

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2026	702,934	532,990	73.3	614.01
February 28, 2025	653,068	494,815	73.3	564.28

Reference: Equity As of February 28, 2026 ¥515,368 million
As of February 28, 2025 ¥478,389 million

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

(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, 2026	65,334	(24,904)	(31,326)	86,683
February 28, 2025	51,617	(18,465)	(39,298)	76,608

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			
Fiscal year ended February 28, 2025	Yen –	Yen 35.00	Yen –	Yen 50.00	Yen 85.00	Millions of yen 14,460	% 33.4	% 3.1
Fiscal year ended February 28, 2026	–	42.50	–	67.50	110.00	18,538	35.9	3.7
Fiscal year ending February 28, 2027 (forecast)	–	11.00	–	11.00	22.00		45.0	

- Notes: 1. For details, please refer to today's announcement titled "Notice Regarding Dividend of Surplus (Dividend Increase)."
2. The Company conducted a stock split at a ratio of five shares for each common share on March 1, 2026. For the fiscal years ended February 28, 2025, and 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)	48.85

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" in the consolidated earnings forecasts is the figure after the stock split.

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: None
 - 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, 2026	880,000,000 shares
As of February 28, 2025	932,453,165 shares

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

As of February 28, 2026	40,647,665 shares
As of February 28, 2025	84,669,005 shares

c. Average number of shares during the period

Fiscal year ended February 28, 2026	845,872,596 shares
Fiscal year ended February 28, 2025	850,967,005 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.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2026	196,093	14.3	36,513	(8.8)	46,362	(6.2)	39,539	1.3
February 28, 2025	171,550	14.1	40,050	13.5	49,408	13.1	39,051	11.7

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
February 28, 2026	46.74	—
February 28, 2025	45.58	—

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) 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, 2026	565,126	373,565	66.1	445.06
February 28, 2025	520,673	350,852	67.4	413.85

Reference: Equity As of February 28, 2026 ¥373,565 million
As of February 28, 2025 ¥350,852 million

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

- * 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, 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 downside risks to the economy, such as rising prices and trends in U.S. trade policy, as well as fluctuations in financial and capital markets and the impact of the situation in the Middle East.

Under these conditions, with the aim of achieving the numerical targets set forth in the “TOHO Mid-Term Plan 2028” established in April 2025, the Group made efforts to promote each of its businesses based on the plan and improve performance. Regarding the operating results for the fiscal year ended February 28, 2026, operating revenue was ¥360,663 million (up 15.2% year on year), operating profit was ¥67,889 million (up 5.0% year on year), ordinary profit was ¥70,140 million (up 8.8% year on year) and profit attributable to owners of parent was ¥51,768 million (up 19.4% year on year). Due to Subaru Enterprise Co., Ltd., a consolidated subsidiary of the Company, undergoing an on-site inspection by the Japan Fair Trade Commission, the Company has recorded provision for loss on Anti-Monopoly Act as an extraordinary loss.

The operating results by reportable segment are as follows.

Effective from the fiscal year ended February 28, 2026, the Company has changed the classification of its reportable segments and the presentation of information that breaks down revenue from contracts with customers. For details, please refer to “3. Consolidated Financial Statements and Significant Notes Thereto (5) Notes to consolidated financial statements (Segment information, etc.) 1. Description of reportable segments” and “3. Consolidated Financial Statements and Significant Notes Thereto (5) Notes to consolidated financial statements (Notes on revenue recognition)” in the attached materials. Comparisons were made with the figures for the fiscal year ended February 28, 2025, restated in accordance with the classification after the change.

Film business

In the Production and Distribution business, TOHO CO., LTD. performed well, with the collaboratively produced and distributed “Demon Slayer: Kimetsu no Yaiba Infinity Castle” becoming a megahit, and “KOKUHO” making headlines for breaking the box-office revenue record for a live-action Japanese film for the first time in 22 years to surpass ¥20 billion in box-office revenue. In addition, “Detective Conan: One-eyed Flashback” and “Chainsaw Man – The Movie: Reze Arc,” were major hits and “TOKYO MER: Mobile Emergency Room - ‘Nankai Mission,’” “Exit 8,” “Doraemon the Movie: Nobita’s Art World Tales,” “Until We Meet Again,” “Crayon Shinchan the Movie: Super Hot! The Spicy Kasukabe Dancers,” “Black Showman,” “5 Centimeters Per Second,” “#Iwilltellyouthetruth,” “Dollhouse,” “Emergency Interrogation Room THE FINAL,” and “Kyojo Requiem” were also hits. “Mission: Impossible - The Final Reckoning,” “Jurassic World: Rebirth,” and “Wicked” distributed by TOHO-TOWA Co.,Ltd. also delivered strong sales. As a result, operating revenue in the Production and Distribution business was ¥64,368 million (up 34.5% year on year) and operating profit was ¥18,731 million (up 7.7% year on year). Operating revenue and operating profit for the fiscal year ended February 28, 2025, in accordance with the segment classification after the change, were ¥47,862 million and ¥17,397 million, respectively. The operating revenue mainly consists of ¥55,057 million from domestic distribution to movie theaters (up 61.1% year on year) and ¥7,788 million from production and licensing of video content (down 36.8% year on year).

In the Movie Theater business, TOHO Cinemas Ltd. and others continued to perform exceptionally well. The released works listed above drove box-office performance, and other popular films across a wide range of genres were also screened, such as “Zootopia 2,” “Lilo & Stitch,” and “A Minecraft Movie.” Additionally, the Group implemented proactive sales measures at its concession stands. The number of movie theater customers in the fiscal year ended February 28, 2026 increased by 27.6% year on year to 49,002,000. As a result, operating revenue in the Movie Theater business was ¥97,585 million (up 29.0% year on year) and operating profit was ¥16,579 million (up 69.7% year on year). There were no theater changes in the fiscal year ended February 28, 2026. The number of screens

managed by the corporate group is 717 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. 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 large-scale repair work while focusing on cost management. As a result, operating revenue in the Other Film businesses was ¥20,663 million (up 26.3% year on year) and operating profit was ¥1,991 million (up 36.7% year on year). Operating revenue and operating profit for the fiscal year ended February 28, 2025, in accordance with the segment classification after the change, were ¥16,366 million and ¥1,456 million, respectively. The operating revenue mainly consists of ¥10,617 million (up 8.5% year on year) for art production related to production and licensing works, etc.

As a result, in the overall Film business, operating revenue was ¥182,617 million (up 30.6% year on year) and operating profit was ¥37,302 million (up 30.3% year on year).

IP and Anime business

In the IP and Anime business, TOHO CO., LTD. recorded revenue from the use of digital distribution in Japan and overseas for TOHO animation productions that it had invested in, such as “My Hero Academia,” “JUJUTSU KAISEN,” “SPY x FAMILY,” “The Apothecary Diaries,” “Haikyu!!,” “Dr. STONE,” and “Frieren: Beyond Journey’s End” as well as revenue as a result of royalty from various distributions, which made a significant contribution. In addition, revenues from merchandising rights grew in Japan and overseas for “JUJUTSU KAISEN,” “Haikyu!!,” as well as “Godzilla” and other products. Sales were favorable for souvenir programs and character goods for works distributed by the Company such as the movies “Demon Slayer: Kimetsu no Yaiba Infinity Castle,” “Detective Conan: One-eyed Flashback,” “KOKUHO,” and “Chainsaw Man – The Movie: Reze Arc.” In addition to increased sales and merchandising for “Godzilla” such as the “GODZILLA CARD GAME,” new “Godzilla Stores” were opened. In addition, TOHO Global Inc., which is in charge of overseas business operations, and its consolidated subsidiaries have been actively pursuing overseas development of IP and production and licensing works that the TOHO Group manages.

As a result, operating revenue in the IP and Anime business was ¥75,265 million (up 8.5% year on year) and operating profit was ¥17,296 million (down 22.2% year on year). The above operating revenue mainly consists of ¥34,112 million for the production and licensing of video content (up 24.9% year on year), ¥15,905 million for the licensing of merchandising rights (up 9.0% year on year), and ¥18,054 million for the sales and merchandising (down 18.2% year on year).

Theatrical business

In the Theatrical business, the Imperial Theatre of TOHO CO., LTD. has been closed as of February 28, 2025. Theatre Creation hosted performances of “BONNIE & CLYDE,” “BLITHE SPIRIT,” “Nostalgic Cabaret,” “4U meets Umebou ‘Only 1, NOT No.1,’” “Jersey Boys,” “Enoken,” “BAGDAD CAFÉ THE MUSICAL,” “Yuichiro & Friends 2,” “Daddy Long Legs,” “Piaf,” “2:22 A Ghost Story,” and others. In addition, while making efforts to secure the number of performances by staging “A Tale of Two Cities” (MEIJIZA), “TANZ DER VAMPIRE” (Brillia HALL), “Itaewon Class” (Brillia HALL), “‘Les Misérables’ World Tour Spectacular” (TOKYU THEATRE Orb, Festival Hall and other theaters), “Once” (Nissay Theatre), “SPY x FAMILY” (Westa Kawagoe, Nissay Theatre), “Cash on Delivery” (THEATER MILANO-Za), “The Twelve Kingdoms: Shadow of the Moon, Shadow of the Sea” (Nissay Theatre) at external theaters, the performances of “‘Knights’ Tale’ ARENA LIVE” (TOKYO GARDEN THEATRE) and “Elisabeth” (TOKYU THEATRE Orb) were performed to a full house. Other than this, the Company expanded external theatrical works of “Les Misérables” and “Elisabeth,” the staging of “Spirited Away” overseas, and others. At TOHO ENTERTAINMENT CO., LTD., affiliated actors were in high demand for commercial performances, etc.

As a result of the above, operating revenue in the Theatrical business was ¥22,310 million (down 2.5% year on year) and operating profit was ¥3,463 million (down 16.1% 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 0.4% as of February 28, 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 ¥37,779 million (down 0.4% year on year) and operating profit was ¥12,881 million (up 19.9% year on year).

In the Road business, while public investment remained steady, the business environment continued to be challenging due to factors such as the chronic shortage of construction tradespeople, as well as rising labor costs and equipment and material prices. Under these conditions, Subaru Enterprise Co., Ltd. and its consolidated subsidiaries made efforts to increase orders for various construction works. However, due in part to a decrease in large-scale construction projects and the restraint on some operation orders, operating revenue in the Road business was ¥29,611 million (down 2.2% year on year) and operating profit was ¥4,863 million (up 1.2% year on year). Operating revenue mainly consists of ¥27,242 million from road maintenance, repair and cleaning services (down 2.9% year on year) and also includes ¥1,001 million of other revenue (up 2.2% 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 renegotiate contract amounts with existing customers amid rising material prices and labor costs, and also received orders for large-scale projects. As a result, operating revenue was ¥11,788 million (up 3.1% year on year) and operating profit was ¥1,284 million (up 0.3% year on year).

As a result of the above, operating revenue in the overall Real Estate business was ¥79,179 million (down 0.6% year on year) and operating profit was ¥19,030 million (up 13.1% 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 ¥49,865 million from the end of the previous fiscal year to ¥702,934 million. This was mainly due to increases of ¥8,065 million in cash and deposits, ¥3,168 million in notes and accounts receivable - trade, and contract assets, ¥22,402 million in securities, ¥5,185 million in construction in progress, and ¥10,439 million in investment securities, despite a decrease of ¥4,672 million in buildings and structures, net.

Liabilities increased by ¥11,690 million from the end of the previous fiscal year to ¥169,943 million. This was mainly due to increases of ¥2,941 million in accounts payable - other, ¥2,005 million in accrued expenses, ¥1,868 million in income taxes payable, and ¥4,962 million in deferred tax liabilities, despite a decrease of ¥2,804 million in accounts payable - trade.

Net assets increased by ¥38,175 million from the end of the previous fiscal year to ¥532,990 million. This was mainly due to a decrease of ¥25,401 million in treasury shares and an increase of ¥14,526 million in valuation difference on available-for-sale securities, despite a decrease of ¥843 million in retained earnings resulting from the recording of ¥51,768 million in profit attributable to owners of parent, ¥15,684 million in dividends of surplus, and a ¥37,046 million transfer from retained earnings to capital surplus associated with the cancellation of treasury shares.

(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 increased by ¥10,074 million from the end of the previous fiscal year to ¥86,683 million.

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥13,717 million year on year to ¥65,334 million for the fiscal year under review, mainly due to ¥75,903 million in profit before income taxes, ¥13,872 million in depreciation, and ¥24,518 million in income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥6,438 million year on year to ¥24,904 million for the fiscal year under review, mainly due to ¥72,828 million in purchase of securities and ¥15,438 million in purchase of property, plant and equipment, despite ¥59,110 million in proceeds from sale of securities and ¥10,555 million in proceeds from sale of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities decreased by ¥7,971 million year on year to ¥31,326 million for the fiscal year under review, and its main components were ¥14,969 million in purchase of treasury shares and ¥15,663 million in dividends paid.

(4) Future outlook

(Forecast for the fiscal year ending February 28, 2027)

The business environment surrounding the Group 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 Company is expected to record operating revenue of ¥345,000 million, operating profit of ¥62,000 million, ordinary profit of ¥67,000 million, and profit attributable to owners of parent of ¥41,000 million in the fiscal year ending February 28, 2027. For more details, please refer to the "Consolidated Financial Results for FY2/26 Financial Results Presentation" released today.

The capital expenditures for the fiscal year ending February 28, 2027, are expected to be carried out with a budget of ¥29,800 million (including ordinary repair work within the scope of the amount equivalent to depreciation of ¥14,000 million), and will include the opening of "TOHO Cinemas Oimachi" and "TOHO Cinemas Nagoya Sakae," among other projects. Additionally, the Group launched the new service TOHO-ONE, which integrates group customer IDs, in March 2026. This initiative will establish a customer data platform, enhance customer experience, and create synergy between businesses.

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 28, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	42,905	50,970
Notes and accounts receivable - trade, and contract assets	55,981	59,149
Investments in leases	14,928	13,934
Securities	39,036	61,439
Inventories	21,067	21,175
Short-term loans receivable with resale agreement	14,995	14,985
Other	13,196	12,450
Allowance for doubtful accounts	(60)	(67)
Total current assets	202,050	234,036
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	103,713	99,040
Machinery, equipment and vehicles, net	7,566	8,038
Tools, furniture and fixtures, net	2,961	3,697
Land	125,456	127,624
Construction in progress	3,694	8,880
Other, net	110	646
Total property, plant and equipment	243,502	247,927
Intangible assets		
Leasehold interests in land	1,449	1,449
Software	1,580	3,455
Software in progress	4,039	4,769
Goodwill	18,046	16,832
Other	5,635	4,232
Total intangible assets	30,751	30,739
Investments and other assets		
Investment securities	153,764	164,204
Long-term loans receivable	218	14
Distressed receivables	11	5
Deferred tax assets	3,430	3,991
Retirement benefit asset	2,696	4,695
Guarantee deposits	12,802	12,896
Other	3,949	4,560
Allowance for doubtful accounts	(109)	(137)
Total investments and other assets	176,764	190,230
Total non-current assets	451,017	468,897
Total assets	653,068	702,934

(Millions of yen)

	As of February 28, 2025	As of February 28, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	35,455	32,651
Short-term borrowings	22	45
Current portion of long-term borrowings	311	300
Accounts payable - other	15,775	18,716
Accrued expenses	5,565	7,570
Income taxes payable	13,174	15,042
Provision for bonuses	1,421	2,397
Provision for bonuses for directors (and other officers)	58	59
Provision for share awards for directors (and other officers)	-	23
Asset retirement obligations	145	35
Other	19,011	18,410
Total current liabilities	90,941	95,252
Non-current liabilities		
Long-term borrowings	1,575	1,275
Long-term guarantee deposits	24,380	24,333
Deferred tax liabilities	27,887	32,849
Retirement benefit liability	3,771	4,060
Provision for retirement benefits for directors (and other officers)	168	182
Provision for share awards for directors (and other officers)	-	54
Asset retirement obligations	9,374	8,474
Other	153	3,460
Total non-current liabilities	67,311	74,691
Total liabilities	158,253	169,943
Net assets		
Shareholders' equity		
Share capital	10,355	10,355
Capital surplus	14,216	11,036
Retained earnings	466,066	465,223
Treasury shares	(65,031)	(39,629)
Total shareholders' equity	425,608	446,986
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44,778	59,304
Deferred gains or losses on hedges	(127)	(130)
Foreign currency translation adjustment	7,041	6,867
Remeasurements of defined benefit plans	1,088	2,340
Total accumulated other comprehensive income	52,781	68,381
Non-controlling interests	16,425	17,622
Total net assets	494,815	532,990
Total liabilities and net assets	653,068	702,934

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

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Operating revenue	313,171	360,663
Operating costs	168,611	201,069
Gross profit	144,559	159,593
Selling, general and administrative expenses		
Personnel expenses	27,727	30,621
Advertising expenses	10,422	11,005
Provision for bonuses	990	2,066
Retirement benefit expenses	901	1,335
Provision for retirement benefits for directors (and other officers)	40	38
Provision for share awards for directors (and other officers)	–	78
Depreciation	5,851	6,275
Rent expenses on land and buildings	8,865	10,560
Other	25,076	29,722
Total selling, general and administrative expenses	79,875	91,704
Operating profit	64,684	67,889
Non-operating income		
Interest income	635	609
Dividend income	2,498	2,021
Foreign exchange gains	313	127
Subsidy income	153	806
Other	486	962
Total non-operating income	4,088	4,528
Non-operating expenses		
Interest expenses	59	117
Share of loss of entities accounted for using equity method	4,210	2,113
Other	48	46
Total non-operating expenses	4,317	2,276
Ordinary profit	64,455	70,140
Extraordinary income		
Gain on sale of non-current assets	295	–
Gain on sale of investment securities	2,859	8,913
Other	320	200
Total extraordinary income	3,475	9,113
Extraordinary losses		
Impairment losses	1,631	523
Loss on tax purpose reduction entry of non-current assets	9	–
Demolition cost of non-current assets	–	1,449
Loss on valuation of investment securities	–	60
Compensation loss on eviction	224	–
Provision for loss on Anti-Monopoly Act	–	1,317
Total extraordinary losses	1,865	3,350
Profit before income taxes	66,065	75,903
Income taxes - current	23,024	26,315
Income taxes - deferred	(1,773)	(3,491)
Total income taxes	21,250	22,823
Profit	44,815	53,079
Profit attributable to non-controlling interests	1,458	1,310
Profit attributable to owners of parent	43,357	51,768

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Profit	44,815	53,079
Other comprehensive income		
Valuation difference on available-for-sale securities	10,561	14,526
Foreign currency translation adjustment	847	100
Remeasurements of defined benefit plans, net of tax	724	1,251
Share of other comprehensive income of entities accounted for using equity method	3,424	(258)
Total other comprehensive income	15,558	15,620
Comprehensive income	60,373	68,699
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	58,915	67,369
Comprehensive income attributable to non-controlling interests	1,458	1,329

(3) Consolidated statement of changes in equity

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

Fiscal year ended February 28, 2026

(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	466,066	(65,031)	425,608
Changes during period					
Dividends of surplus			(15,684)		(15,684)
Profit attributable to owners of parent			51,768		51,768
Purchase of treasury shares				(14,946)	(14,946)
Disposal of treasury shares		59		59	119
Cancellation of treasury shares		(40,287)		40,287	–
Change in scope of consolidation			119		119
Transfer from retained earnings to capital surplus		37,046	(37,046)		–
Change in ownership interest of parent due to transactions with non-controlling interests		1			1
Net changes in items other than shareholders' equity					–
Total changes during period	–	(3,179)	(843)	25,401	21,377
Balance at end of period	10,355	11,036	465,223	(39,629)	446,986

	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	44,778	(127)	7,041	1,088	52,781	16,425	494,815
Changes during period							
Dividends of surplus					–		(15,684)
Profit attributable to owners of parent					–		51,768
Purchase of treasury shares					–		(14,946)
Disposal of treasury shares					–		119
Cancellation of treasury shares					–		–
Change in scope of consolidation					–		119
Transfer from retained earnings to capital surplus					–		–
Change in ownership interest of parent due to transactions with non-controlling interests					–		1
Net changes in items other than shareholders' equity	14,526	(2)	(174)	1,251	15,600	1,196	16,797
Total changes during period	14,526	(2)	(174)	1,251	15,600	1,196	38,175
Balance at end of period	59,304	(130)	6,867	2,340	68,381	17,622	532,990

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Cash flows from operating activities		
Profit before income taxes	66,065	75,903
Depreciation	14,363	13,872
Impairment losses	1,631	523
Amortization of goodwill	693	1,051
Increase (decrease) in allowance for doubtful accounts	28	34
Increase (decrease) in provision for PCB disposal	(86)	–
Increase (decrease) in retirement benefit liability	(1)	447
Decrease (increase) in retirement benefit asset	(127)	(307)
Interest and dividend income	(3,133)	(2,631)
Interest expenses	59	117
Share of loss (profit) of entities accounted for using equity method	4,210	2,113
Loss (gain) on sale of non-current assets	(333)	(37)
Loss on retirement of non-current assets	148	86
Loss (gain) on sale of investment securities	(2,859)	(8,913)
Decrease (increase) in accounts receivable - trade, and contract assets	(1,891)	(3,341)
Decrease (increase) in inventories	(5,245)	(121)
Increase (decrease) in trade payables	(5,842)	(2,610)
Decrease (increase) in guarantee deposits	155	(92)
Increase (decrease) in accrued consumption taxes	(1,220)	2,452
Increase (decrease) in guarantee deposits received	158	(690)
Other	3,473	9,519
Subtotal	70,244	87,375
Interest and dividends received	3,195	2,589
Interest paid	(59)	(112)
Income taxes paid	(21,763)	(24,518)
Net cash provided by (used in) operating activities	51,617	65,334
Cash flows from investing activities		
Purchase of securities	(16,988)	(72,828)
Proceeds from sale of securities	55,210	59,110
Purchase of property, plant and equipment	(32,532)	(15,438)
Proceeds from sale of property, plant and equipment	1,289	71
Purchase of investment securities	(4,413)	(237)
Proceeds from sale of investment securities	3,603	10,555
Purchase of shares of subsidiaries	(12,445)	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(10,685)	–
Purchase of shares of subsidiaries and associates	(617)	–
Loan advances	(720)	(0)
Proceeds from collection of loans receivable	502	4
Investments in money held in trust	(700)	(2,700)
Proceeds from cancellation of money held in trust	3,700	1,700
Payments into time deposits	(46)	(27)
Proceeds from withdrawal of time deposits	64	56
Other	(3,685)	(5,169)
Net cash provided by (used in) investing activities	(18,465)	(24,904)

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
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	(18)	22
Repayments of long-term borrowings	(1,590)	(311)
Proceeds from sale of treasury shares	156	–
Purchase of treasury shares	(20,060)	(14,969)
Dividends paid	(17,188)	(15,663)
Dividends paid to non-controlling interests	(557)	(477)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(22)	(21)
Repayments of lease liabilities	(16)	(105)
Other	–	200
Net cash provided by (used in) financing activities	(39,298)	(31,326)
Effect of exchange rate change on cash and cash equivalents	330	144
Net increase (decrease) in cash and cash equivalents	(5,815)	9,248
Cash and cash equivalents at beginning of period	82,424	76,608
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	–	826
Cash and cash equivalents at end of period	76,608	86,683

(5) Notes to consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter, the “Revised Accounting Standard of 2022”), etc. from the beginning of the fiscal year ended February 28, 2026.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the “Guidance on the Revised Accounting Standard of 2022”). These changes in accounting policies have no effect on the consolidated financial statements.

The Company has applied the Guidance on the Revised Accounting Standard of 2022 from the beginning of the fiscal year ended February 28, 2026 in relation to revisions to the treatment in consolidated financial statements in the event of deferring gains and losses on sales for tax purposes associated with the sale of subsidiary stocks between consolidated companies. These changes in the accounting policies have been applied retrospectively. Therefore, the new accounting policies were reflected in the consolidated financial statements for the previous fiscal year. These changes in accounting policies have no effect on the consolidated financial statements for the previous fiscal year.

(Notes on revenue recognition)

Breakdown of revenue from contracts with customers

Effective from the fiscal year ended February 28, 2026, “IP and Anime business” has been established as a new reportable segment. The reportable segments have been reclassified 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 previous “Film business” and newly establishing “IP and Anime business” as an independent reportable segment. For details, please refer to “3. Consolidated Financial Statements and Significant Notes Thereto (5) Notes to consolidated financial statements (Segment Information, etc.) 1. Description of reportable segments” in the attached materials.

Accordingly, regarding the major services within the “Film business” and “IP and Anime business,” revenue from program sales—primarily digital distribution revenue—which was included in “Domestic streaming of theatrical films,” “Use of animation contents,” and “Other” has been presented separately as “Production and licensing of video content”; revenue from merchandising rights, which was included in “Use of animation contents” and “Other,” has been presented separately as “Licensing of merchandising rights”; and revenue from the sale of character goods, packaged products, etc., which was included in “Sale of home entertainment” and “Other,” has been presented separately as “Sales and merchandising.” The figures for the fiscal year ended fiscal year ended February 28, 2025 are presented based on the classification after the change.

Fiscal year ended February 28, 2025 (March 1, 2024 to February 28, 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	34,176	—	—	—	—	34,176
Production and licensing of video content	12,315	27,312	—	—	—	39,627
Management of movie theaters	75,633	—	—	—	—	75,633
Art production related to production and licensing works, etc.	9,784	—	—	—	—	9,784
Licensing of merchandising rights	—	14,588	—	—	—	14,588
Sales and merchandising	—	22,079	—	—	—	22,079
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	7,952	5,411	—	1,237	1,372	15,973
Revenue from contracts with customers	139,862	69,391	22,890	40,724	1,372	274,241
Other revenue (Note)	—	—	—	38,929	—	38,929
Sales to external customers	139,862	69,391	22,890	79,653	1,372	313,171

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

Fiscal year ended February 28, 2026 (March 1, 2025 to February 28, 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 (Note 2)	55,057	–	–	–	–	55,057
Production and licensing of video content	7,788	34,112	–	–	–	41,901
Management of movie theaters	97,585	–	–	–	–	97,585
Art production related to production and licensing works, etc.	10,617	–	–	–	–	10,617
Licensing of merchandising rights	–	15,905	–	–	–	15,905
Sales and merchandising	–	18,054	–	–	–	18,054
Production and exhibition of theatrical works	–	–	22,310	–	–	22,310
Road maintenance, repair and cleaning services	–	–	–	27,242	–	27,242
Building maintenance	–	–	–	11,788	–	11,788
Other	11,568	7,192	–	1,367	1,291	21,420
Revenue from contracts with customers	182,617	75,265	22,310	40,398	1,291	321,882
Other revenue (Note 1)	–	–	–	38,780	–	38,780
Sales to external customers	182,617	75,265	22,310	79,179	1,291	360,663

(Notes) 1. Other revenue includes rental income based on ASBJ Statement No. 13 “Accounting Standard for Lease Transactions.”

2. Effective from the fiscal year ended February 28, 2026, the name has been changed from “Distribution to movie theaters” to “Domestic distribution to movie theaters.” This is just a name change and has no impact on the information presented. Figures for the fiscal year ended February 28, 2025, are presented under the new name.

(Segment information, etc.)

[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 four reportable segments of the “Film business,” the “IP and Anime business,” the “Theatrical business” and the “Real Estate business.”

The “Film business” is engaged in the domestic distribution to movie theaters, production and licensing of video contents, such as theatrical films, management of movie theaters, and art production related to production and licensing works, etc. The “IP and Anime business” is engaged in the production and licensing of video contents, such as TV animation, licensing of merchandising rights, and sales and merchandising. 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.

Effective from the fiscal year ended February 28, 2026, the previous three reportable segments of “Film business,” “Theatrical business” and “Real Estate business” have been changed 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. The purpose of this change is to disclose more appropriately the growth investments including expansion of the personnel structure and overseas offices, and M&A, as well as the actual business activities and progress of business performance of IP and animation-related businesses, which are positioned as growth areas in the “TOHO Mid-Term Plan 2028” announced in April 2025.

The segment information for the fiscal year ended February 28, 2025, is presented based on the reportable segment classification after the change.

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 28, 2025 (March 1, 2024 to February 28, 2025)

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Film business	IP and Anime business	Theatrical business	Real Estate business	Total				
Net sales									
Sales to external customers	139,862	69,391	22,890	79,653	311,798	1,372	313,171	–	313,171
Intersegment sales or transfers	4,355	6,446	283	5,451	16,536	337	16,873	(16,873)	–
Total	144,217	75,837	23,174	85,104	328,334	1,710	330,044	(16,873)	313,171
Segment profit (loss)	28,626	22,239	4,129	16,826	71,822	162	71,984	(7,300)	64,684
Segment assets	76,165	110,870	12,820	288,271	488,128	1,281	489,409	163,658	653,068
Other items									
Depreciation	3,676	976	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	229	191	–	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	177	32,293	–	3,083	35,554	–	35,554	–	35,554
Increase in property, plant and equipment and intangible assets (Note 4)	5,252	240	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 ¥7,300 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥60 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 ¥163,658 million added to segment assets as adjustment consists of a deduction of ¥28,829 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.

Fiscal year ended February 28, 2026 (March 1, 2025 to February 28, 2026)

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Film business	IP and Anime business	Theatrical business	Real Estate business	Total				
Net sales									
Sales to external customers	182,617	75,265	22,310	79,179	359,371	1,291	360,663	–	360,663
Intersegment sales or transfers	3,902	2,723	55	5,312	11,994	526	12,520	(12,520)	–
Total	186,520	77,988	22,365	84,491	371,366	1,817	373,183	(12,520)	360,663
Segment profit (loss)	37,302	17,296	3,463	19,030	77,092	66	77,159	(9,270)	67,889
Segment assets	79,551	112,919	12,870	292,150	497,491	1,123	498,615	204,318	702,934
Other items									
Depreciation	3,961	1,527	168	7,517	13,175	41	13,216	655	13,872
Impairment losses	521	–	–	–	521	1	523	–	523
Amortization of goodwill	–	794	–	256	1,051	–	1,051	–	1,051
Balance of unamortized goodwill	–	15,448	–	1,384	16,832	–	16,832	–	16,832
Investments in entities accounted for using equity method	251	29,564	–	3,193	33,009	–	33,009	–	33,009
Increase in property, plant and equipment and intangible assets (Note 4)	7,293	1,728	206	8,467	17,694	51	17,745	2,697	20,443

(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 ¥9,270 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥2 million in intersegment transaction elimination, and a deduction of ¥9,267 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.

The ¥204,318 million added to segment assets as adjustment consists of a deduction of ¥29,020 million in intersegment transaction elimination, and an addition of ¥233,339 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 28, 2025	Fiscal year ended February 28, 2026
Net assets per share	564.28	614.01
Basic earnings per share	50.95	61.20

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

2. The Company conducted a stock split at a ratio of five shares for each common share on March 1, 2026. “Net assets per share” and “Basic earnings per share” have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

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

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Profit attributable to owners of parent (millions of yen)	43,357	51,768
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)	43,357	51,768
Average number of shares of common stock during period (shares)	850,967,005	845,872,596

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

	As of February 28, 2025	As of February 28, 2026
Total net assets (millions of yen)	494,815	532,990
Amount to be deducted from total net assets (millions of yen)	16,425	17,622
(of which, non-controlling interests (millions of yen))	16,425	17,622
Net assets related to common stock at end of period (millions of yen)	478,389	515,368
Number of shares of common stock at end of period used in the calculation of net assets per share (shares)	847,784,160	839,352,335

(Significant subsequent events)

(Stock split and partial changes to the articles of incorporation in conjunction with the stock split)

Pursuant to a resolution at a meeting of its Board of Directors held on January 14, 2026, the Company conducted a stock split and made amendments to the Articles of Incorporation in conjunction with the stock split on March 1, 2026.

1. Purpose of the stock split

The Company conducted a stock split with the aim of lowering the amount per investment unit of the Company’s shares, thereby creating a more accessible environment for investors to invest in the Company’s shares, enhancing the liquidity of the Company’s shares, and expanding the investor base.

2. Overview of the stock split

(1) Method of the stock split

With Saturday, February 28, 2026, as the record date, the Company split each common share held by shareholders recorded in the final shareholder register on that day (which effectively means, on Friday, February 27, 2026) at a ratio of five shares for each common share.

(2) Number of shares increased by the stock split

(i) Total number of issued shares before the stock split	176,000,000 shares
(ii) Number of shares increased by this stock split	704,000,000 shares
(iii) Total number of issued shares after the stock split	880,000,000 shares
(iv) Total number of shares authorized to be issued after the stock split	2,000,000,000 shares

3. Timetable

Date of public notice of the record date	February 12, 2026
Record date	February 28, 2026
Effective date	March 1, 2026

4. Partial changes to the Articles of Incorporation in conjunction with the stock split

(1) Reason for the partial changes to the Articles of Incorporation

In conjunction with this stock split, and in accordance with the provisions of Article 184, paragraph (2) of the Companies Act, the Company amended Article 6 of its Articles of Incorporation regarding the total number of shares authorized to be issued, effective March 1, 2026.

(2) Details of partial changes to the Articles of Incorporation

The details of changes are as follows.

(The underlined sections indicate changes.)

Before change	After change
[Total number of shares authorized to be issued] Article 6 The total number of authorized shares of the Company shall be <u>400 million</u> shares.	[Total number of shares authorized to be issued] Article 6 The total number of authorized shares of the Company shall be <u>2 billion</u> shares.

(3) Date of changes

March 1, 2026

5. Impact on per share information

The impact on per-share information is described in the section titled “(Per share information).”

6. Other

(1) Regarding change in the amount of share capital

There was no change in the amount of share capital in conjunction with this stock split.

(2) Regarding dividends

As the stock split was effective March 1, 2026, the year-end dividend for the fiscal year ended February 28, 2026, with February 28, 2026, as the record date, will be based on the number of shares before the stock split.