



January 14, 2025

(Amounts less than one million yen are rounded down)

(Percentages indicate year-on-year changes.)

Note:	Comprehensive income	Nine months ended November 30, 2024	¥34,731 million [(16.1)%]
		Nine months ended November 30, 2023	¥41,374 million [52.6%]

Reference:	Equity	As of November 30, 2024	¥453,000 million
		As of February 29, 2024	¥458,890 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 29, 2024	–	20.00	–	65.00	85.00
Fiscal year ending February 28, 2025	–	35.00	–		
Fiscal year ending February 28, 2025 (forecast)				35.00	70.00

Note: Revisions to dividends forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

(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, 2025	297,000	4.8	62,000	4.6	60,000	(4.8)	40,000	(11.7)	234.76

Note: Revisions to earnings forecasts most recently announced: None

*** Notes**

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

Newly included 1 company (Science SARU Inc.)

- (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 November 30, 2024	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 November 30, 2024	16,957,643 shares
As of February 29, 2024	12,490,741 shares

- c. Average number of shares during the period

Nine months ended November 30, 2024	170,386,779 shares
Nine months ended November 30, 2023	174,586,049 shares

- * 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.

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1. Qualitative Information

(1) Details of operating results

In the nine months ended November 30, 2024, 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, 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 engaged in active investment and steady business development, striving to achieve further growth in each of the “four pillars of business,” consisting of cinema, animation, theatrical productions, and real estate, in the final year of the “Medium-term Management Plan 2025,” formulated in April 2022. Regarding the operating results for the nine months ended November 30, 2024, operating revenue was ¥234,169 million (up 15.3% year on year), operating profit was ¥52,801 million (up 26.9% year on year), ordinary profit was ¥51,552 million (up 16.7% year on year) and profit attributable to owners of parent was ¥34,141 million (up 20.2% year on year).

The operating results by segment are as follows.

Cinema 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,” “My Hero Academia: You’re Next,” “Crayon Shinchan the Movie: Our Dinosaur Diary,” “MUROI SHINJI NOT DEFEATED,” “MUROI SHINJI STAY ALIVE,” and “ALL ABOUT SUOMI.” “Despicable Me 4,” distributed by TOHO-TOWA Co., Ltd., was also a hit. In addition, “Haikyuu!!: 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 ¥44,723 million (up 34.7% year on year) and operating profit was ¥18,737 million (up 60.6% year on year). The above operating revenue mainly consists of ¥27,124 million from distribution to movie theaters (up 6.3% year on year) and ¥2,777 million from the domestic streaming of theatrical films (up 190.4% year on year).

In the Movie Theater Chain business, TOHO Cinemas Ltd. and others released works listed above in addition to popular works such as “Inside Out 2,” and others. The number of movie theater customers in the nine months ended November 30, 2024 decreased by 7.3% year on year to 28,606,000. As a result, operating revenue in the Movie Theater Chain business was ¥56,057 million (down 4.9% year on year) and operating profit was ¥7,569 million (down 16.7% year on year). There were no theater changes in the nine months ended November 30, 2024. The number of screens managed by the corporate group is 722 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 “My Hero Academia,” “JUJUTSU KAISEN,” “Haikyuu!!,” “Frieren: Beyond Journey’s End,” “SPY x FAMILY,” “Kaiju No. 8,” and “The Apothecary Diaries,” 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 “Haikyuu!!: 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 “Haikyuu!!: 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 “Haikyuu!!,” and Toho Monster Series, which is centered on “Godzilla” that celebrated the 70th anniversary of its birth, grew significantly and contributed to operating revenue. 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 ¥57,459 million (up 30.3% year on year) and operating profit was ¥15,051 million (up 68.6% year on year). The above operating revenue mainly consists of ¥24,482 million for the use of animation contents (up 28.9% year on year), ¥5,422 million for sale of home entertainment (up 11.2% year on year) and ¥6,948 million for art production related to production and licensing works, etc. (up 5.4% year on year).

As a result, in the overall Cinema business, operating revenue was ¥158,240 million (up 16.1% year on year) and operating profit was ¥41,357 million (up 39.3% 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,” and “Endless SHOCK” were performed at TOHO CO., LTD.’s Imperial Theatre and were completely sold out. At Theatre Creation, “Fan Letter” was performed to a full house, and the theatre also hosted performances of “The Bones and Scorn,” “The World of Machida-kun,” “CROSS ROAD,” “Navillera,” “Limelight,” “VOICARION XVIII～Mr.Prisoner～,” “tick, tick...BOOM!” 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 viewings of an “Endless SHOCK” performance were held at movie theaters across Japan to great acclaim as the show reached its grand finale 24 years after its premiere. 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 ¥16,247 million (up 12.0% year on year) and operating profit was ¥2,534 million (up 12.3% year on year).

Real Estate business

In the Lease of Land and Buildings business, earnings for the first nine months ended November 30, 2024 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 third quarter of the current fiscal year. Despite contributions from redeveloped properties and newly acquired properties, there was also an increase in one-time costs such as large repair expenses. Therefore, while operating revenue in the Lease of Land and Buildings business was ¥28,345 million (up 29.3% year on year), operating profit was ¥8,758 million (down 0.9% year on year). In September 2024, construction of the SUMINOE-TATEMONO (commercial complex “Across Plaza Suminoe”) was completed.

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, the number of highly profitable projects declined. As a result, operating revenue in the Road business was ¥21,834 million (up 0.9% year on year) and operating profit was ¥3,538 million (down 10.3% year on year). Operating revenue mainly consists of ¥20,143 million from road maintenance, repair and cleaning services (up 2.4% year on year) and also includes ¥687 million of other revenue (up 8.7% 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 ¥8,480 million (up 8.2% year on year) and operating profit was ¥985 million (up 18.1% year on year).

As a result of the above, operating revenue in the overall Real Estate business was ¥58,660 million (up 14.1% year on year) and operating profit was ¥13,281 million (down 2.5% 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 ¥1,020 million (up 9.1% year on year) and operating profit was ¥176 million (down 8.1% year on year).

(2) Details of financial position

With regard to the financial position as of the end of the third quarter of the current fiscal year, total assets decreased by ¥21,269 million from the end of the previous fiscal year to ¥594,557 million. This was mainly due to decreases of ¥4,135 million in securities, ¥29,000 million in short-term loans receivable with resale agreement, and ¥11,561 million in investment securities, despite increases of ¥7,140 million in cash and deposits, ¥4,349 million in inventories, and ¥15,473 million in land.

Liabilities decreased by ¥5,555 million from the end of the previous fiscal year to ¥125,515 million.

Net assets decreased by ¥15,714 million from the end of the previous fiscal year to ¥469,041 million. This was mainly due to an increase of ¥16,929 million in retained earnings, an increase of ¥22,318 million in treasury shares, and a decrease of ¥9,824 million in non-controlling interests.

(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, 2025, which were announced on October 15, 2024, in the "Consolidated Financial Results for the Six Months Ended August 31, 2024."

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	38,733	45,874
Notes and accounts receivable - trade, and contract assets	42,075	42,608
Securities	41,200	37,065
Inventories	13,130	17,479
Short-term loans receivable with resale agreement	34,999	5,999
Other	38,396	29,019
Allowance for doubtful accounts	(32)	(36)
Total current assets	208,503	178,009
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	104,116	106,033
Land	104,539	120,013
Construction in progress	5,738	3,676
Other, net	10,456	10,473
Total property, plant and equipment	224,851	240,197
Intangible assets		
Goodwill	1,927	5,684
Other	5,089	6,687
Total intangible assets	7,017	12,372
Investments and other assets		
Investment securities	154,175	142,613
Other	21,373	21,474
Allowance for doubtful accounts	(93)	(109)
Total investments and other assets	175,454	163,978
Total non-current assets	407,323	416,547
Total assets	615,826	594,557

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	32,765	24,846
Short-term borrowings	41	24
Current portion of long-term borrowings	1,124	432
Income taxes payable	12,002	7,262
Provision for bonuses	1,226	716
Other provisions	86	86
Asset retirement obligations	25	169
Other	21,868	32,895
Total current liabilities	69,141	66,434
Non-current liabilities		
Long-term borrowings	2,189	1,652
Retirement benefit liability	4,004	4,025
Provision for retirement benefits for directors (and other officers)	162	159
Other provisions	86	—
Asset retirement obligations	8,079	8,312
Other	47,406	44,932
Total non-current liabilities	61,929	59,081
Total liabilities	131,071	125,515
Net assets		
Shareholders' equity		
Share capital	10,355	10,355
Capital surplus	14,216	14,243
Retained earnings	439,921	456,851
Treasury shares	(42,827)	(65,145)
Total shareholders' equity	421,667	416,304
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,216	33,298
Deferred gains or losses on hedges	—	59
Foreign currency translation adjustment	2,642	2,944
Remeasurements of defined benefit plans	363	393
Total accumulated other comprehensive income	37,223	36,695
Non-controlling interests	25,865	16,041
Total net assets	484,755	469,041
Total liabilities and net assets	615,826	594,557

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

Quarterly consolidated statement of income

Nine months ended November 30, 2024

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Operating revenue	203,100	234,169
Operating costs	111,823	124,925
Gross profit	91,276	109,243
Selling, general and administrative expenses		
Personnel expenses	17,013	19,440
Advertising expenses	5,571	7,745
Provision for bonuses	143	250
Retirement benefit expenses	784	738
Provision for retirement benefits for directors (and other officers)	21	31
Rent expenses on land and buildings	6,781	6,587
Other	19,348	21,648
Total selling, general and administrative expenses	49,665	56,442
Operating profit	41,610	52,801
Non-operating income		
Interest income	581	236
Dividend income	1,155	1,492
Share of profit of entities accounted for using equity method	218	—
Foreign exchange gains	417	293
Other	276	421
Total non-operating income	2,649	2,443
Non-operating expenses		
Interest expenses	6	56
Share of loss of entities accounted for using equity method	—	3,605
Loss on liquidation of subsidiaries	51	—
Other	19	30
Total non-operating expenses	77	3,692
Ordinary profit	44,182	51,552
Extraordinary income		
Gain on sale of non-current assets	207	76
Insurance claim income	—	20
Receive consent fee	—	300
Total extraordinary income	207	396
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	—	9
Loss on valuation of investments in capital	107	—
Compensation loss on eviction	—	150
Total extraordinary losses	107	159
Profit before income taxes	44,283	51,789
Income taxes - current	13,043	17,132
Income taxes - deferred	1,643	(601)
Total income taxes	14,686	16,530
Profit	29,596	35,259
Profit attributable to non-controlling interests	1,194	1,118
Profit attributable to owners of parent	28,402	34,141

Quarterly consolidated statement of comprehensive income

Nine months ended November 30, 2024

	(Millions of yen)	
	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Profit	29,596	35,259
Other comprehensive income		
Valuation difference on available-for-sale securities	9,736	(918)
Foreign currency translation adjustment	1,957	(93)
Remeasurements of defined benefit plans, net of tax	76	29
Share of other comprehensive income of entities accounted for using equity method	7	454
Total other comprehensive income	11,778	(527)
Comprehensive income	41,374	34,731
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	40,180	33,613
Comprehensive income attributable to non-controlling interests	1,194	1,118

(3) Quarterly consolidated statement of cash flows

	(Millions of yen)	
	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Cash flows from operating activities		
Profit before income taxes	44,283	51,789
Depreciation	7,521	9,306
Increase (decrease) in allowance for doubtful accounts	(73)	20
Interest and dividend income	(1,736)	(1,729)
Interest expenses	6	56
Share of loss (profit) of entities accounted for using equity method	(218)	3,605
Decrease (increase) in trade receivables and contract assets	(215)	(391)
Decrease (increase) in inventories	(2,391)	(1,751)
Increase (decrease) in trade payables	(4,504)	(7,968)
Increase (decrease) in accrued consumption taxes	202	(730)
Other	3,033	5,695
Subtotal	45,906	57,904
Interest and dividends received	1,916	1,777
Interest paid	(10)	(57)
Income taxes paid	(18,517)	(21,462)
Net cash provided by (used in) operating activities	29,294	38,161
Cash flows from investing activities		
Purchase of securities	(37,595)	(14,990)
Proceeds from sale of securities	41,200	49,810
Purchase of property, plant and equipment	(16,151)	(24,550)
Proceeds from sale of property, plant and equipment	214	320
Purchase of investment securities	(13,601)	(4,075)
Purchase of shares of subsidiaries	—	(12,423)
Loan advances	(1)	(722)
Proceeds from collection of loans receivable	6	504
Investments in money held in trust	(2,300)	(700)
Proceeds from cancellation of money held in trust	2,300	3,300
Other	(3,254)	(6,796)
Net cash provided by (used in) investing activities	(29,182)	(10,324)
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	55	(16)
Repayments of long-term borrowings	(72)	(1,391)
Purchase of treasury shares	(6)	(20,059)
Dividends paid	(10,412)	(17,062)
Dividends paid to non-controlling interests	(429)	(526)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(6)	(0)
Repayments of lease liabilities	(141)	(12)
Other	9	—
Net cash provided by (used in) financing activities	(11,004)	(39,069)
Effect of exchange rate change on cash and cash equivalents	2,132	6
Net increase (decrease) in cash and cash equivalents	(8,759)	(11,225)
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	103,369	71,198

(4) Notes to quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

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

The Company acquired 4,000,000 treasury shares pursuant to a resolution at a meeting of its Board of Directors held on April 15, 2024. As a result of the purchase, etc., treasury shares increased in value by ¥22,318 million in the nine months ended November 30, 2024, and as of November 30, 2024, the value of treasury shares stood at ¥65,145 million.

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

Not applicable.

(Segment information, etc.)

[Segment information]

I. Nine months ended November 30, 2023

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)
	Cinema business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	136,262	14,508	51,393	202,164	935	203,100	–	203,100
Intersegment sales or transfers	1,835	24	3,829	5,688	232	5,921	(5,921)	–
Total	138,097	14,532	55,223	207,853	1,168	209,021	(5,921)	203,100
Segment profit (loss)	29,680	2,256	13,619	45,556	191	45,748	(4,137)	41,610

- (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 ¥4,137 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥1 million in intersegment transaction elimination, and a deduction of ¥4,136 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. Nine months ended November 30, 2024

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)
	Cinema business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	158,240	16,247	58,660	233,148	1,020	234,169	–	234,169
Intersegment sales or transfers	1,864	242	3,847	5,954	207	6,162	(6,162)	–
Total	160,105	16,490	62,507	239,103	1,228	240,331	(6,162)	234,169
Segment profit (loss)	41,357	2,534	13,281	57,173	176	57,350	(4,548)	52,801

- (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 ¥4,548 million deducted from segment profit (loss) as adjustment consists of a deduction of ¥0 million in intersegment transaction elimination, and a deduction of ¥4,548 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 - Revenue recognition)

Breakdown of revenue from contracts with customers

Nine months ended November 30, 2023

(Millions of yen)

	Reportable segments			Other	Total
	Cinema business	Theatrical business	Real Estate business		
Main services					
Distribution to movie theaters	25,513	—	—	—	25,513
Domestic streaming of theatrical films	956	—	—	—	956
Management of movie theaters	58,956	—	—	—	58,956
Use of animation contents (*1)	18,987	—	—	—	18,987
Sale of home entertainment	4,875	—	—	—	4,875
Art production related to production and licensing works, etc.	6,593	—	—	—	6,593
Production and exhibition of theatrical works	—	14,508	—	—	14,508
Road maintenance, repair and cleaning services	—	—	19,663	—	19,663
Building maintenance	—	—	7,837	—	7,837
Other	20,378	—	1,342	935	22,657
Revenue from contracts with customers	136,262	14,508	28,844	935	180,550
Other revenue (*2)	—	—	22,549	—	22,549
Sales to external customers	136,262	14,508	51,393	935	203,100

(*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.”

Nine months ended November 30, 2024

(Millions of yen)

	Reportable segments			Other	Total
	Cinema business	Theatrical business	Real Estate business		
Main services					
Distribution to movie theaters	27,124	—	—	—	27,124
Domestic streaming of theatrical films	2,777	—	—	—	2,777
Management of movie theaters	56,057	—	—	—	56,057
Use of animation contents (*1)	24,482	—	—	—	24,482
Sale of home entertainment	5,422	—	—	—	5,422
Art production related to production and licensing works, etc.	6,948	—	—	—	6,948
Production and exhibition of theatrical works	—	16,247	—	—	16,247
Road maintenance, repair and cleaning services	—	—	20,143	—	20,143
Building maintenance	—	—	8,480	—	8,480
Other	35,426	—	1,003	1,020	37,450
Revenue from contracts with customers	158,240	16,247	29,627	1,020	205,135
Other revenue (*2)	—	—	29,033	—	29,033
Sales to external customers	158,240	16,247	58,660	1,020	234,169

(*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.”

(Significant subsequent events)

(Business combination through acquisition)

Toho International, Inc. (hereinafter “Toho International”), a subsidiary (sub-subsidiary) of the Company, concluded a share transfer agreement on October 16, 2024 to acquire 100% of the equity of GKIDS, INC. (hereinafter “GKIDS”), an animation production and distribution company mainly in North America, and acquired the shares on October 17. Toho International’s fiscal year ends on December 31, and financial statements as of September 30, 2024 were used for the nine months ended November 30, 2024.

1. Purpose of 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.

2. Outline of acquired company

Name: GKIDS, INC.

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

Share capital: US\$2 thousand

3. Outline of business combination

(1) Date of business combination

October 17, 2024

(2) Ratio of voting rights after acquisition

100%

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

Consideration for acquisition	Cash	US\$140 million (estimated)
Acquisition cost		US\$140 million (estimated)

Note: The consideration for the acquisition includes contingent consideration (fair value), 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). As part of the acquisition cost is not finalized, the amount is provisional.

5. Financing method

Financed using own funds