

April 14, 2025

(Amounts less than one million yen are rounded down)

(Percentages indicate year-on-year changes.)

Note:	Comprehensive income	Fiscal year ended February 28, 2025	¥60,373 million [(7.8)%]
		Fiscal year ended February 29, 2024	¥65,488 million [88.4%]

Reference:	Share of profit (loss) of entities accounted for using equity method
	Fiscal year ended February 28, 2025 ¥(4,210) million
	Fiscal year ended February 29, 2024 ¥176 million

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	653,068	494,815	73.3	2,821.41
February 29, 2024	615,826	484,755	74.5	2,637.30

Reference: Equity As of February 28, 2025 ¥478,389 million
 As of February 29, 2024 ¥458,890 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	51,617	(18,465)	(39,298)	76,608
February 29, 2024	43,350	(62,706)	(11,630)	82,424

2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 29, 2024	—	20.00	—	65.00	85.00	14,867	32.8	3.4
Fiscal year ended February 28, 2025	—	35.00	—	50.00	85.00	14,460	33.4	3.1
Fiscal year ending February 28, 2026 (forecast)	—	42.50	—	42.50	85.00		38.6	

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	300,000	(4.2)	57,000	(11.9)	55,000	(14.7)	37,500	(13.5)	220.34

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included 2 companies (Science SARU Inc., GKIDS, INC.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement: None

(3) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2025	186,490,633 shares
As of February 29, 2024	186,490,633 shares

b. Number of treasury shares at the end of the period

As of February 28, 2025	16,933,801 shares
As of February 29, 2024	12,490,741 shares

c. Average number of shares during the period

Fiscal year ended February 28, 2025	170,193,401 shares
Fiscal year ended February 29, 2024	174,496,424 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	171,550	14.1	40,050	13.5	49,408	13.1	39,051	11.7
February 29, 2024	150,314	22.3	35,291	26.0	43,687	27.5	34,959	24.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
February 28, 2025	227.92	—
February 29, 2024	199.87	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	520,673	350,852	67.4	2,069.23
February 29, 2024	507,531	339,711	66.9	1,942.14

Reference: Equity	As of February 28, 2025	¥350,852 million
	As of February 29, 2024	¥339,711 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Note to proper use of earnings forecasts, and other special matters

1. The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company. Actual results may differ significantly from these forecasts due to various factors. For the assumptions underlying the earnings forecasts and notes on their use, please refer to “(4) Future outlook” in “1. Overview of Operating Results, etc.” on page 5 of the accompanying materials.
2. The supplementary document on financial results is disclosed on TDnet on the same day as the financial results, and it is also made available on the Company’s website.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year under review

In the fiscal year ended February 28, 2025, the outlook for the Japanese economy remained uncertain, mainly due to the downside risk to that economy from an economic downturn overseas, the effect of rising prices, U.S. policy trends, and fluctuations in the financial and capital markets despite trends of moderate economic recovery in the context of an improved employment and income environment.

Under these conditions, the Group's operating results in the fiscal year ended February 28, 2025 were as follows: operating revenue was ¥313,171 million (up 10.5% year on year), operating profit was ¥64,684 million (up 9.2% year on year), ordinary profit was ¥64,455 million (up 2.3% year on year), and profit attributable to owners of parent was ¥43,357 million (down 4.3% year on year). As a result of our efforts to realize the objectives of the "TOHO Mid-Term Plan 2025," we were able to achieve our numerical target of "Record high operating profit of ¥52.8 billion" for the second consecutive year.

The operating results by segment are as follows.

Film business

In the Production and Distribution business, TOHO CO., LTD. had a major hit with the collaboratively produced and distributed "Detective Conan: The Million-dollar Pentagram," as well as the hit productions "KINGDOM: Return of The Great General," "LAST MILE," "The Floor Plan," "Doraemon the Movie: Nobita's Earth Symphony," "Grand Maison Paris," "My Hero Academia: You're Next," "Doctor-X the movie," "Mobile Suit Gundam GQuuuuuuX -Beginning-," "Crayon Shinchan the Movie: Our Dinosaur Diary," "MUROI SHINJI NOT DEFEATED," "MUROI SHINJI STAY ALIVE," "ALL ABOUT SUOMI," and "1ST KISS." "Despicable Me 4," distributed by TOHO-TOWA Co., Ltd., was also a hit. In addition, "Haikyu!!: The Dumpster Battle," released in the previous fiscal year, delivered strong sales. Aside from that, domestic and overseas distribution rights revenue and TV broadcasting rights revenue from "GODZILLA MINUS ONE" contributed to earnings. As a result, operating revenue in the Production and Distribution business was ¥55,958 million (up 20.3% year on year) and operating profit was ¥22,088 million (up 23.3% year on year). The above operating revenue mainly consists of ¥34,176 million from distribution to movie theaters (up 1.6% year on year) and ¥3,524 million from the domestic streaming of theatrical films (up 164.3% year on year).

In the Movie Theater business, TOHO Cinemas Ltd. and others released works listed above in addition to popular works such as "Cells at Work!," "Inside Out 2," "Moana 2," and others. The number of movie theater customers in the fiscal year ended February 28, 2025 decreased by 6.1% year on year to 38,399,000. As a result, operating revenue in the Movie Theater business was ¥75,633 million (down 3.6% year on year) and operating profit was ¥9,772 million (down 11.8% year on year). With regard to theater changes in the fiscal year ended February 28, 2025, Kansai Kyouei Kougyo Co., Ltd. closed "Matsue Toho 5" (5 screens) in Matsue City, Shimane Prefecture on January 12, 2025. As a result, the number of screens managed by the corporate group decreased by five to 717 throughout Japan (including 56 collaboratively managed screens).

In the Production and Licensing business, TOHO CO., LTD. recorded revenue from distribution rights and royalties of merchandising rights in Japan and overseas for TOHO animation productions that it had invested in, such as "JUJUTSU KAISEN," "My Hero Academia," "Haikyu!!," "SPY x FAMILY," "Frieren: Beyond Journey's End," "The Apothecary Diaries," and "Kaiju No. 8," as well as revenue as a result of royalty from various distributions, which made a significant contribution to business performance. In the Home Entertainment business, sales were strong for "GODZILLA MINUS ONE," and sales grew for the TOHO animation productions such as "Haikyu!!: The Dumpster Battle," "Frieren: Beyond Journey's End," and "Umamusume: Pretty Derby." In the Publishing and Merchandising business, sales were favorable for souvenir programs and character goods for works distributed by the Company such as the movies "Haikyu!!: The Dumpster Battle," "Detective Conan: The Million-dollar Pentagram," and "My Hero Academia: You're Next." In addition, sales of character goods of TOHO animation productions, such as "Haikyu!!" and "JUJUTSU KAISEN," and Toho Monster Series, which is centered on "Godzilla" that celebrated the 70th anniversary of its birth, grew significantly and contributed to operating revenue. In the Gaming business, the global version of

“JUJUTSU KAISEN phantom parade” was launched for worldwide distribution. At TOHO STELLA CO., LTD., sales at E-commerce sites performed well. TOHO Studios Co., Ltd. operated strongly with an integrated operation of the Production and Studio businesses. At TOHO EIZO BIJUTSU Co., Ltd. and TOHO STAGE CRAFT Co., Ltd. took orders for stage production and art production for movies, TV and live events, etc., for production services for display items in theme parks, as well as for maintenance services while focusing on cost management. As a result, operating revenue in the Production and Licensing business was ¥77,661 million (up 14.5% year on year) and operating profit was ¥18,946 million (up 20.5% year on year). The above operating revenue mainly consists of ¥33,881 million for the use of animation contents (up 16.1% year on year), ¥6,741 million for sale of home entertainment (down 5.0% year on year) and ¥9,784 million for art production related to production and licensing works, etc. (up 6.7% year on year).

As a result, in the overall Film business, operating revenue was ¥209,253 million (up 8.5% year on year) and operating profit was ¥50,807 million (up 13.6% year on year).

Theatrical business

In the Theatrical business, “Spirited Away,” “Endless SHOCK (Endless SHOCK/ Endless SHOCK - Eternal-),” “Moulin Rouge! The Musical,” “MOZART!,” “DREAM BOYS,” “Endless SHOCK,” “Les Misérables,” and “CONCERT THE BEST -New HISTORY COMING-” were performed at TOHO CO., LTD.’s Imperial Theatre as the “Imperial Theatre Closing Lineup” and were completely sold out. Please note that all scheduled performances at the Imperial Theatre ended on February 28, 2025 and the theatre will be temporarily closed for redevelopment. At Theatre Creation, “Fan Letter” and “Next to Normal” were performed to a full house, and the theatre also hosted performances of “The Bones and Scorn,” “The World of Machida-kun,” “Navillera,” “Limelight,” “VOICARION XVIII～Mr.Prisoner～,” “tick, tick...BOOM!,” “VOICARION XIX～The Spoon～” and others. In addition, the Company had been managing the external production of the stage play of “Spirited Away” as well as “MOZART!,” “Moulin Rouge! The Musical,” etc., and the long-running staging of “Spirited Away” at the London Coliseum was a huge success. Furthermore, live streaming and live viewings of “CONCERT THE BEST -New HISTORY COMING-” and live viewing of “Endless SHOCK” were held. At Toho Entertainment Co., Ltd., affiliated actors worked robustly on commercial performances, etc.

As a result of the above, operating revenue in the Theatrical business was ¥22,890 million (up 13.6% year on year) and operating profit was ¥4,129 million (up 32.6% year on year).

Real Estate business

In the Lease of Land and Buildings business, earnings for the fiscal year ended February 28, 2025 included those of TOKYO RAKUTENCHI Co., Ltd., which became a consolidated subsidiary at the end of the previous fiscal year. The vacancy rate of real estate for leasing was 0.9% as of the end of the fiscal year under review. Despite contributions from redeveloped properties and newly acquired properties, there were soaring construction costs and an increase in one-time costs such as large repair expenses. Therefore, while operating revenue in the Lease of Land and Buildings business was ¥37,949 million (up 29.1% year on year), operating profit was ¥10,740 million (down 7.3% year on year).

In the Road business, there was firm public investment, but the situation continued to be unpredictable due to factors such as the chronic shortage of construction tradespeople, and the need to respond to the “Act on the Arrangement of Related Acts to Promote Work Style Reform” being applied to the construction industry. Under these conditions, Subaru Enterprise Co., Ltd. and its consolidated subsidiaries focused on strengthening their response to a comprehensive evaluation system for open competitive bidding as part of their efforts to increase orders for various construction works. However, orders for large-scale construction projects decreased compared to the previous fiscal year. As a result, operating revenue in the Road business was ¥30,274 million (up 3.5% year on year) and operating profit was ¥4,805 million (down 1.9% year on year). Operating revenue mainly consists of ¥28,056 million from road maintenance, repair and cleaning services (up 5.4% year on year) and also includes ¥980 million of other revenue (up 19.7% year on year).

In the Building Maintenance business, TOHO BUILDING MANAGEMENT Co., Ltd. and Toho Facilities Co., Ltd. proceeded with efforts to receive new orders and improve quality but also strove to renegotiate contract amounts and streamline operations amid soaring raw material prices and continuing labor shortages. As a result, operating revenue was ¥11,430 million (up 8.8% year on year) and operating profit was ¥1,280 million (up 14.2% year on year).

As a result of the above, operating revenue in the overall Real Estate business was ¥79,653 million (up 15.2% year on year) and operating profit was ¥16,826 million (down 4.4% year on year).

Other business

Toho Kyoei Kigyo Co., Ltd.'s "Toho Chofu Sports Park" and TOHO RETAIL CO., LTD.'s theater concession stands, etc. engaged in proactive sales activities. As a result, operating revenue in Other business was ¥1,372 million (up 9.2% year on year) and operating profit was ¥162 million (down 6.8% year on year).

(2) Overview of financial position for the fiscal year under review

With regard to the financial position as of the end of the fiscal year under review, total assets increased by ¥37,241 million from the end of the previous fiscal year to ¥653,068 million. This was mainly due to increases of ¥13,905 million in notes and accounts receivable - trade, and contract assets, ¥7,937 million in inventories, ¥20,916 million in land, and ¥16,119 million in goodwill, despite a decrease of ¥20,004 million in short-term loans receivable with resale agreement.

Liabilities increased by ¥27,181 million from the end of the previous fiscal year to ¥158,253 million. This was mainly due to increases of ¥11,877 million in accounts payable - other and ¥6,359 million in deferred tax liabilities.

Net assets increased by ¥10,059 million from the end of the previous fiscal year to ¥494,815 million. This was mainly due to an increase of ¥26,145 million in retained earnings due to the recording of ¥43,357 million in profit attributable to owners of parent and ¥17,212 million in dividends of surplus as well as increases of ¥22,203 million in treasury shares, ¥10,561 million in valuation difference on available-for-sale securities, ¥4,399 million in foreign currency translation adjustment, and a decrease of ¥9,439 million in non-controlling interests.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents ("cash") on a consolidated basis at the end of the fiscal year under review decreased by ¥5,815 million from the end of the previous fiscal year to ¥76,608 million.

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥8,267 million year on year to ¥51,617 million for the fiscal year under review, mainly due to ¥66,065 million in profit before income taxes, ¥14,363 million in depreciation, a decrease of ¥5,842 million in trade payables, and ¥21,763 million in income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥44,241 million year on year to ¥18,465 million for the fiscal year under review, mainly due to ¥16,988 million in purchase of securities, ¥32,532 million in purchase of property, plant and equipment, ¥12,445 million in purchase of shares of subsidiaries, ¥10,685 million in purchase of shares of subsidiaries resulting in change in scope of consolidation, despite ¥55,210 million in proceeds from sale of securities.

(Cash flows from financing activities)

Net cash used in financing activities decreased by ¥27,667 million year on year to ¥39,298 million for the fiscal year under review, mainly due to ¥20,060 million in purchase of treasury shares and ¥17,188 million in dividends paid.

(4) Future outlook

(Forecast for the fiscal year ending February 28, 2026)

The future outlook is expected to be uncertain due to the impact of rising prices and other factors. There are considerable uncertainties in future market and consumer trends, which may affect the Group's financial position, operating results, and cash flows.

The Group's reportable segments were previously "Film business," "Theatrical business" and "Real Estate business," but the segments will be changed to "Film business," "IP and Anime business," "Theatrical business" and "Real Estate business" starting from the fiscal year ending February 28, 2026. For details, please refer to "3. Consolidated Financial Statements and Significant Notes Thereto (5) Notes to consolidated financial statements (Significant subsequent events)" on page 24 of the attached materials. The individual amounts shown for "Film business" and "IP and Anime business" are amounts based on after the change in reportable segments. Accordingly, year-on-year changes are not shown for those amounts.

Film business

TOHO CO., LTD., TOHO-TOWA Co., Ltd., etc. will collaboratively produce and distribute the following works. Because of this, the Company expects operating revenue of ¥40,900 million in the Production and Distribution business.

TOHO CO., LTD.'s collaborative productions/distributed works	
Doraemon the Movie: Nobita's Art World Tales	A Girl & Her Guard Dog
The Boy and The Dog	Detective Conan: One-eyed Flashback
#Iwilltellyouthetruth	KOKUHO
Dollhouse	Demon Slayer: Kimetsu no Yaiba Infinity Castle
TOKYO MER: Mobile Emergency Room - "Nankai Mission" (Tentative Title)	Crayon Shinchan the Movie: Super Hot! The Spicy Kasukabe Dancers
Exit 8	Gazing at the Star Next Door
Black Showman (Tentative Title)	Chainsaw Man – The Movie: Reze Arc
The Silent Service: The Battle of Arctic Ocean	5 Centimeters Per Second
Hiraba no tsuki (Tentative Title)	Scarlet
TOHO CO., LTD.'s collaborative productions/TOHO NEXT's distributed works	
Shimajiro and the Song of Bravery	ZEROBASEONE THE FIRST TOUR [TIMELESS WORLD] IN CINEMAS
Kaiju No. 8 Season 1 Compilation / Hoshina's Day Off	Demon Slayer: Compilation Film
Love Letter	Demon Slayer the Movie: Mugen Train Revival Screening
JUJUTSU KAISEN Hidden Inventory / Premature Death	LUPIN THE IIIRD THE MOVIE: The Immortal Bloodline

Works contracted for distribution by TOHO-TOWA Co., Ltd., etc.	
Wicked	Better Man (TOWA PICTURES CO., LTD.)
Bridget Jones: Mad About the Boy	Mission: Impossible - The Final Reckoning (TOWA PICTURES CO., LTD.)
Novocaine (TOWA PICTURES CO., LTD.)	Jurassic World:Rebirth
How to Train Your Dragon	

In the Movie Theater business, TOHO Cinemas Ltd. and others are planning to release Japanese and international popular works, primarily those listed above. The Company expects operating revenue of ¥76,700 million in the Movie Theater business.

In the Other Film businesses, TOHO Studios Co., Ltd. will work to secure orders for movie, TV and commercial production, etc. by integrating the Production and Studio businesses. TOHO EIZO BIJUTSU Co., Ltd. and TOHO STAGE CRAFT Co., Ltd. will work on construction management and cost management while working to obtain new customers in order to secure art production works for movies and TV, event construction, etc., and actively carry out sales activities. Based on the above, the Company expects operating revenue of ¥14,600 million in the Other Film businesses.

As a result, in the overall Film business, the Company expects operating revenue of ¥132,200 million.

IP and Anime business

In the IP and Anime business, the Company will strive to increase revenue through broad use of TOHO animation's productions, mainly "JUJUTSU KAISEN," "My Hero Academia," and "Haikyuu!!." TOHO animation of TOHO CO., Ltd. will invest in works such as "Dr.STONE SCIENCE FUTURE," "The Apothecary Diaries," "My Hero Academia: Vigilantes," "Kaiju No.8," "My Hero Academia FINAL SEASON," "SPY x FAMILY (Season 3)," and "Frieren: Beyond Journey's End." In the Home Entertainment business, we will offer a varied lineup including "The Apothecary Diaries" and develop various initiatives. The Publishing and Merchandising business will offer a wide range of souvenir programs and character goods for works distributed by the Company and others, including "Demon Slayer: Kimetsu no Yaiba Infinity Castle" and "Detective Conan:One-eyed Flashback," as well as focus on further expanding sales channels for character goods of TOHO animation productions. In addition, the Company will implement various measures aimed at all customer segments, including the opening of the "Godzilla Store Daiba" at DiverCity Tokyo Plaza in March 2025 and "Godzilla Store Shibuya" at Shibuya PARCO in April 2025, with the aim of enhancing the IP value of "Godzilla" and others in the Toho Monster Series. TOHO Global Inc., which is in charge of overseas business operations, and its consolidated subsidiaries will actively develop IP and production and licensing works overseas. TOHO STELLA CO., LTD. will operate E-commerce sites, such as "TOHO animation STORE," in cooperation with TOHO CO., LTD.

As a result, in the IP and Anime business, the Company expects operating revenue of ¥69,800 million.

Theatrical business

In the Theatrical business, the Company plans to carry out the following performances at Theatre Creation of TOHO CO., LTD and other theatres. In addition, "Spirited Away" will be staged at the Shanghai Culture Plaza from July to August 2025. Other than this, the Company will expand "Les Misérables," "Elisabeth," "SPY x FAMILY" and other performances as external theatrical works throughout Japan. TOHO Entertainment Co., Ltd. will proactively develop sales activities for affiliated actors' activities in commercials, TV, movie, etc.

As a result, the Company expects operating revenue of ¥18,600 million (down 18.7% year on year) in the Theatrical business.

Theatre Creation	
(February - March) HERO	(March - April) BONNIE & CLYDE*
(May) BLITHE SPIRIT	(June) Nostalgic Cabaret
(June - July) “ever” Naoto Kaiho Stage Entertainment Activities 30th Concert	(July - August) Only 1, NOT No.1
(August - September) Jersey Boys*	(October) Enoken*
Other theaters	
(March) FIDDLER ON THE ROOF (MEIJIJA)	(April) 1789 Les Amants De La Bastille (MEIJIJA)
(April) WAITRESS (Nissay Theatre)*	(April) Frankenstein (Brillia HALL)*
(May) A Tale of Two Cities (MEIJIJA)	(May) TANZ DER VAMPIRE (Brillia HALL)
(June) Itaewon Class (Brillia HALL)	(August) “Knights' Tale” ARENA LIVE (TOKYO GARDEN THEATER)
(August - September) “Les Misérables” World Tour Spectacular (TOKYU THEATRE Orb)*	(August - September) Your Lie in April (Showa Women’s University HITOMI MEMORIAL HALL)*
(September - October) SPY × FAMILY (westa kawagoe, Nissay Theatre)	(September) Once (Nissay Theatre)
(October) CLUB SEVEN another place II (YURAKUCHO YOMIURI HALL)	(October - November) Elisabeth (TOKYU THEATRE Orb)
(October) MATA HARI (Brillia HALL)*	(December) The Twelve Kingdoms: Shadow Of The Moon (Nissay Theatre)

Note: Titles with an asterisk are collaboratively produced productions.

Real Estate business

In the Real Estate business, with construction costs continuing to rise, we will effectively utilize real estate held in Japan through corporate proposals for equipment repair and redevelopment from a long-term perspective and aim to improve financial results by striving for comprehensive responses to and mutual understanding with tenants. As a result, the Company expects operating revenue of ¥37,300 million (down 1.7% year on year) in the Lease of Land and Buildings business.

In the Road business, Subaru Enterprise Co., Ltd. and its consolidated subsidiaries will work to expand orders by carrying out proactive sales activities based on thorough cost management. The Company expects operating revenue of ¥29,300 million (down 3.2% year on year) in the Road business.

In the Building Maintenance business, TOHO BUILDING MANAGEMENT Co., Ltd. and TOHO Facilities Co., Ltd. will engage in aggressive sales activities to revise contract prices and receive new orders in a business environment where raw material prices remain high and chronic labor shortages continue. As a result, the Company expects operating revenue of ¥11,400 million (down 0.3% year on year) in the Building Maintenance business.

Due to the above, in the overall Real Estate business, the Company expects operating revenue of ¥78,000 million (down 2.1% year on year).

Other business

The Company will proactively develop sales measures, etc. for Toho Kyoei Kigyo Co., Ltd.’s Toho Chofu Sports Park. Furthermore, TOHO RETAIL CO., LTD.’s theater concession stands, etc. will carry out sales activities taking into consideration profitability, etc.

As a result, the Company expects operating revenue of ¥1,400 million (up 2.0% year on year) in Other business.

The capital expenditures for the fiscal year ending February 28, 2026 is expected to be carried out with a budget of ¥17,100 million (including ordinary repair work within the scope of the amount equivalent to depreciation of ¥14,400 million.)

As a result, the Company is expected to record operating revenue of ¥300,000 million (down 4.2% year on year) in the fiscal year ending February 28, 2026, operating profit of ¥57,000 million (down 11.9% year on year), ordinary profit of ¥55,000 million (down 14.7% year on year), and profit attributable to owners of parent of ¥37,500 million (down 13.5% year on year).

2. Basic Policy on Selection of Accounting Standards

The Group has adopted the generally accepted accounting principles in Japan (Japanese GAAP). The Company will take into consideration the circumstances in Japan and overseas for appropriate adoption of the International Financial Reporting Standards (IFRS).

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

	(Millions of yen)	
	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	38,733	42,905
Notes and accounts receivable - trade, and contract assets	42,075	55,981
Investments in leases	15,877	14,928
Securities	41,200	39,036
Inventories	13,130	21,067
Short-term loans receivable with resale agreement	34,999	14,995
Other	22,519	13,196
Allowance for doubtful accounts	(32)	(60)
Total current assets	208,503	202,050
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	104,116	103,713
Machinery, equipment and vehicles, net	7,400	7,566
Tools, furniture and fixtures, net	2,928	2,961
Land	104,539	125,456
Construction in progress	5,738	3,694
Other, net	128	110
Total property, plant and equipment	224,851	243,502
Intangible assets		
Leasehold interests in land	1,451	1,449
Software	1,658	1,580
Software in progress	1,279	4,039
Goodwill	1,927	18,046
Other	700	5,635
Total intangible assets	7,017	30,751
Investments and other assets		
Investment securities	154,175	153,764
Long-term loans receivable	2	218
Distressed receivables	49	11
Deferred tax assets	3,062	3,430
Retirement benefit asset	1,796	2,696
Guarantee deposits	12,937	12,802
Other	3,524	3,949
Allowance for doubtful accounts	(93)	(109)
Total investments and other assets	175,454	176,764
Total non-current assets	407,323	451,017
Total assets	615,826	653,068

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	32,765	35,455
Short-term borrowings	41	22
Current portion of long-term borrowings	1,124	311
Accounts payable - other	3,898	15,775
Accrued expenses	5,184	5,565
Income taxes payable	12,002	13,174
Provision for bonuses	1,226	1,421
Provision for bonuses for directors (and other officers)	86	58
Asset retirement obligations	25	145
Other	12,786	19,011
Total current liabilities	69,141	90,941
Non-current liabilities		
Long-term borrowings	2,189	1,575
Deferred tax liabilities	21,527	27,887
Retirement benefit liability	4,004	3,771
Provision for retirement benefits for directors (and other officers)	162	168
Provision for PCB disposal	86	—
Asset retirement obligations	8,079	9,374
Long-term guarantee deposits	25,120	24,380
Other	758	153
Total non-current liabilities	61,929	67,311
Total liabilities	131,071	158,253
Net assets		
Shareholders' equity		
Share capital	10,355	10,355
Capital surplus	14,216	14,216
Retained earnings	439,921	466,066
Treasury shares	(42,827)	(65,031)
Total shareholders' equity	421,667	425,608
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,216	44,778
Deferred gains or losses on hedges	—	(127)
Foreign currency translation adjustment	2,642	7,041
Remeasurements of defined benefit plans	363	1,088
Total accumulated other comprehensive income	37,223	52,781
Non-controlling interests	25,865	16,425
Total net assets	484,755	494,815
Total liabilities and net assets	615,826	653,068

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Operating revenue	283,347	313,171
Operating costs	152,779	168,611
Gross profit	130,567	144,559
Selling, general and administrative expenses		
Personnel expenses	24,579	27,727
Advertising expenses	8,586	10,422
Provision for bonuses	874	990
Retirement benefit expenses	996	901
Provision for retirement benefits for directors (and other officers)	49	40
Depreciation	4,319	5,851
Rent expenses on land and buildings	9,096	8,865
Other	22,815	25,076
Total selling, general and administrative expenses	71,316	79,875
Operating profit	59,251	64,684
Non-operating income		
Interest income	768	635
Dividend income	2,080	2,498
Share of profit of entities accounted for using equity method	176	—
Foreign exchange gains	436	313
Other	397	640
Total non-operating income	3,859	4,088
Non-operating expenses		
Interest expenses	8	59
Share of loss of entities accounted for using equity method	—	4,210
Loss on liquidation of subsidiaries	51	—
Other	26	48
Total non-operating expenses	86	4,317
Ordinary profit	63,024	64,455
Extraordinary income		
Gain on step acquisitions	2,281	—
Gain on sale of non-current assets	207	295
Gain on sale of investment securities	42	2,859
Gain on sale of shares of subsidiaries and associates	1,866	—
Other	—	320
Total extraordinary income	4,398	3,475
Extraordinary losses		
Impairment losses	313	1,631
Loss on tax purpose reduction entry of non-current assets	—	9
Loss on valuation of investments in capital	107	—
Compensation loss on eviction	—	224
Total extraordinary losses	420	1,865
Profit before income taxes	67,002	66,065
Income taxes - current	20,676	23,024
Income taxes - deferred	(444)	(1,773)
Total income taxes	20,232	21,250
Profit	46,769	44,815
Profit attributable to non-controlling interests	1,486	1,458
Profit attributable to owners of parent	45,283	43,357

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit	46,769	44,815
Other comprehensive income		
Valuation difference on available-for-sale securities	17,168	10,561
Foreign currency translation adjustment	532	847
Remeasurements of defined benefit plans, net of tax	956	724
Share of other comprehensive income of entities accounted for using equity method	61	3,424
Total other comprehensive income	18,719	15,558
Comprehensive income	65,488	60,373
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	64,002	58,915
Comprehensive income attributable to non-controlling interests	1,486	1,458

(3) Consolidated statement of changes in equity

Fiscal year ended February 29, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,355	14,180	404,225	(38,866)	389,894
Changes during period					
Dividends of surplus			(10,494)		(10,494)
Profit attributable to owners of parent			45,283		45,283
Purchase of treasury shares				(9)	(9)
Disposal of treasury shares		41		62	103
Change in treasury shares arising from change in scope of consolidation				(4,411)	(4,411)
Change in ownership interest of parent due to transactions with non-controlling interests		(5)			(5)
Change in treasury shares arising from change in equity in entities accounted for using equity method				397	397
Reversal of revaluation reserve for land			907		907
Net changes in items other than shareholders' equity					—
Total changes during period	—	36	35,696	(3,961)	31,772
Balance at end of period	10,355	14,216	439,921	(42,827)	421,667

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	17,092	800	2,110	(592)	19,411	14,384	423,691
Changes during period							
Dividends of surplus					—		(10,494)
Profit attributable to owners of parent					—		45,283
Purchase of treasury shares					—		(9)
Disposal of treasury shares					—		103
Change in treasury shares arising from change in scope of consolidation					—		(4,411)
Change in ownership interest of parent due to transactions with non-controlling interests					—		(5)
Change in treasury shares arising from change in equity in entities accounted for using equity method					—		397
Reversal of revaluation reserve for land					—		907
Net changes in items other than shareholders' equity	17,123	(800)	532	956	17,811	11,480	29,292
Total changes during period	17,123	(800)	532	956	17,811	11,480	61,064
Balance at end of period	34,216	—	2,642	363	37,223	25,865	484,755

Fiscal year ended February 28, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,355	14,216	439,921	(42,827)	421,667
Changes during period					
Dividends of surplus			(17,212)		(17,212)
Profit attributable to owners of parent			43,357		43,357
Purchase of treasury shares				(20,055)	(20,055)
Disposal of treasury shares		64		197	262
Change in ownership interest of parent due to transactions with non-controlling interests		(64)		(2,346)	(2,410)
Net changes in items other than shareholders' equity					—
Total changes during period	—	0	26,145	(22,203)	3,941
Balance at end of period	10,355	14,216	466,066	(65,031)	425,608

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	34,216	—	2,642	363	37,223	25,865	484,755
Changes during period							
Dividends of surplus					—		(17,212)
Profit attributable to owners of parent					—		43,357
Purchase of treasury shares					—		(20,055)
Disposal of treasury shares					—		262
Change in ownership interest of parent due to transactions with non-controlling interests					—		(2,410)
Net changes in items other than shareholders' equity	10,561	(127)	4,399	724	15,558	(9,439)	6,118
Total changes during period	10,561	(127)	4,399	724	15,558	(9,439)	10,059
Balance at end of period	44,778	(127)	7,041	1,088	52,781	16,425	494,815

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	67,002	66,065
Depreciation	10,256	14,363
Impairment losses	313	1,631
Amortization of goodwill	538	693
Loss (gain) on step acquisitions	(2,281)	–
Increase (decrease) in allowance for doubtful accounts	(60)	28
Increase (decrease) in provision for PCB disposal	(150)	(86)
Increase (decrease) in retirement benefit liability	112	(1)
Decrease (increase) in retirement benefit asset	(23)	(127)
Interest and dividend income	(2,849)	(3,133)
Interest expenses	8	59
Share of loss (profit) of entities accounted for using equity method	(176)	4,210
Loss (gain) on sale of non-current assets	(219)	(333)
Loss on retirement of non-current assets	137	148
Loss (gain) on sale of investment securities	(42)	(2,859)
Loss (gain) on sale of shares of subsidiaries and associates	(1,866)	–
Decrease (increase) in trade receivables and contract assets	(8,279)	(1,891)
Decrease (increase) in inventories	(1,997)	(5,245)
Increase (decrease) in trade payables	1,299	(5,842)
Decrease (increase) in guarantee deposits	(134)	155
Increase (decrease) in accrued consumption taxes	433	(1,220)
Increase (decrease) in guarantee deposits received	(521)	158
Other	(2,309)	3,473
Subtotal	59,189	70,244
Interest and dividends received	3,053	3,195
Interest paid	(10)	(59)
Income taxes paid	(18,882)	(21,763)
Net cash provided by (used in) operating activities	43,350	51,617
Cash flows from investing activities		
Purchase of securities	(54,593)	(16,988)
Proceeds from sale of securities	76,600	55,210
Purchase of property, plant and equipment	(21,685)	(32,532)
Proceeds from sale of property, plant and equipment	223	1,289
Purchase of investment securities	(13,929)	(4,413)
Proceeds from sale of investment securities	88	3,603
Purchase of shares of subsidiaries	–	(12,445)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(15,935)	(10,685)
Purchase of shares of subsidiaries and associates	(32,297)	(617)
Proceeds from sale of shares of subsidiaries and associates	5,523	–
Loan advances	(1)	(720)
Proceeds from collection of loans receivable	7	502
Investments in money held in trust	(5,300)	(700)
Proceeds from cancellation of money held in trust	2,300	3,700
Payments into time deposits	(14)	(46)
Proceeds from withdrawal of time deposits	21	64
Other	(3,714)	(3,685)
Net cash provided by (used in) investing activities	(62,706)	(18,465)

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	—	20,000
Repayments of short-term borrowings	—	(20,000)
Net increase (decrease) in short-term borrowings	(418)	(18)
Repayments of long-term borrowings	(114)	(1,590)
Proceeds from sale of treasury shares	—	156
Purchase of treasury shares	(9)	(20,060)
Dividends paid	(10,490)	(17,188)
Dividends paid to non-controlling interests	(450)	(557)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(10)	(22)
Repayments of lease liabilities	(146)	(16)
Other	9	—
Net cash provided by (used in) financing activities	(11,630)	(39,298)
Effect of exchange rate change on cash and cash equivalents	1,282	330
Net increase (decrease) in cash and cash equivalents	(29,704)	(5,815)
Cash and cash equivalents at beginning of period	112,121	82,424
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	6	—
Cash and cash equivalents at end of period	82,424	76,608

(5) Notes to consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Additional information)

Finalization of provisional accounting treatment for affiliate accounted for using equity method

The acquisition of an interest in CJ ENM FIFTH SEASON LLC (“FIFTH SEASON”) in December 31, 2023 by the Company’s consolidated subsidiary (sub-subsidiary) Toho International, Inc., which was accounted for on a provisional basis in the previous fiscal year, was finalized in the fiscal year under review.

FIFTH SEASON is an affiliate accounted for using equity method and this investment was recorded in investment securities in the fiscal year under review. As a result of the finalization of the provisional accounting treatment, content assets of ¥5,070 million equivalent to intangible assets included in investment securities and the amount equivalent to deferred tax liabilities of ¥1,418 million, etc. were recognized, and the amount equivalent to goodwill calculated on a provisional basis at the end of the previous fiscal year of ¥12,511 million was reduced by ¥3,300 million to ¥9,211 million.

The amortization period for the amount equivalent to goodwill is 19 years, and the amortization period for content assets equivalent to intangible assets other than goodwill is 12 years.

(Business combinations, etc.)

(Business combination through acquisition)

Toho International, Inc., a consolidated subsidiary (sub-subsidiary) of the Company, concluded a share transfer agreement on October 16, 2024 to acquire 100% of the shares of GKIDS, INC. (“GKIDS”), an animation production and distribution company mainly in North America, and acquired the shares on October 17.

1. Outline of business combination

(1) Name of acquired company and its business

Name of acquired company: GKIDS, INC.

Business: Sales, planning and production of animation productions for distribution and distribution platforms overseas, mainly in North America

(2) Main reasons for the business combination

In “TOHO VISION 2032 TOHO Group Management Strategy,” the Group has identified “Planning & IP,” “Overseas,” and “Animation” as key focus areas for its growth strategy, and aims to strengthen the planning and development of attractive content and IP creation, as well as to expand its business overseas where there is significant room for market development.

By making GKIDS, a North American animation production and distribution company, a consolidated subsidiary, the Group believes that it will be able to build a strong foundation to bring animation from Japan and around the world more directly and widely to fans. Furthermore, we will work to bring content originating from Japan to global audiences, and promote overseas expansion by creators and studios.

(3) Date of business combination

October 17, 2024

(4) Legal form of business combination

Acquisition of shares for cash consideration

(5) Name of company after combination

GKIDS, INC.

(6) Ratio of voting rights after acquisition

100%

(7) Main reason for deciding the acquiring enterprise

The Company's consolidated subsidiary (sub-subsidiary) Toho International, Inc. acquired the shares for cash consideration.

2. Period of the financial results of the acquired company or acquired business included in the consolidated financial statements

Since the difference between the closing date of the acquired company and the consolidated closing date is not more than three months, the fiscal year under review includes the financial results from the date of business combination to the closing date of the acquired company (December 31, 2024).

3. Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for acquisition	Cash (Note)	¥19,200 million
Acquisition cost		¥19,200 million

Note: The consideration for the acquisition includes contingent consideration, and the business combination arising through the acquisition is accounted for in accordance with the generally accepted accounting principles used in the U.S. (U.S. GAAP).

4. Details of contingent consideration provided for in the business combination contract and the accounting policy for the relevant fiscal year and thereafter

Under the contract, additional payments are to be made according to milestones achieved in future business activities.

The contingent consideration is initially recognized as part of the consideration for the acquisition at fair value at the time of acquisition in accordance with U.S. GAAP, and subsequent changes in fair value are recorded in profit or loss by market valuation.

5. Details and amounts of main acquisition-related costs

Fees and commissions for advisory services: ¥160 million

6. Amount of goodwill recognized, the reason for recognition, and the method and period of amortization

(1) Amount of goodwill recognized

¥12,789 million

(2) Reason for recognition

It is mainly the excess earnings power expected from future business expansion.

(3) Method and period of amortization

Straight-line method over 20 years

7. Amounts of assets acquired and liabilities assumed on the date of the business combination, and the major components thereof

Current assets	¥14,417 million
Non-current assets	¥4,659 million
Total assets	¥19,076 million
Current liabilities	¥10,215 million
Non-current liabilities	¥2,449 million
Total liabilities	¥12,664 million

8. Amounts allocated to intangible assets other than goodwill, breakdown by major type, and weighted average amortization period for the total and by major type

Type	Amount	Weighted average amortization period
Contract-related intangible assets	¥3,729 million	5 years
Other	¥929 million	15 years
Total	¥4,659 million	

9. Estimated amount of impact on the consolidated statement of income for the fiscal year under review, assuming the business combination had been completed on the start date of the fiscal year under review, and method of calculating the estimated amount

The information is omitted as it is insignificant.

(Notes - Revenue recognition)

Breakdown of revenue from contracts with customers

Fiscal year ended February 29, 2024 (March 1, 2023 to February 29, 2024)

	Reportable segments			Other	Total
	Film business	Theatrical business	Real Estate business		
Main services					
Distribution to movie theaters	33,630	—	—	—	33,630
Domestic streaming of theatrical films	1,333	—	—	—	1,333
Management of movie theaters	78,440	—	—	—	78,440
Use of animation contents (*1)	29,179	—	—	—	29,179
Sale of home entertainment	7,094	—	—	—	7,094
Art production related to production and licensing works, etc.	9,166	—	—	—	9,166
Production and exhibition of theatrical works	—	20,153	—	—	20,153
Road maintenance, repair and cleaning services	—	—	26,617	—	26,617
Building maintenance	—	—	10,509	—	10,509
Other	33,950	—	1,809	1,256	37,016
Revenue from contracts with customers	192,794	20,153	38,936	1,256	253,141
Other revenue (*2)	—	—	30,205	—	30,205
Sales to external customers	192,794	20,153	69,142	1,256	283,347

(*1) Use of animation contents relates to program sales mainly centered on streaming, royalty from merchandising rights, etc.

(*2) Other revenue includes rental income based on ASBJ Statement No. 13 “Accounting Standard for Lease Transactions.”

Fiscal year ended February 28, 2025 (March 1, 2024 to February 28, 2025)

	Reportable segments			Other	Total
	Film business	Theatrical business	Real Estate business		
Main services					
Distribution to movie theaters	34,176	—	—	—	34,176
Domestic streaming of theatrical films	3,524	—	—	—	3,524
Management of movie theaters	75,633	—	—	—	75,633
Use of animation contents (*1)	33,881	—	—	—	33,881
Sale of home entertainment	6,741	—	—	—	6,741
Art production related to production and licensing works, etc.	9,784	—	—	—	9,784
Production and exhibition of theatrical works	—	22,890	—	—	22,890
Road maintenance, repair and cleaning services	—	—	28,056	—	28,056
Building maintenance	—	—	11,430	—	11,430
Other	45,511	—	1,237	1,372	48,122
Revenue from contracts with customers	209,253	22,890	40,724	1,372	274,241
Other revenue (*2)	—	—	38,929	—	38,929
Sales to external customers	209,253	22,890	79,653	1,372	313,171

(*1) Use of animation contents relates to program sales mainly centered on streaming, royalty from merchandising rights, etc.

(*2) Other revenue includes rental income based on ASBJ Statement No. 13 “Accounting Standard for Lease Transactions.”

(Segment information)

[Segment information]

1. Description of reportable segments

The reportable segments of the Group are those units for which separate financial information is available, and which are regularly examined by the Board of Directors concerning decisions on the allocation of management resources and for assessing business performance.

The Group is comprised of segments based on products and services, with the three reportable segments of the “Film business,” the “Theatrical business” and the “Real Estate business.”

The “Film business” is engaged in the distribution of films to movie theaters, domestic streaming of theatrical films, management of movie theaters, use of animation contents, sale of home entertainment, and art production related to production and licensing works, etc. The “Theatrical business” is engaged in the production and exhibition of theatrical works. The “Real Estate business” is engaged in leasing real estate, road maintenance, repair and cleaning services, and building maintenance.

2. Calculation methods for net sales, profit (loss), assets, liabilities and other items by reportable segment

The accounting methods for the business segments reported are generally the same as those adopted in preparing consolidated financial statements. Profit by reportable segment is based on operating profit. Intersegment sales and transfers are based on prevailing market prices.

3. Disclosure of net sales, profit (loss), assets, liabilities and other items by reportable segment

Fiscal year ended February 29, 2024 (March 1, 2023 to February 29, 2024)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Film business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	192,794	20,153	69,142	282,090	1,256	283,347	–	283,347
Intersegment sales or transfers	2,665	110	5,558	8,333	301	8,634	(8,634)	–
Total	195,460	20,263	74,700	290,424	1,557	291,982	(8,634)	283,347
Segment profit (loss)	44,709	3,115	17,610	65,435	174	65,609	(6,358)	59,251
Segment assets	133,451	10,421	264,587	408,460	1,075	409,536	206,290	615,826
Other items								
Depreciation	3,424	320	6,275	10,020	57	10,077	178	10,256
Impairment losses	313	–	–	313	–	313	–	313
Amortization of goodwill	296	–	241	538	–	538	–	538
Balance of unamortized goodwill	–	–	1,927	1,927	–	1,927	–	1,927
Investments in entities accounted for using equity method	32,511	–	2,973	35,484	–	35,484	–	35,484
Increase in property, plant and equipment and intangible assets (Note 4)	5,710	550	14,979	21,241	121	21,362	1,248	22,610

(Notes) 1. The “Other” category is a business segment that is not included in the reportable segments and includes businesses that operate sports facilities, etc.

2. The ¥6,358 million deducted from segment profit (loss) as adjustment consists of an addition of ¥3 million in intersegment transaction elimination, and a deduction of ¥6,361 million in corporate expenses that cannot be allocated to any reportable segment. Corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.

The ¥206,290 million added to segment assets as adjustment consists of a deduction of ¥21,325 million in intersegment transaction elimination, and an addition of ¥227,616 million in corporate assets that cannot be allocated to any reportable segment. The main items of corporate assets are the Company’s surplus funds (cash and deposits, securities and short-term loans receivable with resale agreement) as well as long-term investment funds (investment securities).

3. Segment profit (loss) is adjusted with operating profit stated in the consolidated statement of income.
4. Increase in property, plant and equipment and intangible assets does not include the increase arising from new consolidation.

Fiscal year ended February 28, 2025 (March 1, 2024 to February 28, 2025)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Film business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	209,253	22,890	79,653	311,798	1,372	313,171	–	313,171
Intersegment sales or transfers	2,814	283	5,451	8,549	337	8,886	(8,886)	–
Total	212,068	23,174	85,104	320,347	1,710	322,058	(8,886)	313,171
Segment profit (loss)	50,807	4,129	16,826	71,763	162	71,926	(7,241)	64,684
Segment assets	179,808	12,820	288,271	480,900	1,281	482,182	170,886	653,068
Other items								
Depreciation	4,652	308	9,161	14,123	54	14,177	185	14,363
Impairment losses	1,599	–	4	1,604	27	1,631	–	1,631
Amortization of goodwill	420	–	272	693	–	693	–	693
Balance of unamortized goodwill	16,405	–	1,641	18,046	–	18,046	–	18,046
Investments in entities accounted for using equity method	32,470	–	3,083	35,554	–	35,554	–	35,554
Increase in property, plant and equipment and intangible assets (Note 4)	5,492	246	28,297	34,036	45	34,082	2,882	36,964

(Notes) 1. The “Other” category is a business segment that is not included in the reportable segments and includes businesses that operate sports facilities, etc.

2. The ¥7,241 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥2 million in intersegment transaction elimination, and a deduction of ¥7,239 million in corporate expenses that cannot be allocated to any reportable segment. Corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.

The ¥170,886 million added to segment assets as adjustment consists of a deduction of ¥21,601 million in intersegment transaction elimination, and an addition of ¥192,487 million in corporate assets that cannot be allocated to any reportable segment. The main items of corporate assets are the Company’s surplus funds (cash and deposits, securities and short-term loans receivable with resale agreement) as well as long-term investment funds (investment securities).

3. Segment profit (loss) is adjusted with operating profit stated in the consolidated statement of income.
4. Increase in property, plant and equipment and intangible assets does not include the increase arising from new consolidation.

(Per share information)

(Yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net assets per share	2,637.30	2,821.41
Basic earnings per share	259.51	254.75

(Notes) 1. Diluted earnings per share is not presented because there are no dilutive shares.

2. The basis for calculation of basic earnings per share is as follows:

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit attributable to owners of parent (millions of yen)	45,283	43,357
Main components of amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent related to common stock (millions of yen)	45,283	43,357
Average number of shares of common stock during period (shares)	174,496,424	170,193,401

3. The basis for calculation of net assets per share is as follows:

	As of February 29, 2024	As of February 28, 2025
Total net assets (millions of yen)	484,755	494,815
Amount to be deducted from total net assets (millions of yen)	25,865	16,425
(of which, non-controlling interests (millions of yen))	25,865	16,425
Net assets related to common stock at end of period (millions of yen)	458,890	478,389
Number of shares of common stock at end of period used in the calculation of net assets per share (shares)	173,999,892	169,556,832

(Significant subsequent events)

(Change in reportable segment)

1. Reason for change

In “TOHO VISION 2032 TOHO Group Management Strategy,” the Group has identified “Planning & IP,” “Animation,” “Digital” and “Overseas” as key focus areas for its growth strategy, and has indicated that animation will be its “fourth pillar” in addition to its film, theater and real estate businesses. In addition, in the “TOHO Mid-Term Plan 2028” announced today, we will continue to position the IP and anime-related businesses as growth areas, and plan to focus on investment for growth, including expansion of the personnel structure and overseas offices, and M&A.

In light of the above, we have decided to change our reportable segments as follows, effective from the fiscal year ending February 28, 2026, for the purpose of more appropriately disclosing the actual business activities and progress of business performance of the IP and anime-related businesses that form the core of the Group’s growth strategy.

2. Overview of the Change

The previous three reportable segments of “Film business,” “Theatrical business” and “Real Estate business” will be reorganized into four reportable segments: “Film business,” “IP and Anime business,” “Theatrical business” and “Real Estate business” by separating the IP and anime-related businesses from the “Film business” and newly establishing “IP and Anime business” as an independent reportable segment.

Information related to amounts for net sales, profit or loss, assets, and other items and information on the breakdown of revenue for each reportable segment for the fiscal year under review based on the new reportable segment classifications are currently being determined.

(Cancellation of treasury shares)

At a meeting of the Board of Directors held on April 14, 2025, the Company resolved to cancel treasury shares in accordance with Article 178 of the Companies Act.

1. Reasons for cancelling treasury shares

Treasury shares were cancelled to dispel concerns about future dilution of share caused by treasury share disposal in the future.

2. Details of cancellation of treasury shares

(1) Class of shares to be cancelled	Common shares of the Company
(2) Total number of shares to be cancelled	10,490,633 shares (5.63% of the total number of issued shares before cancellation)
(3) Scheduled date of cancellation	April 30, 2025