variety of initiatives to ensure that guests with hearing or visual impairments can enjoy the moviegoing experience.

For TOHO-distributed films, we offer Japanese subtitled screenings that display dialogue, sound effects, and other audio cues on screen. We also provide both closed captions and audio descriptions through a dedicated app, supplementing movie information with on-demand subtitles and narration.

TOHO Cinemas offers limited-time screenings of Japanese subtitled versions for select titles. In addition, all of our theaters are compatible with the free HELLO! MOVIE app, which provides subtitles and audio descriptions. We also offer free rentals of assistive headphones, provide written communication support, and ensure accessibility for customers accompanied by service dogs. Some theaters provide free rentals of smart glasses as well, offering guests an even broader range of accessibility options to enable as many people as possible to enjoy our movies.



Barrier-free screening poster

Theater Initiatives

TOHO Stage offers a script loan service for all performances organized by the Company, allowing guests with hearing impairments to truly feel the inspiration of live theater. In addition to paper scripts, we also provide dedicated tablets on a reservation basis, with features such as shielded screens and white text displays to ensure consideration for surrounding guests and a more comfortable reading experience.

We have also implemented an initiative for talk segments of certain titles that transcribes and displays what the cast is saying in real time. We are dedicated to establishing a highly accessible theater space where guests can preview the stories and dialogue in written form and enjoy the immersive experience of live talk segments.

Employee Insights

Last year's Tokyo run of *Elisabeth* offered real-time subtitles for guests with hearing impairments. Believing in the value of an environment where tickets can be purchased equally, regardless of disability, we made the subtitles available for all performances, without designating specific seating areas. Feedback regarding the real-time translations of ad-libs and greetings was positive. Still, there were significant challenges to preparing the communication environment in theaters not owned by the Group, as well as to securing spaces for the interpreters to work. We will use the lessons we learned going forward to refine our approach, moving toward a theater experience where everyone shares the same inspiration.



Mutsumi Kobayakawa

Theatrical Business Management Div.
Theatrical Dept.
Theatrical Group
Entertainment Unit
TOHO CO., LTD.



Material Issue 03 Fairness **Respecting human rights and fostering a constructive and fair corporate culture**

On-Site Initiatives

Theater Initiatives

Ensuring a Comfortable Moviegoing Experience Through Barrier-Free Access

TOHO Cinemas promotes barrier-free accessibility across its movie theaters nationwide. Each theater is equipped with a ramp and a dedicated space for wheelchair-accessible movie viewing. These areas feature movable seats that can be fixed in place next to wheelchair spaces, allowing caregivers to sit together with wheelchair users. Wheelchair-accessible restrooms are also provided, complete with stoma-friendly facilities. (Some theaters may not be equipped due to structural or facility constraints.)

Ensuring a Comfortable Theatergoing Experience Through Barrier-Free Access

Theatre Creation, one of TOHO's live performance venues, is equipped with dedicated viewing spaces and restrooms for wheelchair users. When assisting our wheelchair guests, our staff follow detailed operational manuals and take particular care with guidance routes, demonstrating our dedication to a universal theater experience where every guest can enjoy each production in comfort.

Helping People with Young Children Enjoy Movies Website

Since 2003, TOHO Cinemas has been hosting Baby Club Theater® screenings, designed to enable families with infants to enjoy movies in comfort, based on the concept that "sometimes, babies cry." We select films that will appeal to parents, and screen them with adjusted lighting, volume, and air conditioning to reduce stress on young children. These screenings are currently held at around 60 theaters nationwide, and the introduction of weekend screenings at selected locations has opened up the program to even more families. We also distribute "First Movie Certificates" to parents and children as a memento of the experience, a touch that has seen positive engagement on social media and other platforms. The program has been running for 23 years, and we will continue to provide opportunities for parents raising children to go to the movies, so that the infants they bring can return as parents themselves in the future.

Regional Initiatives

Introduction of Coded Tactile Paving with Audio Guidance Website

Tokyo Rakutenchi will be the first commercial facility to introduce coded tactile paving for people with visual impairments, which plays audio guidance when scanned with a smartphone app. This system is highly sophisticated, with potential applications extending beyond daily navigation support to uses such as evacuation drills in the event of a disaster.

We held an inclusive training session for our employees, led by individuals with visual impairments, in June 2026. Participants deepened their understanding of diversity through lectures and workshops where they used canes to walk while blindfolded, experiencing the barriers of a society built on the assumption of sight.

This initiative is a starting point for inclusive community development, to create facilities in which each customer—with no exceptions—can enjoy shopping, dining, and visiting the movie theater with ease.



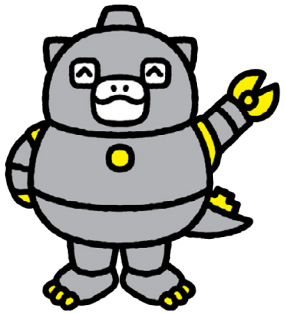
Inclusive training session in progress



Material Issue 03 Fairness **Respecting human rights and fostering a constructive and fair corporate culture**

Social Initiatives

Partnership with the UNHCR Refugee Film Festival



The TOHO Group supports the UNHCR Refugee Film Festival, organized by the Japan Association for UNHCR. Since it began in 2006, this festival has screened more than 270 films and welcomed over 100,000 attendees, making a significant contribution to the understanding of refugee issues.

At the 20th anniversary event, in November 2025, TOHO Cinemas participated as a corporate sponsor and provided screening venues. We expanded the scale to two locations, Tokyo and Osaka, while the Italian Cultural Institute also hosted a special screening.

The opening event, held at TOHO Cinemas Roppongi Hills, featured the documentary *Khartoum*, in which five survivors of civil war share their memories. At the Tokyo venue, there were guest appearances by UNHCR Goodwill Ambassador MIYAVI, model Saeko, and actor Satomi Ishihara, while comedy duo Tensai Pianist appeared at the Osaka venue. These guests spoke to the audience about the importance of refugee assistance activities. We will continue to be actively involved in activities that raise the awareness of social issues and expand the sphere of refugee support through the power of entertainment.



Opening Event

Group Screenings with AYA



During a screening

Working with certified nonprofit organization AYA, we hold screening events nationwide for children with illnesses or disabilities and their families. In FY2025, we held 36 screenings, attended by more than 6,800 people in total. The screenings are designed so that children and their families can enjoy movies without worrying about the sounds of medical equipment, vocalizations, or sudden body movements. We support a joyful future for diverse children and their families through entertainment. In addition to these screenings, we will also provide donations to AYA, helping to build a multifaceted support system that incorporates a financial aspect.

Dear Family Receives a Letter of Appreciation

Director Sho Tsukikawa and producer Kazuaki Kishida were presented with a letter of appreciation by the Japanese Society of Interventional Radiology, in recognition of the social contribution made by the film *Dear Family*, which is based on a true story about medical care. The film was acclaimed for its contribution to the medical field and its promotion of deeper understanding through entertainment.

Red Cup Campaign with the Japan Association for the UN World Food Programme (WFP)*



Since March 2023, TOHO Cinemas has participated in the Red Cup Campaign, donating a portion of popcorn sales from its theaters to support the WFP's School Meals program. Over the three years since it began, the total amount donated has reached ¥22,680,004.

*The Japan Association for the UN World Food Programme (WFP) is a certified nonprofit organization supporting the UN World Food Programme, dedicated to eradicating hunger and poverty, and serves as WFP's official support partner in Japan.

Material Issue 04 Grace

Creating a rich film and theater culture for the next generation

- Contributing to Japanese film and theater culture by preserving original film materials, carrying forward theatrical works, and protecting intellectual property rights
- Cultivate audiences and future talent by providing formative cultural experiences for children and supporting and nurturing creators

Providing Formative Experiences for Children

Initiatives with Ashinaga Foundation

Since 2023, TOHO has partnered with the Ashinaga Foundation to host events aimed at providing children with formative experiences in film and theater.

In August 2025, we held the first TOHO Studio Tour as part of our initiative with the Ashinaga Foundation. We provided an opportunity for scholarship students to deepen their knowledge of film production while touring the studio where many masterpieces have been created. In addition, in March 2026, we invited scholarship students and their families to the premiere stage greeting for *Doraemon the Movie: New Nobita and the Castle of the Undersea Devil* at TOHO Cinemas Roppongi Hills, and in July, to the opening-day stage greeting for *Crayon Shinchan the Movie: Spooky! My Yokai Vacation* at TOHO Cinemas Hibiya.

In theater, we provided scholarship students and their families with opportunities to experience live performances: the musical *Your Lie in April* at Showa Women's University Hitomi Memorial Hall in August 2025, and the musical *Daddy Long Legs* at Theatre Creation in December, which is based on the novel that inspired the Ashinaga Foundation's Ashinaga-san scholarship system.

TOHO will continue its efforts to help foster hope for the future by providing children with formative cultural experiences.



During a tour of TOHO Studios



Film Screenings in Support of Children's Cafeterias

Pokémon Field Trips to Multiplexes



During a screening

At TOHO Cinemas, in cooperation with the Pokémon with You Foundation, we regularly host screenings for children in partnership with the certified NPO Musubie (Nationwide Children's Cafeteria Support Center). The fifth event was held at TOHO Cinemas Mito Uchihara, followed by the sixth at TOHO Cinemas Takaoka, giving children the opportunity to experience watching movies in a theater.

Birthday Popcorn



At TOHO Cinemas, we offer free popcorn* to children 12 and under on their birthdays to make their movie theater experience even more fun and memorable.

*From Saturday, November 1, 2025, to Saturday, October 31, 2026



Material Issue 04 Grace Creating a rich film and theater culture for the next generation

Providing Formative Cultural Experiences for Children

Hosting Student Company Visits

At its Head Office, TOHO supports MEXT's community outreach initiative for schools and regularly offers programs for junior and senior high school students that provide a behind-the-scenes look at film production and explain how the film business works. In June 2025, we hosted a corporate visit for students from the University of North Carolina at Charlotte, marking our first business presentation for international students.

Additionally, in October 2025, TOHO Entertainment Asia Pte. Ltd. in Singapore hosted a company visit, marking the first such visit at an overseas TOHO Group location.

The TOHO Group carries forward its cultural legacy by offering learning opportunities both in Japan and abroad and sharing the appeal of the entertainment industry.



During a company visit at TOHO Entertainment Asia Pte. Ltd.

TOHO Moments Tour

TOHO has launched the TOHO Moments Tour, a new project that brings formative cinematic experiences to children in different regions of Japan. At the first stop, we held a special screening of *Wolf Children* in Kahoku City, Ishikawa Prefecture, in March 2026, inviting more than 150 parents and children selected by lottery. At the venue, we provided free popcorn and drinks to create a more immersive moviegoing experience. Participants shared many joyful comments, describing how the event marked their children's first trip to the movies and sparked renewed conversation at home. The project is expected to expand to communities across the country, including disaster-stricken areas and regions without movie theaters.

TOHO will continue to create powerful formative experiences through entertainment—moments that stay with people and inspire them throughout their lives.





During a screening

Employee Insights

When the Great East Japan Earthquake struck in 2011, I was working in theater operations in Tohoku, organizing regional film events with directors and cast members.

Seeing so many survivors smile again brought home to me just how powerful entertainment can be, and how much it can mean to a community. That experience has stayed with me ever since. Fifteen years on, our new Group Slogan, "Moments for Life," drives my hope to keep supporting disaster-affected communities through entertainment.



Yukihiro Tada

General Manager
Corporate Communications Dept.
Corporate Management Group
TOHO CO., LTD.

Support and Discovery of Film Creators

Discovery → Development → Expansion

GEMSTONE Creative Label

Website

The GEMSTONE Creative Label originated from the GEMSTONE Creators Audition, a talent discovery initiative. Relaunched in 2023 as TOHO's own content label, it aims to discover and develop the next generation of creators and producers.

The label pairs next-generation creators with young producers, giving them a space to freely pursue new projects unbound by existing conventions or media formats. Beyond supporting next-generation creators, the label is also intended to help young TOHO employees grow as producers by involving them in creative development, production, and promotion.

TOHO Cinemas Student Film Festival

Website

TOHO Cinemas has held the TOHO Cinemas Student Film Festival since 2007 to discover and develop young talent. Past winners remain active across the industry today, many of them working at the forefront of film and video production.

Agency for Cultural Affairs Commissioned Project Film Staff Internship Project

Website

TOHO supports the Film Staff Internship Project, which the Visual Industry Promotion Organization (VIPO) administers on behalf of the Agency for Cultural Affairs. TOHO continues to host student interns on its productions, including *GODZILLA MINUS ZERO*.

GEMNIBUS vol.2: On to Overseas Film Festivals

Website

GEMNIBUS vol.2 is the second short omnibus film produced by the GEMSTONE Creative Label. For this project, the label teamed up with six promising directors. Three of the resulting shorts were nominated for Short Shorts Film Festival & Asia (SSFF & ASIA), and the collection was selected for the Fantasia International Film Festival and the Hawaii International Film Festival, showcasing young talent and opening doors to their next projects.



GEMNIBUS vol.2

Creator Insights

When I graduated from university, I thought it would be a while before I could make a film. But just a few days later, I won the GEMSTONE Award at the TOHO Cinemas Student Film Festival, and with it, the chance to make my short film *Sonic Beat*. Making that film with professionals was a thrill.

It went on to play at the Fantasia International Film Festival in Canada, and I was there to watch audiences half a world away react to it. At 23, that meant a lot.

Without the GEMSTONE Creative Label project believing in creators like me and standing by us every step of the way, I doubt I would still have the passion to keep staking my future on filmmaking. I believe this passion will continue to grow and spread throughout the film industry.



Shunta Seki
Director

Profile Seki won the Grand Prix and the GEMSTONE Award in the Short Film category at the 17th TOHO Cinemas Student Film Festival for his graduation film *Bowl Meets Girl*. He wrote and directed *Sonic Beat* for the GEMNIBUS vol.2 anthology, earning nominations at several film festivals.



Material Issue 04 Grace Creating a rich film and theater culture for the next generation

Support and Development of Theater Creators



Discovery & Development → Expansion

Musical Theater Writing Program

Website

Musical Theater Writing Program

In 2024, TOHO launched the Musical Theater Writing Program, a new initiative aimed at developing the next generation of musical theater creators. The program is produced by TOHO and organized by Eibunkyo, Japan's film and theater culture association, designed for aspiring professional musical writers and composers. The first session, in August 2024, had 14 participants. The second, held across July and August 2025, had eight in the Basic Course and six in the Advanced Course. For its third year in 2026, the program again welcomed composer Choi Jong Yoon*1 and scriptwriter Han Jung Seok*2, both faculty members at Korea National University of Arts, for an intensive four-week course. Alongside the fundamentals of musical theater, participants paired up to create original work and received feedback from the instructors. TOHO is committed to supporting young talent in musical theater through this program as they prepare to light up the stages of the future.

*1 Major works include compositions *Marie Curie* and *Gone Tomorrow*.
*2 Major works include the screenplays *Red Book* and *The Goddess Is Watching*.

Songwriters' SHOWCASE

Songwriters' SHOWCASE

In January 2026 at Theatre Creation, three pairs chosen from the Musical Theater Writing Program were joined by three teams each from South Korea, the U.S., and the U.K., presenting one song per group for a total of 12 original works. Now in its second edition after 2024, the showcase again brought leading musical actors from Japan and Korea to the stage to perform their original songs, and the audience warmly applauded the creators who will carry musical theater forward into the future. TOHO will continue to support young talent and foster international collaboration, driving the further growth of Japan's theater industry.



During a performance

Instructor Insights



Choi Jong Yoon
Instructor

Japan's original musical theater scene stands at a critical turning point. TOHO's initiatives to nurture new writers and composers on the foundation of a long performing arts tradition go beyond education. They are doing the work of designing future stages together. Bringing a single work into the world takes more than talent. It takes an environment willing to believe in it, invest in it, and wait for it. As creators from Korea, Japan, and around the world learn from and inspire one another, I believe we can take pride in knowing that we are paving the way for the next generation. This worthy endeavor is a meaningful first step, and I hope it will raise the curtain on a new era of original Japanese musical theater.

Profile

One of South Korea's leading musical theater composers, Choi Jong Yoon is a professor in the Musical Theatre Writing Program of the School of Drama at the Korea National University of Arts. He studied at Yonsei University and did his graduate work at New York University. He drew attention with *Sherlock Holmes* and has since worked on numerous major productions, including *Gone Tomorrow*. He is best known for *Marie Curie*, which reached London's West End in 2024. As a professor at the Korea National University of Arts, he has also devoted himself to teaching, mentoring the creators behind many hit productions. He has won numerous composition prizes at Korea's major awards, including Best Music at the 5th Korea Musical Awards.



Material Issue 04 Grace

Creating a rich film and theater culture for the next generation

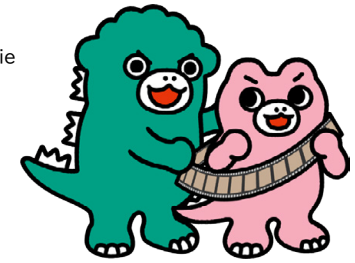
Preservation of Original Film Prints

Restoring and Digitally Preserving Classic Films

The TOHO Group is dedicated to preserving classic films to ensure that cinematic culture is passed on to future generations. The TOHO Archive, which handles film preservation and digitization, regularly inspects and cleans the original master prints of these older films, which demand delicate handling. Since 2020, we have also been digitally scanning older titles, prioritizing those with the most severe deterioration, at a pace of roughly 100 films a year. As of the end of June 2026, more than 620 titles have been scanned. Selected titles also undergo digital restoration and remastering to restore greater clarity to the image and sound. They are then screened in DCP (Digital Cinema Package)* format, bringing them back to today's screens without losing the appeal they had when first released.

At the TOHO Group, we are committed to using this expertise to keep these irreplaceable films alive for generations to come.

*A digital cinema package (DCP) refers to a package of data files required for screening films in movie theaters with digital cinema projectors.



Preserving the Legacy of Classic Films

Godzilla Theater ゴジラ・シアター

The TOHO Group launched Godzilla Theater, a revival screening series that gives audiences the opportunity to experience classic Godzilla films on the big screen. The series began in 2024, the 70th anniversary of the original Godzilla (1954). By August 2026 it had screened 30 films at five TOHO Cinemas locations, drawing audiences of all ages. We will continue to share what makes Godzilla special, sustaining and growing the value of one of the Group's flagship IPs.

Official YouTube Channel: TOHO Classics YouTube

TOHO launched its official YouTube channel, "TOHO Classics", to preserve and share its celebrated films with future generations. The channel hosts rare original trailers for more than 200 films, introducing TOHO's library to a new generation of viewers. TOHO also works with the TOHO Meigaza channel on Amazon Prime Video to expand digital access to its classic films and strengthen its revenue base through fuller use of these assets.

Mikio Naruse: 120th Anniversary Retrospective

To mark the 120th anniversary of the birth of master filmmaker Mikio Naruse, TOHO mounted a retrospective carrying his body of work forward to a new generation. Three films were restored in 4K and screened at the 38th Tokyo International Film Festival, followed by broadcasts on several television networks and streaming releases of his complete works. Among these initiatives was NHK BS's broadcast of *Floating Clouds* on Naruse's birthday, helping bring a treasure of Japanese cinema to contemporary audiences.



Actress Mariko Okada at the 38th Tokyo International Film Festival screening of *Floating Clouds*

4K Digital Remasters at International Film Festivals

Akira Kurosawa's *Sanshiro Sugata*, newly remastered in 4K by TOHO, was selected for Cannes Classics at the 79th Festival de Cannes, and Masaki Kobayashi's *Kwaidan* for Venice Classics at the 82nd Venice International Film Festival. *Ninja Scroll* also screened at the 76th Berlin International Film Festival. Through screenings like these, landmark Japanese films are reaching audiences around the world at their very best.

Launch of the Sustainability Information Website

In September 2026, we launched a special sustainability website featuring illustrations of Chibi Godzilla. Through accessible visual communication, we aim to raise awareness among our stakeholders and across the TOHO Group as we work to advance our sustainability initiatives.



Visit the Sustainability Information Website
» Website

Sustainability-related websites of TOHO Group companies

- TOHO Cinemas
- TOHO Studios
- Tokyo Rakutenchi

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Section 05

Corporate Governance

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Directors



From left in the back row: Eiichi Ogata, Minami Ichikawa, and Keiji Ota
From left in the middle row: Nobuyuki Tako, Hiro Matsuoka, and Satoshi Ando
From left in the front row: Izumi Okoshi, Yasuo Shimada, and Masako Orii

Inspired by our Group Slogan, "Moments for Life," we highlight moments that have made a lasting difference in our own lives.

(Name / Current Position / Moments for Life)

Eiichi Ogata

Director, Audit & Supervisory Committee Member (Full-time)

When I was a child, my mother told me, "Always be the first to befriend a new student—they must be feeling anxious." Ever since, I have tried to put others at ease. Perhaps that has become a source of strength for me, because I have always felt surrounded by people willing to support me.

Minami Ichikawa

Director, Senior Managing Executive Officer

Sometimes a scene in a film brings me to tears even though it is not sad. Recently, it was the first-love scene on the train in *One Last Love Letter* and the dance scene in *The Life of Chuck*. It's moments like these that help me stay positive at work.

Keiji Ota

Director, Senior Managing Executive Officer

From 1992, three years after joining TOHO, until 1999, I worked in sales at the Tokyo Takarazuka Theater and the Geijutsu-za, where I learned the fundamentals of service on the front lines of customer care. Managing the theaters' income and expenses also gave me hands-on experience in the fundamentals of management, including how revenue and costs flow directly into the profit and loss and balance sheets, and how profits can be improved.

Nobuyuki Tako

Representative Director, Executive Vice President

Nearly 40 years ago, on a quiet afternoon, I stood alone in Hibiya Park. My mother opposed my joining TOHO because she believed the film industry was in decline. But when I looked up, I saw the TOHO Hibiya Building beyond the trees. I knew then and there that this was the company I wanted to work for. That moment was the first major decision of my life.

Hiro Matsuoka

Representative Director, President & CEO

When I witnessed the birth of my first child and held that tiny life in my arms for the first time, I felt an indescribable sense of emotion, together with a powerful sense of purpose and responsibility. Holding my child also gave me a renewed appreciation for everything my own parents had done to raise me.

Satoshi Ando

Director, Audit & Supervisory Committee Member (Outside)

One defining moment came when I failed the bar examination shortly after graduating from university. As my friends began building their careers, I felt anxious, frustrated, and left behind. The experience made me stronger. It also shaped my approach as a lawyer, teaching me to consider the feelings and circumstances of people in many different positions.

Izumi Okoshi

Director, Audit & Supervisory Committee Member (Outside)

After the Great East Japan Earthquake, when society was torn between standing still and starting up again, I was spurred on by the conviction of an executive who insisted that resuming everyday life and keeping the economy moving was itself a way to support the disaster-stricken regions. I worked tirelessly to organize projects that combined empathy with sound business judgment to give back to society. That experience became a defining moment in my life and shaped the way I approach my work today.

Yasuo Shimada

Director

I see something of my own approach to management in the Hanshin Tigers: their refusal to give up and keep fighting, even in the toughest of situations. In the final game of the 2023 Nippon Series, when Sheldon Neuse—who had struggled throughout the season—hit a three-run homer into the stands, helping the Tigers secure the championship, I was reminded of the importance of persevering, believing in people, and trusting them with responsibility.

Masako Orii

Director, Audit & Supervisory Committee Member (Outside)

When I was a new employee rushing around making copies for the General Affairs Department, a section manager once told me, "People are like airplanes—the longer the runway, the higher and farther they can fly." That helped me realize that every task can contribute to growth when approached with the right mindset. It became the starting point for my commitment to examining issues from multiple perspectives and identifying what truly matters.

Governance

Our Approach

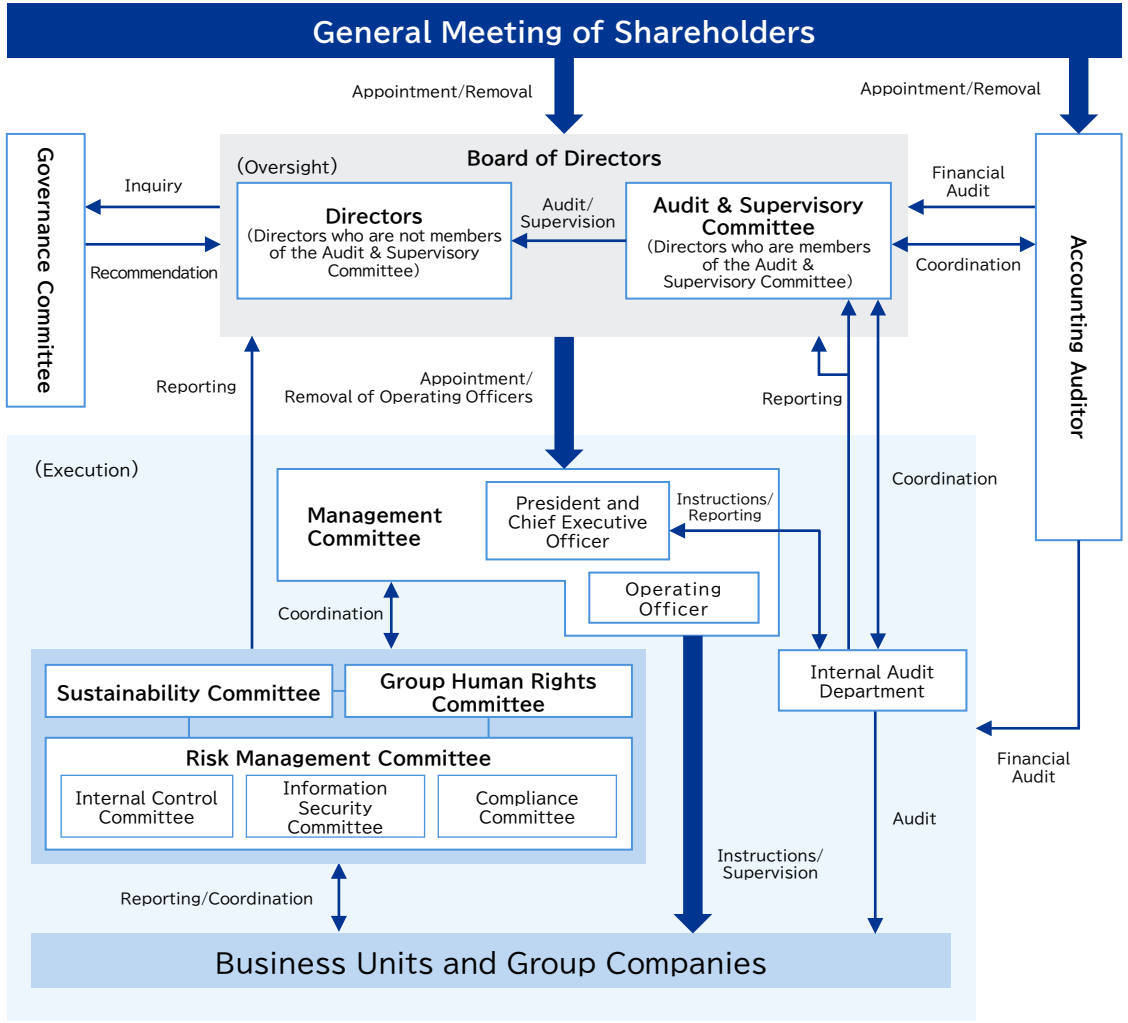
The TOHO Group upholds the spirit passed down from our founder, Ichizo Kobayashi, whose words still resonate today. He championed our mission “to widely provide inspiring entertainment to the general public” and reminded us that “Whatever joy we know, we owe to the happiness of our audiences.” Guided by this legacy, we have established our Group Slogan: “Moments for Life.” Our Group Purpose is to “create moments that move hearts and enrich lives,” and our Group Values are embodied in our motto: to always act with vivacity, modesty, fairness, and grace. Based on these principles, the TOHO Group remains committed to earning the continued trust of all our stakeholders. To this end, we position the enhancement of corporate governance as one of our most important management priorities, striving to ensure rapid and proper decision-making by the Board of Directors and to strengthen oversight and auditing functions through our independent outside directors, thereby securing management transparency and fairness. In addition, we have established the TOHO Charter, the TOHO Group Code of Conduct, the Sustainability Policy, and the TOHO Group Human Rights Policy, which are thoroughly communicated to all group employees. We also work to build a robust internal control system and risk management framework across the group, with the aim of achieving sustainable growth and enhancing corporate value over the medium to long term.

Corporate Governance Report

Strengthening Group Governance

The TOHO Group is a corporate group comprising 56 subsidiaries (49 of which are consolidated subsidiaries, as of May 31, 2026). To enhance governance across the group, we have established the Group Management Policy, which sets forth the fundamental rules of management. In line with the Group’s overall management policies and strategies, this policy is designed to drive performance growth, improve efficiency, and enhance corporate value across the entire group. It clarifies the division of authority in decision-making between headquarters and subsidiaries, ensuring a consistent and effective management framework.

Corporate Governance System

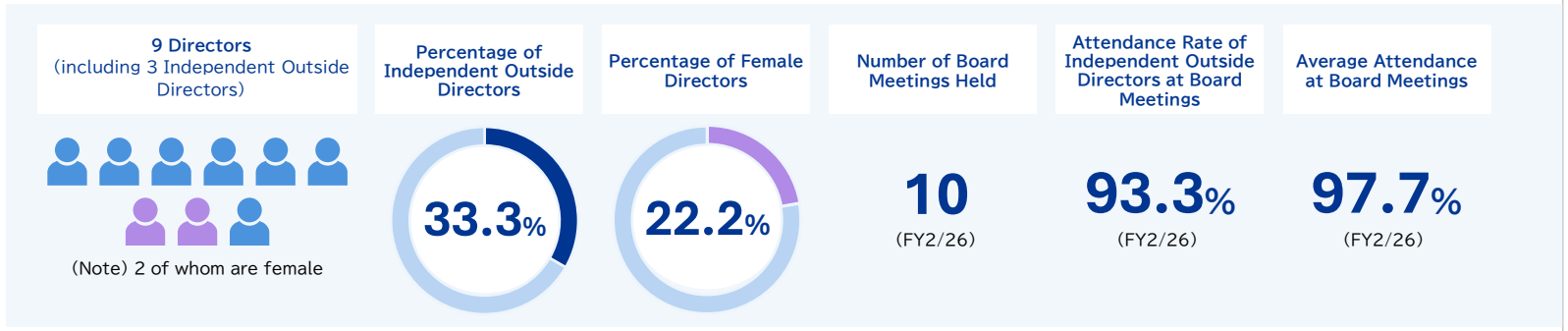


Evolution of the Governance Framework

Composition of the Board of Directors

The Board of Directors comprises both Audit & Supervisory Committee members and other directors and is responsible for material business-execution decisions and oversight functions.

The participation of independent outside directors strengthens management transparency and the oversight structure, while appropriate monitoring by the Audit & Supervisory Committee enhances the effectiveness of governance.



(Note) As of the end of May 2026

Evolution of the Board of Directors

In response to changes in the business landscape, TOHO has continuously implemented governance reforms aimed at enhancing management transparency and strengthening its oversight framework, including changes to the Company's governance structure and greater diversity on the Board of Directors.

		–2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Corporate Governance Structure		● Company with a Board of Company Auditors	● Transition to a Company with an Audit & Supervisory Committee										
Governance Framework			● Establishment of Risk Management Committee					● Introduction of the Operating Officer System				● Appointment of Lead Independent Outside Director	
Board Effectiveness Evaluations				● Commencement of Board Effectiveness Evaluations									
Nomination and Compensation						● Establishment of the Governance Committee	● Introduction of Stock-Based Compensation Plan					● Introduction of Performance Share Units	
Board Composition	Male	15	18	18	17	16	16	8	8	8	7	7	7
	Female	–	–	–	–	–	–	1	1	1	2	2	2
	Total	15	18	18	17	16	16	9	9	9	9	9	9
	Number of Independent Outside Directors	–	2	2	2	2	2	3	3	3	3	3	3
	Percentage of Independent Outside Directors	0.0%	11.1%	11.1%	11.8%	12.5%	12.5%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%

Activity Report

Activities of Each Governance Body

Board of Directors	Meetings Held (FY2/26): 10 Chair: Yoshishige Shimatani Members: 9 Directors (including 3 Independent Outside Directors)	Key Agenda Items for FY2/26 • Formulation of TOHO Mid-Term Plan 2028 • Renewal of the TOHO Group's management philosophy framework • Business and human rights • New personnel system • Stock split and changes to the shareholder benefit program • Overseas M&A transactions and IP expansion • Sale of strategic shareholdings • Management focused on cost of capital and share price • Updates on dialogue with investors and shareholders
Audit & Supervisory Committee	Meetings Held (FY2/26): 11 Chair: Eiichi Ogata Members: 4 (including 3 Independent Outside Directors)	Key Audit Focus Areas for FY2/26 • Group governance in the context of growth strategies aligned with TOHO VISION 2032 • Oversight of business execution by Directors and Operating Officers • Risk management within the TOHO Group
Governance Committee*	Meetings Held (FY2/26): 5 Chair: Satoshi Ando (Lead Independent Outside Director) Members: 5 Directors (including 3 Independent Outside Directors)	Key Agenda Items for FY2/26 • Executive appointments and compensation • Introduction of performance share units

*Voluntary Nomination and Compensation Committee

Criteria for Director Appointments

For officers, we strive for a well-balanced structure and placement that ensures comprehensive coverage of our core business areas and corporate functions. Appointees are expected to have specialized knowledge, extensive experience, strong execution capabilities, and deep familiarity with frontline operations.

For outside directors, in alignment with the realization of the TOHO VISION 2032: TOHO Group Management Strategy, we seek to ensure that the Board of Directors fulfills both its decision-making and supervisory functions. To this end, we appoint individuals with expertise in areas such as corporate management, finance and accounting, and law and corporate ethics, while also emphasizing diversity. As part of this, we have appointed two female directors with management experience in industries outside our core business.

Internal Officers	(1) Possess specialized knowledge of the TOHO Group's businesses and operations (2) Demonstrate keen managerial acumen to meet evolving societal and business demands (3) Exhibit strong judgment and execution capabilities from a company-wide perspective (4) Possess the character, insight, and high ethical standards befitting a director
Outside Directors	(1) Possess the expertise and experience necessary to ensure effective supervisory and auditing functions of the Board (2) Possess the character, insight, and high ethical standards befitting a director

Skills Matrix

Our Approach to the Board of Directors and the Skills Matrix

To achieve the objectives of TOHO VISION 2032 and the TOHO Group Mid-Term Plan 2028, we have identified the skills the Board of Directors needs to fulfill its decision-making and oversight responsibilities and select directors with deep expertise and extensive experience in each of these areas.

Skill Definitions and Selection Rationale

Corporate Management	Knowledge of corporate management to execute management strategies
Planning & Marketing	Knowledge of planning and marketing related to the Company's core business
Global	Knowledge of global business as a growth driver and geopolitical risks
IT & Digital	Knowledge in the use of IT and digital technologies related to the creation of new business models and productivity improvements
Human Resources & Sustainability	Knowledge of human resource strategy and sustainability management, which are management resources necessary to enhance corporate value
Legal Affairs & Risk Management	Knowledge of risk management to strategically advance business
Finance & Accounting Business Management	Knowledge of financial management and accounting for business strategy in growth investments

Skills Matrix

Name		 Hiro Matsuoka Representative Director, President	 Nobuyuki Tako Representative Director, Executive Vice President	 Minami Ichikawa Director, Senior Managing Executive Officer	 Keiji Ota Director, Senior Managing Executive Officer	 Yasuo Shimada Director	 Eiichi Ogata Director, Audit & Supervisory Committee Member (Full-time)	 Satoshi Ando Director, Audit & Supervisory Committee Member (Outside)	 Masako Orii Director, Audit & Supervisory Committee Member (Outside)	 Izumi Okoshi Director, Audit & Supervisory Committee Member (Outside)
Years in Office		12 years	18 years	15 years	—	1 year	4 years	10 years	5 years	2 years
Attendance Record FY2/26	Board of Directors	10/10 meetings attended	10/10 meetings attended	10/10 meetings attended	—*1	8/8 meetings attended	10/10 meetings attended	8/10 meetings attended	10/10 meetings attended	10/10 meetings attended
	Audit & Supervisory Committee	—	—	—	—	—	11/11 meetings attended	9/11 meetings attended	11/11 meetings attended	11/11 meetings attended
Expertise & Experience	Corporate Management	●	●	●	●	●	●		●	●
	Planning & Marketing	●		●	●				●	
	Global	●		●	●					●
	IT & Digital	●			●					●
	Human Resources & Sustainability	●	●						●	
	Legal Affairs & Risk Management		●			●	●	●		
	Finance & Accounting Business Management		●			●	●			
Number of shares held*2		137,860	93,010	63,280	56,735	1,500	8,500	0	0	0

*1 Not applicable, as the individual was appointed on May 28, 2026. *2 As of February 2026, adjusted for the stock split.
(Note) The skills matrix above does not reflect the full range of knowledge and experience possessed by each individual.

Operating Officers

Officers (as of September 30, 2026)

Representative Director, President & CEO*1	Hiro Matsuoka	Head of Entertainment Unit Direct control of the Internal Audit Department and President's Office
Executive Vice President and CFO*2	Nobuyuki Tako	Head of Corporate Management Group In charge of Corporate Communications
Senior Managing Executive Officer and CMPO*3	Minami Ichikawa	Head of Motion Picture Group, Entertainment Unit
Senior Managing Executive Officer and CGO*4	Keiji Ota	Head of IP & Anime Group, Entertainment Unit In charge of Business Management, Entertainment Unit, and TOHO Digital Lab.
Executive Officer	Kunichiro Wada	Head of Corporate Real Estate Group In charge of Corporate Real Estate, Corporate Real Estate Group
Executive Officer	Taro Honda	In charge of Corporate Planning, Corporate Management Group
Executive Officer	Norihiro Uda	Head of Theatrical Group, Entertainment Unit In charge of Theatrical Business, Theatrical Group, Entertainment Unit
Executive Officer	Akihiro Fukuda	In charge of Legal and General Affairs, Corporate Management Group
Executive Officer	Mitsutaka Yoshida	In charge of Film Exhibition, Entertainment Unit President and Representative Director of TOHO Cinemas Ltd.
Executive Officer	Taichi Ueda	In charge of Production & Acquisitions, Motion Picture Group, Entertainment Unit
Executive Officer CIO*5 and CISO*6	Atsunori Takano	Head of IT Promotion Group In charge of Information Technology & System, IT Promotion Group
Operating Officer	Koji Ueda	In charge of International Business, Entertainment Unit President and Representative Director of TOHO Global Inc.
Operating Officer	Kazutaka Yamanaka	In charge of TOHO animation, IP & Anime Group, Entertainment Unit
Operating Officer	Yoko Matsuura	In charge of Human Resources, Corporate Management Group
Operating Officer	Tsuyoshi Fukiharu	In charge of Finance & Accounting, Corporate Management Group
Operating Officer	Akito Takahashi	In charge of Distribution & Marketing, Motion Picture Group, Entertainment Unit
Operating Officer	Hisashi Usui	In charge of Planning & Production, Motion Picture Group, Entertainment Unit
Operating Officer	Hidehiko Hotta	In charge of Godzilla and Products & Licensing, IP & Anime Group, Entertainment Unit General Manager, Products & Licensing Dept., IP & Anime Group, Entertainment Unit

*1 Chief Executive Officer (CEO)
*2 Chief Financial Officer (CFO)
*3 Chief Motion Picture Officer (CMPO)
*4 Chief Godzilla Officer (CGO)
*5 Chief Information Officer (CIO)
*6 Chief Information Security Officer (CISO)

Effectiveness Evaluations

Evaluation of Board Effectiveness

Since FY2017, the Company has undertaken annual evaluations of the effectiveness of its Board of Directors, with the objective of enhancing corporate value over the medium to long term. The results of these evaluations are summarized and disclosed through the Corporate Governance Report and other relevant channels. Furthermore, the Company analyzes the evaluation outcomes and implements initiatives to strengthen the effectiveness of the Board of Directors.

Implementation Guidelines for the Board Effectiveness Evaluations

Evaluation Subjects	All 9 Directors for FY2/26	
Evaluation Process	1. Conducted a questionnaire of all Directors, incorporating enhanced free-response comments 2. Analyzed the results at the Board of Directors, followed by discussion and evaluation of identified issues and future responses 3. Considered initiatives based on the evaluation results and implemented measures to further improve Board effectiveness	
Evaluation Items	Composition	Scale and diversity / Criteria for appointment
	Operation	Frequency of meetings / Seating arrangement and atmosphere / Quality of materials / Timing of pre-distribution of materials / Secretariat support / Quality of remote communication environment / Duration of meetings
	Discussion	Appropriateness of agenda items / Provision of information / Clarity of explanations / Advance explanation and follow-up on important agenda items / Facilitation by the chair / Sufficiency of discussions

Issues Identified in FY2/26

- Further diversification of Board composition in line with changes in business strategy
- Specification of the selection process
- Deepening of discussion and exchange of views at the business segment level

Results of the Board effectiveness evaluations for FY2/25 and future initiatives

Identified Issues	Progress in FY2/26
• Updating succession planning and clarifying appointment criteria in light of changes in the business environment and management challenges • Adjusting time allocation based on the nature of agenda items	• Provided individual briefings on key matters and shared meeting materials earlier • Conducted site visits to business locations

Compensation Plan

Compensation Plan for Directors

At TOHO, our basic policy for director compensation is to ensure a level of remuneration appropriate to each director's role and responsibilities, within the limit approved by the General Meeting of Shareholders, while also providing suitable incentives to enhance corporate value and business performance across the TOHO Group. The compensation framework consists of the following components:

1. Fixed Compensation (Monetary): Base compensation determined by role, responsibilities, and individual performance
2. Restricted Stock Compensation (Non-Monetary): Designed to share value with shareholders through long-term enhancement of corporate value
3. Performance Achievement Bonus (Monetary): Incentive linked to the achievement of annual performance targets
4. Performance Share Units (Non-Monetary): Tied to the achievement of numerical targets in the Mid-Term Plan. For non-executive directors and directors who are members of the Audit and Supervisory Committee, compensation consists solely of fixed monetary compensation, in consideration of the nature of their duties.

Fixed Compensation	Incentive Compensation		
	Long-Term Incentive	Medium-Term Incentive	Short-Term Incentive
Base Compensation (Monetary)	Restricted Stock (RS)	Performance Share Units (PSU) (Note) Introduced from FY2/26	Performance Achievement Bonus (Monetary)
Determined based on the role-specific compensation table, taking into account responsibilities and individual performance	Restricted stock granted annually based on role (Transfer restrictions lifted upon retirement)	Shares granted based on achievement of targets in TOHO Mid-Term Plan 2028 (Transfer restrictions applied upon granting and lifted upon retirement)	Determined within a range of 0–300% of monthly base compensation, based on consolidated operating profit
Up to ¥500 million annually	**Up to ¥100 million annually**	**Up to ¥500 million annually**	**Up to ¥100 million annually**

(Note) The above illustration does not represent the proportion of each compensation component. For the President & CEO, incentive compensation accounts for approximately 50% of total compensation at maximum.

Payment Criteria for Performance Share Units

Calculation Formula for Performance-Linked Stock Compensation*

Base number of shares granted (1) × Allocation rate (2) × Performance achievement rate (3) × Tenure ratio + Shares granted based on ESG target achievement (4)

*For item (4), a predetermined number of shares will be granted at the end of the performance period only if ESG targets are achieved; if the targets are not met, no shares will be granted. This component applies only to officers who remain in office at the end of FY2/28.

(1) Base Number of Shares Granted

Position	Base Number of Shares Granted
Representative Director and Chairperson, Member of the Board	36,000
Representative Director, President & CEO	45,000
Representative Director, Executive Vice President	25,500
Director, Senior Managing Executive Officer	13,500

(2) Allocation Rate

Performance Indicator	Allocation Rate
Consolidated Operating Profit	50%
ROE	50%

(3) Performance Achievement Rate

Consolidated Operating Profit	Performance Achievement Rate
¥70 billion or more	150%
¥65 billion or more but less than ¥70 billion	100%
¥60 billion or more but less than ¥65 billion	50%
Less than ¥60 billion	0%

ROE	Performance Achievement Rate
10.0% or more	150%
9.0% or more but less than 10.0%	100%
8.0% or more but less than 9.0%	50%
Less than 8.0%	0%

(4) Shares Granted Based on ESG Target Achievement

ESG Indicator	Shares Granted	Requirement
CO_2 Reduction Target	600	Shares will not be granted if the Group's CO_2 reduction in FY2/28 does not exceed 43.0% compared to FY2017.
Engagement Score	600	Shares will not be granted if the average annual score of TOHO CO., LTD.'s employee engagement survey in FY2/28 is below 68.

(Note) The consolidated operating profit figures above are after provisions for performance-linked compensation.

Compensation Plan / Strengthening of Governance and Security

Performance Achievement Bonus Criteria

The “performance achievement bonus” is a form of performance-linked compensation and is linked to consolidated operating profit as a performance indicator. For FY2/26, the amount was calculated based on the table below, approved by the Governance Committee in April 2026 and resolved by the Board of Directors in May 2026, resulting in a payment of 200% of each eligible individual’s base monthly compensation. The consolidated operating profit used for calculation was ¥67.8 billion.

For the current fiscal year (FY2/27), the criteria for the performance achievement bonus were approved by the Governance Committee on May 28, 2026, and subsequently resolved by the Board of Directors on the same day as follows.

Performance Achievement Bonus Criteria (FY2/26)

(Note) The consolidated operating profit figures below are after provisions for performance-linked compensation.

Consolidated Operating Profit	Multiplier Applied to Base Monthly Remuneration
¥65 billion or more	200%
¥57 billion to less than ¥65 billion	100%
Less than ¥57 billion	0%

Performance Achievement Bonus Criteria (FY2/27)

Consolidated Operating Profit	Multiplier Applied to Base Monthly Remuneration
¥70 billion or more	300%
¥68 billion to less than ¥70 billion	200%
¥62 billion to less than ¥68 billion	100%
Less than ¥62 billion	0%

Total Director Compensation (FY2/26)

	Eligible Persons and Total Amounts		Breakdown							
			Base Compensation (Monetary)		Stock-Based Compensation (RS)		Stock-Based Compensation (Performance-Linked)		Performance Achievement Bonus (Monetary)	
	Eligible (persons)	Total (millions of yen)	Eligible (persons)	Amount (millions of yen)	Eligible (persons)	Amount (millions of yen)	Eligible (persons)	Amount (millions of yen)	Eligible (persons)	Amount (millions of yen)
Directors (Excluding directors who are members of the Audit & Supervisory Committee)	5	430	5	248	4	63	4	78	4	40
Directors (Audit & Supervisory Committee Members)	1	24	1	24	-	-	-	-	-	-
(of which, outside directors)	3	29	3	29	-	-	-	-	-	-

(Note) The above count includes one Director who retired at the conclusion of the annual General Meeting of Shareholders held on May 28, 2026.

Strengthening of Governance and Security



Atsunori Takano

Executive Officer, CIO & CISO (Chief Information Officer & Chief Information Security Officer), Head of IT Promotion Group
In charge of Information Technology & System, IT Promotion Group

The Mission of TOHO’s Inaugural CIO and CISO: Upholding Trust in TOHO

Under Long-Term Vision 2032, we are accelerating our global expansion and use of digital technologies. As part of these efforts, we established the positions of CIO and CISO in May 2026 to define accountability in each area in line with global standards. By aligning our executive roles with international standards, we aim to accelerate collaboration with partners in Japan and overseas while strengthening governance.

We have two vital assets to protect: our valuable IP, including films and anime, and the consumer data that customers entrust to us through our services. We must protect these assets from risks such as cyberattacks and unauthorized use so that customers can trust TOHO with their information and continue to enjoy the quality of service they expect from us.

At present, while TOHO itself has made steady progress, challenges remain, including fragmented systems across its Group companies in Japan and overseas and a shortage of dedicated personnel with the necessary expertise. As an initial milestone, we aim to standardize systems and security, consolidate infrastructure, and strengthen our dedicated workforce by February 2028, thereby enhancing efficiency across the Group and establishing a robust governance framework. Having joined TOHO this year after building my career at other companies, I feel both a profound sense of responsibility and great excitement at the opportunity to contribute to TOHO’s next phase of growth. I am committed to drawing on everything I have learned over more than 30 years in IT to build a resilient foundation over the next two years.

Roundtable with the President and Outside Directors

In May 2026, Hiro Matsuoka assumed the position of Chairperson of the Board of Directors. Here, he joins TOHO's outside directors to discuss future governance priorities and prospects as the Group works to enhance corporate value over the medium to long term.



From left: Izumi Okoshi, Director, Audit & Supervisory Committee Member (Outside); Satoshi Ando, Director, Audit & Supervisory Committee Member (Outside); Hiro Matsuoka, Representative Director, President & CEO; Masako Orii, Director, Audit & Supervisory Committee Member (Outside)

Launch of a New Board Chair Structure and Expectations for the Board of Directors

Ando Until recently, Board discussions tended to revolve around exchanges between the Chair and the outside directors. I have long proposed that we hear more from the other executive directors as well, regarding the state of internal discussions and the issues they themselves are focused on. Meetings may run somewhat longer as a result, but having executive directors share their thought processes and the ways in which they reach their conclusions is extremely valuable for us as outside directors. The way recent Board meetings have been run suggests a shift in that direction, and I look forward to even more substantive discussions taking shape as a result.

Orii I too have high hopes for a more effective Board. Going forward, the Board must serve less as a venue for explanation and approval, and more as a forum for decision-making shaped by strategic discussion from diverse perspectives. Whether in internal dialogue, at the General Meeting of Shareholders, or at Board meetings, President Matsuoka is always open and even-handed in the way he receives a wide range of views. I am confident he will lead open discussions with a high degree of "psychological safety," where anyone can raise a question or challenge an idea without fear of how it will be received.

Matsuoka Thank you. I will keep working to create an environment where everyone feels able to speak their mind.

Orii Another expectation of mine is speed in decision-making. To implement the growth investments and transformation set forth in TOHO VISION 2032 Group Management Strategy and TOHO Mid-Term Plan 2028, we need rapid decision-making amid an uncertain landscape. For this, I look to the strong leadership of the Chair, TOHO's top executive. At the same time, the Board's oversight function is becoming increasingly important. We as outside directors intend to live up to that responsibility through constructive discussion from many angles.

Okoshi Under the new structure, attendance has been deliberately narrowed, and non-member participants no longer sit in. As a result, our exchanges have become noticeably more focused and substantive. We have held two meetings so far, and already there is a stronger foundation for spending less time on reports and approvals and more on constructive dialogue about the future. The next test will be how well we manage the agenda and use the limited time we have to produce high-quality discussions. I have high expectations for how the Board will develop.

Matsuoka I hope our outside directors will first develop a solid understanding of TOHO, and then actively offer perspectives that those of us inside the company might overlook, along with candid and constructive criticism. That is why we have deliberately kept the group small and worked to create an environment in which every director feels able to speak up. For the Board of Directors, the final forum for deciding the direction of the TOHO Group, the most difficult moments are those where opinions divide on which path to take. My role as Chair is to draw out the full range of views and approaches before we reach a decision. I intend to be unwavering in creating the conditions needed for that kind of honest debate.

Roundtable with the President and Outside Directors

Priorities for Further Strengthening Board Effectiveness

Ando While I recognize that the Board's effectiveness has been well secured to date, I believe the challenge in raising it further lies in strengthening its monitoring capabilities. That is especially important for TOHO as a company with an Audit & Supervisory Committee. To resolve that challenge, we need an environment in which outside directors can more readily access the decision-making process of bodies such as the Management Committee. Currently, we receive reports mainly through the full-time Audit & Supervisory Committee member. However, I believe that creating an environment in which everyone has ready access to the same level of information—such as by expanding opportunities for direct communication between operating officers and outside directors—will provide a foundation for further enhancing effectiveness.



Hiro Matsuoka Representative Director, President & CEO

Orii The Board is steadily becoming more effective, but I believe the next challenge lies in agenda-setting. We should not allow mandatory items to consume the entire agenda. We must be more deliberate about identifying what the Board should be discussing now and putting it on the agenda. For example, we also need opportunities to discuss strategic themes such as human capital and IP in greater depth. Reviewing past decisions is another important theme. Tracking how initiatives such as past M&A deals and the launch of TOHO-ONE have been executed, and reviewing their progress, will strengthen the Board's oversight function.

Okoshi At TOHO, the pillars of our growth strategy are IP and global expansion. The global market, in particular, remains territory where TOHO has room to grow. As our ambitions grow, so too will the number of decisions with far-reaching consequences. Our current structure does not yet give us sufficient depth of expertise in areas such as global business and legal affairs. To enhance the effectiveness of the Board, I believe it is important to build a mechanism that focuses not on diversity as a formality but on ensuring that, at moments of major decision-making, the views of experts and people with diverse backgrounds genuinely reach the Board, even if they take part only as observers.

Matsuoka These are all important points that we must take seriously. We ourselves do not yet have sufficient expertise in the uncharted areas we are seeking to pioneer. Whenever a new issue comes before the Board, every participant needs a shared foundation of understanding and the confidence to form and express an independent view. I believe this is the most reliable path to a more effective Board. Achieving it depends on far more than meeting on the day itself. The quality of the materials we circulate in advance, and how effectively they deepen understanding, is just as important. We must stop thinking of the Board as a monthly ritual and start treating it as a body that remains engaged throughout the year. That requires patient, disciplined work: continuous information-sharing, thoughtful use of external advisers' reports, and the many other efforts that sustain informed discussion.



Satoshi Ando Director, Audit & Supervisory Committee Member (Outside)

Roundtable with the President and Outside Directors



Izumi Okoshi Director, Audit & Supervisory Committee Member (Outside)

The Role of Outside Directors and Key Considerations

Orii The goal of improving medium- to long-term corporate value is one we share completely with the executive team. Furthermore, because we are independent, we have a role to play in ensuring that Board discussions do not become insular or trapped by internal logic, but rather remain open to broader perspectives. To that end, I try to come to every discussion candidly, bringing with me both the diverse perspectives of our stakeholders and a view across the Group as a whole. As an outside director, I want to contribute to stronger corporate governance and firmly support sustainable growth by exercising proper oversight on both the defensive and offensive fronts.

Okoshi TOHO is performing exceptionally well, and it is a privilege to accompany the Company at this stage in its development. That performance gives us the rare opportunity to think carefully and ambitiously about the investments and growth strategies that will shape its future. That being so, as we discuss the possibilities ahead, I feel it is our job to pose certain questions before anyone else does: Is this plan alone enough? Should we be judging these choices through different lenses? The executive team is understandably absorbed in the day-to-day demands of the business. Our role as outside directors is to raise the right questions about the next management decisions that will drive growth—the ones they have little time for—and to hold management accountable for them.

Ando It is a mistake to think that simply increasing the number or ratio of outside directors will make governance function effectively. The reality that scandals occur even at the largest companies with the most advanced governance systems makes this clear. The skills of these directors are what truly matter. For my part, I make a point of saying no when necessary, without simply reading the room, while also recognizing the importance of supporting appropriate risk-taking. When management becomes overly risk-averse in day-to-day business, I believe that speaking from an independent standpoint to encourage a worthwhile challenge can contribute to enhancing corporate value.

Looking Ahead to TOHO's Centennial in 2032

Okoshi TOHO' s history is marked by a series of bold decisions and investments of enormous scale. That willingness to take risks and embrace challenge is part of the Company' s DNA, and it is what created the formidable foundation that exists today. It is precisely because we can see the centennial ahead—with strong results and the capacity to invest in growth—that we can actively envision what lies beyond. TOHO should create bold, transformative value and deliver on the promise of its Group Slogan, "Moments for Life." And the wellspring of that value is, quite simply, our people. Exceptional people create exceptional content. Through experiences in film, theater, and beyond, that content earns trust in the TOHO brand; in turn, that trust attracts new talent and new partners. Our task is to renew this



Masako Orii Director, Audit & Supervisory Committee Member (Outside)

Roundtable with the President and Outside Directors

virtuous cycle of value creation as the world changes, and to extend it on a truly global scale. That is the blueprint I hope we can share as we move forward.

Ando The ideals championed by our founder, Ichizo Kobayashi—"act with vivacity, modesty, fairness, and grace" and "widely provide inspiring entertainment to the general public"—form the spiritual foundation of the TOHO Group. I believe the TOHO Group has remained deeply trusted and cherished by society and its stakeholders precisely because those ideals have been carried forward from one generation to the next. TOHO is entering new territory, including overseas expansion, while the organization itself is changing significantly. Mid-career hires now make up nearly half of our workforce. That makes our shared sense of what it means to be TOHO more important than ever. It must serve as the point of reference that brings together an organization whose individual vectors might otherwise pull in different directions. A philosophy that has retained its relevance for a century is an extraordinary corporate asset. I am convinced it will remain at the very core of TOHO's sustainable development.

Orii I feel two major sources of energy as we look toward our centennial. One is a growth story of "transcending boundaries"—anime, digital, and overseas expansion. The other is a "shared set of values," embodied in the Group Slogan we adopted last year. In other words, there is a centrifugal force for growth driving us to take on new challenges beyond our boundaries, and a strong centripetal force that binds us together. When these powerful energies combine, I expect them to produce the finest "Moments" that only TOHO can create. I have also been struck recently by how much the TOHO Group's presence has grown. With the content industry now positioned as a key sector in the national growth strategy, I hope TOHO will take entertainment rooted in Japan's unique strengths to the world and establish a presence that makes people everywhere recognize the TOHO brand. I believe this would also inspire greater confidence and optimism across Japan.

Matsuoka Our centennial is not a destination but simply a milestone along the way. Even as we look toward our 125th and 150th anniversaries, the essential role TOHO is here to fulfill in society remains unchanged. It has not altered in the 94 years since our founding, and there is no reason it should now. The means will continue to evolve. But for as long as people seek richer and more meaningful lives, entertainment will have an enduring place in society. Ahead of our 90th anniversary, I immersed myself in the Company's historical records. For roughly four decades after cinema attendance peaked in 1958, as the film industry slid into long decline, our predecessors gritted their teeth and kept the business going through years of extraordinary hardship. I have merely been blessed with good timing to become President at this moment, standing on the foundations they fought so hard to preserve. Our responsibility to the future, then, is to leave a legacy so that future generations at TOHO can look back and see that the risks we took and the paths we forged were what made their TOHO possible. With profound gratitude to our predecessors, and without compromising the essential foundation of our business, I want TOHO to remain an organization that continues to deliver "Moments for Life."

Ando Fewer and fewer people within the Company have firsthand knowledge of the difficult years and the lessons they taught us. We must therefore make a conscious effort to pass that history on to the next generation. For a company to endure, what matters is whether it is genuinely needed by society. Entertainment is not infrastructure on which life itself depends. That is precisely why I believe that, to endure for the next 100 years, we must continue to demonstrate why TOHO matters, so that people around the world have a genuine sense that TOHO is essential to enriching their lives.

Okoshi I believe we are about to encounter, on the world stage, a landscape unlike anything we have seen before. There will be no shortage of obstacles. Yet I hope TOHO's younger employees will carry the essence of TOHO with them as they venture boldly into uncharted territory. The prospect of witnessing that moment of transformation fills me with both a profound sense of gravity and genuine excitement. I look to the future with great anticipation.

Orii The TOHO Group is now attracting attention and raising expectations well beyond the boundaries that once defined it. At the same time, I am reminded anew of the immense potential we possess to meet those expectations.

Matsuoka Thank you all for such a thoughtful discussion today. I will do everything in my power to write the next chapter of TOHO's history together with you. I look forward to continuing this work together.

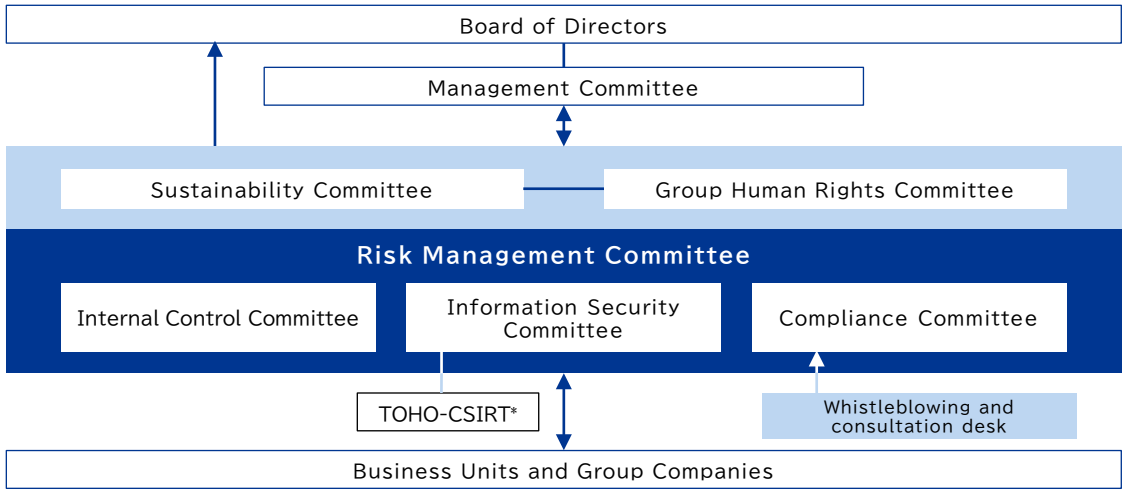
Risk Management Framework

Risk Management Committee

To ensure business continuity and sound management across the TOHO Group, we have established the Risk Management Policy and the Risk Management Committee, chaired by the President. The committee meets twice a year, with the TOHO CO., LTD. General Affairs Department serving as its secretariat. It determines the TOHO Group's risk management policies and structure and establishes communication, reporting, and crisis management structures in the event of a risk. Under this framework, the TOHO Group reviews actual risk incidents and considers preventive measures for potential risks. The Group has also established Disaster Response Regulations to guide its response in the event of a large-scale disaster. These regulations are intended to ensure appropriate action by the Group, its officers, and employees; to establish crisis management structures tailored to the situation; to minimize damage; and to fulfill its corporate social responsibility.

Climate-related risk identification, assessment, and management are also incorporated into this framework. Risk identification and assessment include reviewing the status of responses at each business site, evaluating risks with significant group-wide impact both quantitatively and qualitatively, and identifying high-priority risks. For risks deemed significant at the group level, the Head Office Corporate Management Group takes the lead in assessing response efforts at each site, while the Internal Audit Department evaluates the implementation status of countermeasures. This enables a group-wide PDCA cycle to be executed from an organizational risk management perspective. Climate-related risks identified through this process are reported to the Sustainability Committee, and, following deliberation, those considered highly significant are escalated to the Board of Directors.

Risk Management Structure



Key risk response training and initiatives

2017	Targeted email attack training (conducted on an ongoing basis)
2018	Information security training via e-learning
2019	Counterterrorism response training
2020	COVID-19 countermeasures and social media crisis response
2021	Earthquake preparedness seminar
2022	Corporate security seminar (terrorism, crime prevention, disaster preparedness)
2023	Cybersecurity and major earthquake response training
2024	Security training, basic life support training, and cybersecurity lectures by an external expert
2025	Online compliance training (trade secrets, social media risks, insider trading, etc.)
2026	CSIRT establishment and cyber incident response training

*CSIRT is an abbreviation for "Computer Security Incident Response Team."
It refers to an organization that responds to security incidents—such as cyberattacks or information leaks occurring within an organization—with rapid detection, response, and recovery.

Risk Management Framework

Internal Control

TOHO's Board of Directors has adopted an internal control policy, under which the Company has established an internal control system to ensure proper operations across TOHO and its group companies. The policy is reviewed as needed, and its implementation is monitored to maintain and improve the internal control system, supporting sound management and sustainable growth.

Internal Control Committee

Held twice a year
Secretariat: Internal Audit Department, TOHO CO., LTD.

The committee primarily addresses risks related to financial reporting and evaluates the effectiveness of internal controls. It also shares findings from internal audits and information related to improving internal controls. It is also responsible for overseeing the promotion and operation of the internal control system.

Information Security

The TOHO Group recognizes the importance of protecting its information assets, including data entrusted by customers. The Group implements a wide range of information security measures, based on the key principles of legal and regulatory compliance, internal rule development, management structures, education, adaptation to emerging threats and changing environments, and audits. To address increasingly serious cyberattacks in a structured way, the Group has established a dedicated Computer Security Incident Response Team (CSIRT).

Information Security Committee

Held twice a year, plus ad hoc sessions as needed
Secretariat: Information Technology & System Department, TOHO CO., LTD.

To ensure the appropriate and effective promotion of information security across the Group, the Head Office Information Technology & System Department serves as the secretariat. It established the Information Security Policy and oversees the implementation and ongoing operation of related measures.

Compliance

As part of its compliance framework, TOHO has established a Compliance Committee as well as an internal reporting system that spans the entire group. Whistleblowing and consultation desks are available both internally and through external counsel, and are operated in a fair and impartial manner to address legal and compliance concerns. In addition, a Content Committee has been established in connection with the Compliance Committee to review content during production, manage risk-related information, and formulate policies for addressing risks.

Compliance Committee

Held twice a year
Secretariat: Legal Department, TOHO CO., LTD.

To ensure compliance across the Group, the Head Office Legal Department serves as the secretariat, handling matters such as promoting legal compliance and corporate ethics, and investigating and responding to incident reports and consultations.

Section 06

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Consolidated Financial Statement

	2020 (End of Feb)	2021 (End of Feb)	2022 (End of Feb)	2023 (End of Feb)	2024 (End of Feb)	2025 (End of Feb)	2026 (End of Feb)
Operating revenue (millions of yen)	262,766	191,948	228,367	244,295	283,347	313,171	360,663
Cost of goods sold (millions of yen)	149,335	123,485	133,527	135,669	152,779	168,611	201,069
Selling, general and administrative expenses (millions of yen)	60,573	46,014	54,891	63,745	71,316	79,875	91,704
Operating profit (millions of yen)	52,857	22,447	39,948	44,880	59,251	64,684	67,889
Ordinary profit (millions of yen)	55,068	24,195	42,790	47,815	63,024	64,455	70,140
Profit attributable to owners of parent (millions of yen)	36,609	14,688	29,568	33,430	45,283	43,357	51,768
Increase in property, plant and equipment and intangible assets (millions of yen)	10,856	10,097	28,252	19,564	22,610	36,964	20,443
Depreciation and amortization (millions of yen)	10,069	8,797	8,951	9,514	10,256	14,363	13,872
Basic earnings per share (yen)	40.75	16.51	33.45	38.07	51.90	50.95	61.20
Net assets per share (yen)	418.40	423.09	448.25	468.92	527.40	564.28	614.01
Dividend per share (yen)	11.0	7.0	9.0	12.0	17.0	17.0	22.00

	2020 (End of Feb)	2021 (End of Feb)	2022 (End of Feb)	2023 (End of Feb)	2024 (End of Feb)	2025 (End of Feb)	2026 (End of Feb)
Property, plant and equipment (millions of yen)	151,722	151,626	169,865	177,451	224,851	243,502	247,927
Total assets (millions of yen)	490,283	473,804	502,532	534,097	615,826	653,068	702,934
Non-current liabilities (millions of yen)	45,439	45,319	45,819	44,643	61,929	67,311	74,691
Net assets (millions of yen)	388,212	389,011	409,181	423,691	484,755	494,815	532,990
Equity ratio (%)	76.7	79.3	78.7	76.6	74.5	73.3	73.3
Return on equity (%)	10.0	3.9	7.7	8.3	10.4	9.3	10.4
Cash flows from operating activities (millions of yen)	55,892	12,512	53,460	45,404	43,350	51,617	65,334
Cash flows from investing activities (millions of yen)	-7,353	-27,226	-36,030	-9,175	-62,706	-18,465	-24,904
Cash flows from financing activities (millions of yen)	-8,407	-17,220	-12,482	-19,125	-11,630	-39,298	-31,326
Cash and cash equivalents at end of period (millions of yen)	118,445	85,827	92,341	112,121	82,424	76,608	86,683
Total number of issued shares at the end of the period (including treasury shares) (thousands of shares)	932,453	932,453	932,453	932,453	932,453	932,453	880,000
Average number of issued shares during the period (thousands of shares)	898,295	889,755	883,989	878,064	872,482	850,967	845,872

ESG Data

Environmental (Unit: t-CO_2)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Scope 1	5,460.0	5,534.4	6,042.8	5,547.8	5,483.8	5,589.5
Scope 2	47,574.6	48,566.1	48,391.5	46,255.4	44,149.6	39,341.7
Scopes 1 + 2	53,034.6	54,100.5	54,434.3	51,803.2	49,633.4	44,931.2
FY2017 Comparison	-32.9%	-31.5%	-31.1%	-34.5%	-37.2%	-43.1%

(Notes)
- The calculation of the TOHO Group's CO_2 emissions is conducted based on TOHO's fiscal year. The specific periods are as follows: FY2020: March 1, 2020–February 28, 2021; FY2021: March 1, 2021–February 28, 2022; FY2022: March 1, 2022–February 28, 2023; FY2023: March 1, 2023–February 29, 2024; FY2024: March 1, 2024–February 28, 2025; and FY2025: March 1, 2025–February 28, 2026.
- The CO_2 emissions of the TOHO Group exclude the Subaru Enterprise Group, which is a listed company.
- The TOHO Group's CO_2 emissions cover only the energy sources required to be reported under the Act on Rationalization of Energy Use and Shift to Non-fossil Energy.
- For FY2023, FY2024, and FY2025, the reported CO_2 emissions (Scope 1 and Scope 2) have been verified through a third-party assurance report by SOCOTEC Certification Japan in order to enhance reliability.

Governance	2021	2022	2023	2024	2025	2026
Total Directors (People)	9	9	9	9	9	9
Female Directors (People)	1	1	1	2	2	2
Male Directors (People)	8	8	8	7	7	7
Outside Directors (People)	3	3	3	3	3	3
Percentage of Outside Directors (%)	33.3	33.3	33.3	33.3	33.3	33.3

(Note) Figures are those as of the end of the Annual General Meeting of Shareholders.

Social	2021 (End of Feb)	2022 (End of Feb)	2023 (End of Feb)	2024 (End of Feb)	2025 (End of Feb)	2026 (End of Feb)
Number of employees	445	448	457	517	565	653
Female employees (%)	28.3	28.3	27.8	29.8	32.2	37.5
Women in management positions*1 (%)	19.2*3	15.1	15.6	14.9	14.7	19.4
Take-up rate of parental leave among male employees*2 (%)	66.7	88.9	88.9	100.0	66.7	87.5

	2021	2022	2023	2024	2025	2026
Employment rate of people with disabilities (%)	2.3	2.3	2.1	1.9	1.8	1.8

*1 Those in positions of manager or higher

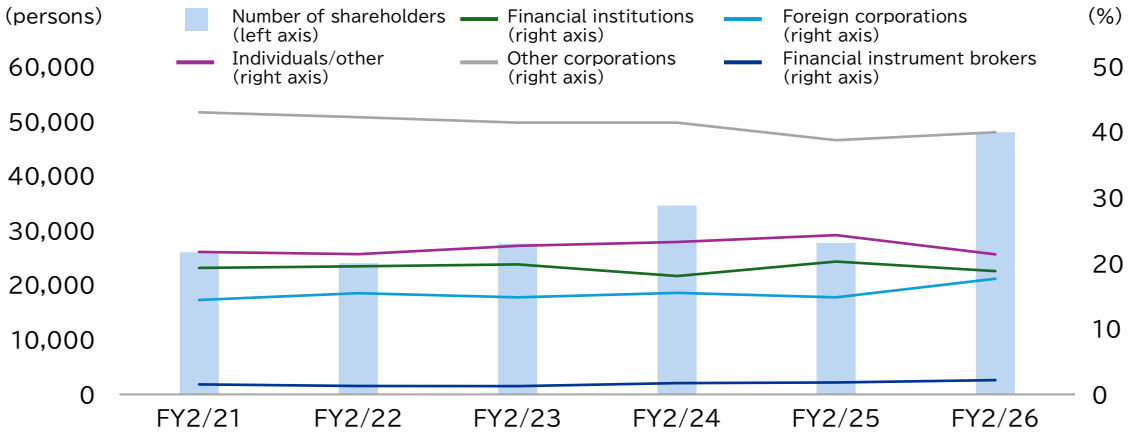
*2 Take-up rate for parental leave or childcare-related leave

*3 The "women in management positions" figure for the fiscal year ended February 28, 2021, includes management-level positions and non-regular employees. Its calculation methods are not directly comparable with other years.

(Notes)
- Non-consolidated figures.
- Figures cover regular employees only (except for the employment rate of people with disabilities).
- Figures include employees seconded to other companies but exclude employees seconded to TOHO.
- For "women in management positions" in the fiscal year ended February 28, 2021, figures are calculated as of December 31, 2020. For "employees with disabilities," figures are calculated as of June 1 of each year. All other figures are current as of the end of February of the relevant fiscal year.

Stock Information

Number of Shareholders and Composition (Shareholding Ratio)



Basic Stock Information (as of September 30, 2026)

Listing	Tokyo Stock Exchange Prime Market
Industry	Information & Communications
Securities code	9602
Number of shares per unit	100
Fiscal year	March 1 to the end of February of the following year
Total number of authorized shares	2,000,000,000
Total number of issued shares	850,000,000

(Note) A 5-for-1 stock split of common shares was implemented on March 1, 2026.

Major Shareholders (as of February 28, 2026)

Shareholder Name	Investment in the Company	
	Shares held (thousands of shares)	Shareholding ratio (%)
Hankyu Hanshin Holdings, Inc.	22,807	13.58
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,846	10.03
Hankyu Hanshin Properties Corp.	15,150	9.02
Custody Bank of Japan, Ltd. (Trust Account)	9,831	5.85
H2O RETAILING CORPORATION	7,097	4.22
Fuji Media Holdings, Inc.	4,940	2.94
TOKYO BROADCASTING SYSTEM TELEVISION, INC.	4,521	2.69
TAKENAKA CORPORATION	3,785	2.25
MARUI GROUP CO., LTD.	2,578	1.53
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	2,464	1.46

Corporate Information

Company Profile (as of May 28, 2026)

Company Name	TOHO CO., LTD.
Established	August 1932
Capital	10,355,847,788 yen
Representatives	Hiro Matsuoka Representative Director, President & CEO Nobuyuki Tako Representative Director and Executive Vice President
Number of Employees*	Company: 529 (includes 25 temporary and contract employees and 11 employees seconded from other companies) Group: 4,088 (includes 568 temporary and contract employees)
Main Offices	Head Office: Tokyo Studio: Tokyo (Seijo) Directly Operated Theaters: Imperial Theatre (under reconstruction), Theatre Creation Overseas Offices: Los Angeles / New York
Main Businesses	**Film Business** • Film distribution: Creative development and production of film titles and rights management including video distribution • Movie theater chain: Operation of the TOHO Cinemas multiplex chain nationwide • Video-related business: Other video production, art production, and advertising business **IP & Anime Business** • Creative development, production, and rights management of TOHO animation titles, and the Godzilla licensing business **Theatrical Business** • Production and exhibition of theatrical performances and management of talent agencies **Real Estate Business** • Lease of land and buildings: Real estate business primarily focused on leasing office buildings and commercial facilities • Roads: Consolidated subsidiary Subaru Enterprise Co., Ltd. provides road maintenance, cleaning, and other services • Real estate maintenance and management: Building maintenance business including building cleaning, facilities management, and security services **Other Businesses** • Management of sports facilities and theater concessions
Major Commercial Properties	Yurakucho Center Bldg. (YURAKUCHO MULLION) TOHO Hibiya Bldg. (Hibiya Chanter) Tokyo Takarazuka Bldg. TOHO Hibiya Promenade Building Toho Theatre Creation Bldg. SHINJUKU TOHO BLDG. HEP NAVIO TOHO Nangai Bldg.

*as of February 28, 2026

Major Group Companies (as of February 28, 2026)

Film Business	TOHO-TOWA Co., Ltd. TOHO Archive Co., Ltd. TOHO Cinemas Ltd. TOHO Studios Co., Ltd. TOHO Tombo Pictures, Inc. TOHO EIZO BIJUTSU Co., Ltd. TOHO-COSTUME Co., Ltd. TOHO STAGE CRAFT Co., Ltd. TOHO MARKETING Co., Ltd. AID-DCC Inc. gaie Inc. DRAGONFLY ENTERTAINMENT, INC.
IP & Anime Business	TOHO animation STUDIO Inc. Science SARU Inc. TOHO Global Inc. TOHO MUSIC CORPORATION TOHO STELLA CO., LTD. To-Smile, Inc. GKIDS, INC. TOHO Entertainment Asia Pte. Ltd. TOHO Europe Limited Toho International, Inc.
Theatrical Business	TOHO ENTERTAINMENT CO., LTD. TOHO AGENCY Co., Ltd. TOHO PW PRODUCTIONS THEATRICALS 2024 LIMITED
Real Estate Business	INTERNATIONAL TELEVISION FILMS, INC. TOKYO RAKUTENCHI CO., LTD. TOHO FACILITIES Co., Ltd. TOHO BUILDING MANAGEMENT Co., Ltd. Subaru Enterprise Co., Ltd.
Other Businesses	Toho Kyoei Kigyo Co., Ltd. TOHO RETAIL CO., LTD.

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TOHO

Moments for Life

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UD FONT

A highly legible universal design font has been adopted for the body text.