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Consolidated Financial Results
for the Three Months Ended May 31, 2026
<Under Japanese GAAP>

July 15, 2026

Company name: **TOHO CO.,LTD.**
Listing: Tokyo Stock Exchange/Fukuoka Stock Exchange
Securities code: 9602
URL: https://www.toho.co.jp/
Representative: Hiro Matsuoka
President, CEO
Inquiries: Tsuyoshi Fukiharu
Operating Officer, in charge of Finance & Accounting, Corporate Management Group
TEL: +81-3-3591-1218
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: None

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2026 (from March 1, 2026 to May 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	88,742	4.6	13,869	(28.3)	13,743	(27.4)	8,196	(29.1)
May 31, 2025	84,878	(1.3)	19,339	(21.3)	18,929	(18.9)	11,565	(28.4)

Note: Comprehensive income Three months ended May 31, 2026 ¥9,538 million [(44.2)%]
Three months ended May 31, 2025 ¥17,091 million [(5.0)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2026	9.81	–
May 31, 2025	13.64	–

Note: The Company conducted a stock split at a ratio of five shares for each common share on March 1, 2026. "Basic earnings per share" has been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	690,792	518,795	72.6
February 28, 2026	702,934	532,990	73.3

Reference: Equity As of May 31, 2026 ¥501,218 million
As of February 28, 2026 ¥515,368 million

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2026	–	42.50	–	67.50	110.00
Fiscal year ending February 28, 2027	–				
Fiscal year ending February 28, 2027 (forecast)		11.00	–	11.00	22.00

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a stock split at a ratio of five shares for each common share on March 1, 2026. For the fiscal year ended February 28, 2026, the actual amounts of dividends paid before the stock split are shown. The amounts for the fiscal year ending February 28, 2027 (forecast) are the figures after the stock split.

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(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, 2027	345,000	(4.3)	62,000	(8.7)	67,000	(4.5)	41,000	(20.8)	49.22

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

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

Newly included 1 company (Anime Limited)

(2) Adoption of special accounting treatments for preparing quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of May 31, 2026	850,000,000 shares
As of February 28, 2026	880,000,000 shares

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

As of May 31, 2026	18,148,738 shares
As of February 28, 2026	40,647,665 shares

c. Average number of shares during the period

Three months ended May 31, 2026	835,601,551 shares
Three months ended May 31, 2025	847,783,658 shares

Note: The Company conducted a stock split at a ratio of five shares for each common share on March 1, 2026. “Total number of issued shares at the end of the period (including treasury shares),” “Number of treasury shares at the end of the period” and “Average number of shares during the period” have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

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

(Caution regarding forward-looking statements and others)

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. Please refer to “(3) Consolidated earnings forecasts and other forward-looking statements” in “1. Qualitative Information” on page 4 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

(Availability of supplementary material on financial results)

The supplementary document on quarterly earnings is disclosed on TDnet on the same day as the quarterly financial results, and it is also made available on the Company’s website.

Attached Material

1. Qualitative Information

(1) Details of operating results

In the three months ended May 31, 2026, the Japanese economy has been recovering gradually due to improvements in the employment and income environment and the effects of various government policies. However, the outlook remained uncertain as it was necessary to monitor the impact of rising prices, the developments of the situation in the Middle East and fluctuations in financial and capital markets.

Under these conditions, the Group has been promoting each of its businesses with the aim of achieving the numerical targets set forth in the “TOHO Mid-Term Plan 2028” formulated in April 2025. Regarding the operating results for the three months ended May 31, 2026, operating revenue was ¥88,742 million (up 4.6% year on year), operating profit was ¥13,869 million (down 28.3% year on year), ordinary profit was ¥13,743 million (down 27.4% year on year) and profit attributable to owners of parent was ¥8,196 million (down 29.1% year on year).

The operating results by reportable segment are as follows.

<u>Film business</u>

In the Production and Distribution business, among titles collaboratively produced and distributed by TOHO CO.,LTD., “Detective Conan: Fallen Angel of the Highway” was a major hit, while “Doraemon the Movie: New Nobita and the Castle of the Undersea Devil” and “SAKAMOTO DAYS” were also hits. “The Super Mario Galaxy Movie” and “Wicked: For Good,” distributed by TOHO-TOWA Co.,Ltd., were also hits. As a result, operating revenue in the Production and Distribution business was ¥14,315 million (up 10.2% year on year) and operating profit was ¥4,816 million (up 15.1% year on year). The operating revenue mainly consists of ¥12,110 million from domestic distribution to movie theaters (up 13.8% year on year) and ¥1,695 million from production and licensing of video content (down 17.8% year on year).

In the Movie Theater business, TOHO Cinemas Ltd. and others screened “The Devil Wears Prada 2” and other popular works, in addition to those listed above. The number of movie theater customers in the three months ended May 31, 2026 increased by 9.4% year on year to 12,005,000. As a result, operating revenue in the Movie Theater business was ¥25,406 million (up 14.7% year on year) and operating profit was ¥4,439 million (up 11.7% year on year). With regard to changes to theaters in the three months ended May 31, 2026, TOHO Cinemas Ltd. opened “TOHO Cinemas Oimachi” (8 screens) in Shinagawa-ku, Tokyo, on March 28, 2026. This resulted in the number of screens managed by the corporate group rising by 8 to 725 throughout Japan (including 56 collaboratively managed screens).

In the Other Film businesses, TOHO Studios Co., Ltd. operated strongly with an integrated operation of the Production and Studio businesses. TOHO EIZO BIJUTSU Co.,Ltd. and TOHO STAGE CRAFT Co., Ltd. worked to win 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, but were affected by the reactionary decline of major projects recorded in the same period of the previous fiscal year. As a result, operating revenue in the Other Film businesses was ¥3,659 million (down 28.8% year on year) and operating profit was ¥342 million (down 61.4% year on year). The operating revenue mainly consists of ¥2,160 million (down 22.8% year on year) for art production related to production and licensing works, etc.

As a result, in the overall Film business, operating revenue was ¥43,381 million (up 7.7% year on year) and operating profit was ¥9,598 million (up 6.1% year on year).

<u>IP and Anime business</u>

In the IP and Anime business, TOHO CO.,LTD. as well as TOHO Global Inc. and its consolidated subsidiaries are actively working on the domestic and overseas development of IP and production and licensing works that the Group manages. In the three months ended May 31, 2026, revenue from the use of digital distribution in Japan and overseas for TOHO animation productions that we had invested in, such as “My Hero Academia,” “JUJUTSU KAISEN,” and “Frieren: Beyond Journey’s End,” as well as revenue as a result of royalty from various distributions contributed to business performance. In addition, revenues from merchandising rights in Japan and overseas for “JUJUTSU KAISEN,” “My Hero Academia,” “Haikyu!!,” as well as “Godzilla” and other products contributed to the performance. In terms of souvenir programs and character goods, sales related to works distributed by the Company, including “Detective Conan: Fallen Angel of the Highway” and “Doraemon the Movie: New Nobita and the Castle of the Undersea Devil,” performed well, as did sales for works by TOHO animation. In addition, “GODZILLA CARD GAME” and other “Godzilla” merchandise recorded growth, and on April 6, 2026, “Godzilla Store Hakata” opened as the first permanent official store in Kyushu.

On March 1, 2026, a company split was conducted in which TOHO CO.,LTD. transferred to TOHO Global Inc. the business of licensing the use of video works and content, for which TOHO CO.,LTD. holds exploitation rights, to domestic and foreign business operators for overseas markets.

As a result, operating revenue in the IP and Anime business was ¥18,255 million (down 3.9% year on year) and operating profit was ¥520 million (down 91.8% year on year). The above operating revenue mainly consists of ¥7,320 million for the production and licensing of video content (down 19.2% year on year), ¥2,494 million for the licensing of merchandising rights (down 41.8% year on year), and ¥5,386 million for the sales and merchandising (up 35.6% year on year).

Theatrical business

In the Theatrical business, TOHO CO.,LTD. staged “Blood Brothers, ” “10th Anniversary VOICARION,” “REBECCA,” and others at Theatre Creation. It also staged “Lady Bess (Nissay Theatre),” “Daichi no Ko (MEIJIZA),” “Romantics Anonymous (Brillia HALL),” “Jekyll & Hyde (Hall C of Tokyo International Forum),” “Mary Poppins (TOKYU THEATRE Orb, Umeda Arts Theater Main Hall),” “Sister Act (MEIJIZA),” and “I Love BOTCHAN (MEIJIZA)” at external theaters, and also played “Roald Dahl’s Charlie and the Chocolate Factory (Westa Kawagoe, Nissay Theatre)” to a full house. Other than this, the Company expanded external theatrical works of “Roald Dahl’s Charlie and the Chocolate Factory,” “Lady Bess,” and others. 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 ¥5,908 million (up 15.5% year on year) and operating profit was ¥475 million (up 574.6% year on year).

Real Estate business

In the Lease of Land and Buildings business, real estate owned in Japan showed steady occupancy. The vacancy rate of real estate for leasing was 0.3% as of May 31, 2026 as a result of our comprehensive responses to tenants while striving to make effective use of the properties we own. As a result, operating revenue in the Lease of Land and Buildings business was ¥9,385 million (down 0.9% year on year) and operating profit was ¥3,570 million (down 5.2% 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 on top of continued increases in labor costs, equipment and material prices. 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, due to the absence of price adjustments recorded in the same period of the previous year and other effects, operating revenue in the Road business was ¥7,965 million (up 1.7% year on year) and operating profit was ¥1,560 million (down 13.4% year on year). Operating revenue mainly consists of ¥7,334 million from road maintenance, repair and cleaning services (up 0.7% year on year) and also includes ¥260 million of other revenue (up 5.4% year on year).

In the Building Maintenance business, TOHO BUILDING MANAGEMENT Co., Ltd. and Toho Facilities Co., Ltd. proceeded with efforts to receive orders for new services, and increase the scope of services and renegotiate contract amounts with existing customers amid rising material prices and labor costs. As a result, operating revenue was ¥3,074 million (up 8.1% year on year) and operating profit was ¥424 million (up 8.6% year on year).

As a result of the above, operating revenue in the overall Real Estate business was ¥20,425 million (up 1.4% year on year) and operating profit was ¥5,556 million (down 6.8% year on year).

(2) Details of financial position

With regard to the financial position as of May 31, 2026, total assets decreased by ¥12,141 million from the end of the previous fiscal year to ¥690,792 million. This was mainly due to a decrease of ¥26,660 million in securities, despite increases of ¥8,209 million in cash and deposits, ¥4,769 million in software, and ¥2,819 million in inventories.

Liabilities increased by ¥2,053 million from the end of the previous fiscal year to ¥171,997 million.

Net assets decreased by ¥14,195 million from the end of the previous fiscal year to ¥518,795 million. This was mainly due to decreases of ¥1,164 million in capital surplus, ¥34,056 million in retained earnings, ¥20,219 million in treasury shares, ¥193 million in valuation difference on available-for-sale securities, and an increase of ¥1,096 million in foreign currency translation adjustment.

(3) Consolidated earnings forecasts and other forward-looking statements

There have been no changes in the consolidated earnings forecasts for the fiscal year ending February 28, 2027, which were announced on April 14, 2026, in the "Consolidated Financial Results for the Fiscal Year Ended February 28, 2026."

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	50,970	59,180
Notes and accounts receivable - trade, and contract assets	59,149	59,282
Securities	61,439	34,778
Inventories	21,175	23,994
Short-term loans receivable with resale agreement	14,985	13,994
Other	26,384	28,277
Allowance for doubtful accounts	(67)	(110)
Total current assets	234,036	219,397
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	99,040	99,534
Land	127,624	127,624
Construction in progress	8,880	9,500
Other, net	12,382	12,684
Total property, plant and equipment	247,927	249,344
Intangible assets		
Software	3,455	8,225
Goodwill	16,832	18,846
Other	10,451	6,108
Total intangible assets	30,739	33,179
Investments and other assets		
Investment securities	164,204	161,260
Other	26,163	27,743
Allowance for doubtful accounts	(137)	(132)
Total investments and other assets	190,230	188,871
Total non-current assets	468,897	471,395
Total assets	702,934	690,792

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	32,651	38,753
Short-term borrowings	45	37
Current portion of long-term borrowings	300	300
Income taxes payable	15,042	7,331
Provision for bonuses	2,397	3,009
Provision for bonuses for directors (and other officers)	59	–
Provision for share awards for directors (and other officers)	23	–
Asset retirement obligations	35	30
Other	44,698	51,992
Total current liabilities	95,252	101,456
Non-current liabilities		
Long-term borrowings	1,275	1,200
Retirement benefit liability	4,060	4,118
Provision for retirement benefits for directors (and other officers)	182	146
Provision for share awards for directors (and other officers)	54	49
Asset retirement obligations	8,474	8,462
Other	60,643	56,564
Total non-current liabilities	74,691	70,541
Total liabilities	169,943	171,997
Net assets		
Shareholders' equity		
Share capital	10,355	10,355
Capital surplus	11,036	9,872
Retained earnings	465,223	431,166
Treasury shares	(39,629)	(19,410)
Total shareholders' equity	446,986	431,984
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	59,304	59,111
Deferred gains or losses on hedges	(130)	(144)
Foreign currency translation adjustment	6,867	7,963
Remeasurements of defined benefit plans	2,340	2,303
Total accumulated other comprehensive income	68,381	69,234
Non-controlling interests	17,622	17,576
Total net assets	532,990	518,795
Total liabilities and net assets	702,934	690,792

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

Quarterly consolidated statement of income

Three months ended May 31, 2026

(Millions of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Operating revenue	84,878	88,742
Operating costs	44,812	50,092
Gross profit	40,065	38,650
Selling, general and administrative expenses		
Personnel expenses	6,444	7,453
Advertising expenses	2,481	3,091
Provision for bonuses	736	913
Retirement benefit expenses	651	290
Provision for retirement benefits for directors (and other officers)	8	5
Provision for share awards for directors (and other officers)	–	(16)
Rent expenses on land and buildings	2,376	2,780
Other	8,026	10,264
Total selling, general and administrative expenses	20,725	24,780
Operating profit	19,339	13,869
Non-operating income		
Interest income	107	189
Dividend income	21	37
Foreign exchange gains	–	192
Other	342	64
Total non-operating income	470	483
Non-operating expenses		
Interest expenses	3	11
Share of loss of entities accounted for using equity method	757	549
Foreign exchange losses	115	–
Other	5	49
Total non-operating expenses	881	609
Ordinary profit	18,929	13,743
Extraordinary losses		
Demolition cost of non-current assets	574	520
Total extraordinary losses	574	520
Profit before income taxes	18,355	13,222
Income taxes - current	6,426	6,888
Income taxes - deferred	(216)	(2,351)
Total income taxes	6,209	4,537
Profit	12,145	8,685
Profit attributable to non-controlling interests	579	489
Profit attributable to owners of parent	11,565	8,196

Quarterly consolidated statement of comprehensive income

Three months ended May 31, 2026

(Millions of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Profit	12,145	8,685
Other comprehensive income		
Valuation difference on available-for-sale securities	7,616	(193)
Foreign currency translation adjustment	(887)	572
Remeasurements of defined benefit plans, net of tax	(16)	(37)
Share of other comprehensive income of entities accounted for using equity method	(1,766)	510
Total other comprehensive income	4,946	853
Comprehensive income	17,091	9,538
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,512	9,048
Comprehensive income attributable to non-controlling interests	579	490

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Cash flows from operating activities		
Profit before income taxes	18,355	13,222
Depreciation	3,352	3,722
Increase (decrease) in allowance for doubtful accounts	8	15
Interest and dividend income	(128)	(226)
Interest expenses	3	11
Share of loss (profit) of entities accounted for using equity method	757	549
Decrease (increase) in accounts receivable - trade, and contract assets	40	496
Decrease (increase) in inventories	(629)	(2,382)
Increase (decrease) in trade payables	2,315	5,747
Increase (decrease) in accrued consumption taxes	1,098	(1,956)
Other	9,711	6,667
Subtotal	34,885	25,865
Interest and dividends received	121	160
Interest paid	(5)	(19)
Income taxes paid	(12,691)	(14,161)
Net cash provided by (used in) operating activities	22,309	11,845
Cash flows from investing activities		
Purchase of securities	(6,989)	(9,988)
Proceeds from sale of securities	6,010	24,500
Purchase of property, plant and equipment	(5,373)	(5,830)
Proceeds from sale of property, plant and equipment	54	3
Purchase of investment securities	(86)	(101)
Loan advances	–	(200)
Proceeds from collection of loans receivable	1	200
Investments in money held in trust	(1,300)	(1,000)
Proceeds from cancellation of money held in trust	–	1,000
Other	(1,831)	(4,840)
Net cash provided by (used in) investing activities	(9,514)	3,742
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1	(7)
Repayments of long-term borrowings	(77)	(75)
Purchase of treasury shares	(2)	(11,867)
Dividends paid	(8,289)	(11,074)
Dividends paid to non-controlling interests	(210)	(507)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(5)	(8)
Repayments of lease liabilities	(4)	(31)
Net cash provided by (used in) financing activities	(8,589)	(23,571)
Effect of exchange rate change on cash and cash equivalents	(280)	200
Net increase (decrease) in cash and cash equivalents	3,924	(7,783)
Cash and cash equivalents at beginning of period	76,608	86,683
Cash and cash equivalents at end of period	80,533	78,899

(4) Notes to quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

(Purchase of treasury shares)

The Company purchased 7,500,000 treasury shares, pursuant to a resolution at a meeting of its Board of Directors held on April 14, 2026. As a result of this purchase and other factors, treasury shares increased by ¥11,866 million.

(Cancellation of treasury shares)

The Company cancelled 30,000,000 treasury shares on April 30, 2026, pursuant to a resolution at a meeting of its Board of Directors held on April 14, 2026. As a result, capital surplus and treasury shares decreased in value by ¥32,085 million each. Since the balance of other capital surplus fell into negative figures due to the cancellation of treasury shares, other capital surplus is set at zero, and the negative figures are deducted from other retained earnings.

As a result of the above, capital surplus stood at ¥9,872 million, retained earnings stood at ¥431,166 million, and treasury shares stood at ¥19,410 million as of May 31, 2026.

(Adoption of special accounting treatments for preparing quarterly consolidated financial statements)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Segment information, etc.)

[Segment information]

I. Three months ended May 31, 2025

Disclosure of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustments (Note 2)	Amounts in the quarterly consolidated statement of income (Note 3)
	Film business	IP and Anime business	Theatrical business	Real Estate business	Total				
Net sales									
Sales to external customers	40,274	18,999	5,117	20,149	84,540	338	84,878	–	84,878
Intersegment sales or transfers	1,020	404	9	1,217	2,651	96	2,747	(2,747)	–
Total	41,294	19,403	5,127	21,366	87,191	434	87,626	(2,747)	84,878
Segment profit (loss)	9,046	6,335	70	5,960	21,413	45	21,458	(2,118)	19,339

(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 ¥2,118 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥43 million in intersegment transaction elimination, and a deduction of ¥2,075 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.

3. Segment profit (loss) is adjusted with operating profit stated in the quarterly consolidated statement of income.

II. Three months ended May 31, 2026

Disclosure of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustments (Note 2)	Amounts in the quarterly consolidated statement of income (Note 3)
	Film business	IP and Anime business	Theatrical business	Real Estate business	Total				
Net sales									
Sales to external customers	43,381	18,255	5,908	20,425	87,970	772	88,742	–	88,742
Intersegment sales or transfers	1,386	424	16	1,330	3,158	132	3,291	(3,291)	–
Total	44,768	18,679	5,925	21,756	91,129	904	92,034	(3,291)	88,742
Segment profit (loss)	9,598	520	475	5,556	16,150	(22)	16,127	(2,258)	13,869

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

2. The ¥2,258 million deducted from segment profit (loss) as adjustment consists of an addition of ¥9 million in intersegment transaction elimination, and a deduction of ¥2,267 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.

3. Segment profit (loss) is adjusted with operating profit stated in the quarterly consolidated statement of income.

(Notes on revenue recognition)

Breakdown of revenue from contracts with customers

Three months ended May 31, 2025

(Millions of yen)

	Reportable segments				Other	Total
	Film business	IP and Anime business	Theatrical business	Real Estate business		
Main services						
Domestic distribution to movie theaters	10,638	–	–	–	–	10,638
Production and licensing of video content	2,063	9,065	–	–	–	11,128
Management of movie theaters	22,143	–	–	–	–	22,143
Art production related to production and licensing works, etc.	2,799	–	–	–	–	2,799
Licensing of merchandising rights	–	4,286	–	–	–	4,286
Sales and merchandising	–	3,973	–	–	–	3,973
Production and exhibition of theatrical works	–	–	5,117	–	–	5,117
Road maintenance, repair and cleaning services	–	–	–	7,283	–	7,283
Building maintenance	–	–	–	2,843	–	2,843
Other	2,630	1,674	–	299	338	4,942
Revenue from contracts with customers	40,274	18,999	5,117	10,427	338	75,156
Other revenue (Note)	–	–	–	9,721	–	9,721
Sales to external customers	40,274	18,999	5,117	20,149	338	84,878

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

Three months ended May 31, 2026

(Millions of yen)

	Reportable segments				Other	Total
	Film business	IP and Anime business	Theatrical business	Real Estate business		
Main services						
Domestic distribution to movie theaters	12,110	–	–	–	–	12,110
Production and licensing of video content	1,695	7,320	–	–	–	9,015
Management of movie theaters	25,406	–	–	–	–	25,406
Art production related to production and licensing works, etc.	2,160	–	–	–	–	2,160
Licensing of merchandising rights	–	2,494	–	–	–	2,494
Sales and merchandising	–	5,386	–	–	–	5,386
Production and exhibition of theatrical works	–	–	5,908	–	–	5,908
Road maintenance, repair and cleaning services	–	–	–	7,334	–	7,334
Building maintenance	–	–	–	3,074	–	3,074
Other	2,009	3,053	–	369	772	6,204
Revenue from contracts with customers	43,381	18,255	5,908	10,779	772	79,096
Other revenue (Note)	–	–	–	9,646	–	9,646
Sales to external customers	43,381	18,255	5,908	20,425	772	88,742

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