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Summary of Consolidated Earnings Results for the Nine Months Ended December 31, 2025 (Based on Japanese GAAP)

February 12, 2026

Company name: KADOKAWA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 9468 URL <https://group.kadokawa.co.jp/global/ir/>
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2025	202,991	(1.7)	6,377	(59.7)	9,107	(47.1)	2,211	(70.0)
Nine months ended December 31, 2024	206,587	10.5	15,838	18.8	17,226	28.5	7,366	16.7

(Note) Comprehensive income: 1,411 million yen (-87.4%) for the nine months ended December 31, 2025
 11,186 million yen (18.2%) for the nine months ended December 31, 2024

	Earnings per share		Diluted earnings per share		EBITDA	
	Yen		Yen		Million yen	%
Nine months ended December 31, 2025	15.07		14.18		13,144	(39.0)
Nine months ended December 31, 2024	54.79		53.60		21,534	18.8

(Note) EBITDA = Operating profit + Depreciation + Amortization of goodwill

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen		Million yen		%	Yen		
As of December 31, 2025	394,716		276,872		62.4	1,674.68		
As of March 31, 2025	410,029		277,408		60.9	1,704.48		

(Reference) Equity capital: As of December 31, 2025: 246,132 million yen As of March 31, 2025: 249,788 million yen

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	–	0.00	–	30.00	30.00
Year ending March 31, 2026	–	0.00	–	–	–
Year ending March 31, 2026 (Forecast)	–	–	–	30.00	30.00

(Note) Revisions from dividends forecasts announced most recently: No

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share		EBITDA	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Million yen	%	
Full year	278,200	0.1	10,300	(38.1)	12,400	(30.1)	4,900	(33.7)	33.34	19,500	(21.7)	

(Note) Revisions from financial results forecasts announced most recently: No

* Notes

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

New: 2 companies Edizioni BD S.r.l. and SOZO Pte. Ltd. Excluded: –

(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Major Notes (4) Notes on Quarterly Consolidated Financial Statements (Business Combinations)” on page 11 of the Attachments.

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: No

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2025	148,990,296 shares	As of March 31, 2025	148,990,296 shares
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(ii) Number of treasury shares at the end of the period

As of December 31, 2025	2,017,335 shares	As of March 31, 2025	2,442,006 shares
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(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	146,770,605 shares	Nine months ended December 31, 2024	134,458,181 shares
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* Review by a certified public accountant or an auditing firm of the attached quarterly consolidated financial statements: No

* Proper use of forecasts of earnings results and other special matters

Earnings results forecasts and other forward-looking statements contained in this material are based on information available to the Company as of this moment and certain assumptions that are deemed to be reasonable. Therefore, actual results may differ significantly from these forward-looking statements due to various factors. For further details, please refer to “1. Overview of Operating Results and Financial Position (3) Overview Concerning Forward-Looking Information, Including Consolidated Operating Result Forecasts” on page 4 of the Attachments.

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1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results

The KADOKAWA group's corporate mission is "A Platform for Creativity." The Group advocates a "global media mix with technology" as its fundamental strategy that combines the stable creation of intellectual property (IP) consisting of a variety of portfolio content in the Publication/IP Creation, Animation/Film, Gaming, Web Services, and Education/EdTech Segments, the maximization of the LTV (life time value) of IP resulting from collaboration among business segments, and the rollout of IP on a global scale through the continual adoption of the latest technology, seeking to achieve growth and enhance corporate value over the medium to long terms.

During the first nine months under review, net sales totaled 202,991 million yen (down 1.7% year on year), with operating profit of 6,377 million yen (down 59.7%) and ordinary profit of 9,107 million yen (down 47.1%). Profit attributable to owners of parent came to 2,211 million yen (down 70.0%).

The performance of each business segment for the first nine months under review is as follows:

[Publication/IP Creation Segment]

In the Publication/IP Creation Segment, the Company publishes and sells digital and paper-based books and magazines. The Company also sells digital ads and licenses. In this segment, the Company creates approx. 6,000 new titles a year as an essential source of its media mix strategy. A wealth of title archives accumulated in this way is a driving force of the KADOKAWA group's growth. The number of new IP created in the first nine months under review increased 9.4% year on year.

International sales of paper-based books and magazines increased chiefly thanks to the contributions of new bases established in the last one year in addition to continued strength in sales in Americas and Asia. Domestically, sales decreased compared to the corresponding period of the preceding fiscal year, mainly due to a decline in sales per title, despite the lack of the significant negative impact that cyberattacks had on sales in the previous fiscal year. Sales of e-books and e-magazines decreased year on year, mainly due to a lack of smash-hit titles and the significant revenue-increasing effect that estimated accounting based on preliminary data for sales to other companies' stores had in the same period of the previous year. In addition, rights licensing sales also declined.

Profit in the overall segment declined due to the significant impact of the sales decrease in domestic paper-based books and e-books, as well as increased personnel expenses.

Consequently, net sales in this segment totaled 111,681 million yen (down 0.0% year on year), with the segment's operating profit of 623 million yen (down 90.2%).

[Animation/Film Segment]

The Animation/Film Segment includes the planning, production and distribution of anime and live-action films, video distribution licensing, and sales of package software.

In the Animation business, a significant portion of the lineup consisted of titles animated for the first time, resulting in a decline in sales per title. As a result, overall sales fell compared to the corresponding period of the preceding fiscal year, when major titles, including the latest installments in popular series, made a substantial contribution to revenue. In the Film business, sales decreased compared to the corresponding period of the preceding fiscal year, when income from the secondary use of multiple movies that had been theatrically released was substantial, despite the contributions of new media-mix films.

Profit in this segment decreased, mainly reflecting the above factors for sales decrease.

Consequently, net sales in this segment totaled 31,632 million yen (down 16.6% year on year) with operating loss of 904 million yen (compared to operating profit of 4,705 million yen for the corresponding period of the preceding fiscal year).

[Gaming Segment]

The Gaming Segment includes the planning, development, sales and licensing of game software and online games.

Results in this segment declined compared to the preceding fiscal year, which saw strong sales of *ELDEN RING SHADOW OF THE ERDTREE* and repeat sales of *ELDEN RING*, despite strong domestic and overseas sales of *ELDEN RING NIGHTREIGN*, a new title released by FromSoftware, Inc.

Profit in this segment decreased, mainly reflecting the above factors for sales decrease.

Consequently, net sales in this segment came to 23,381 million yen (down 11.6% year on year), while the segment's operating profit declined to 8,050 million yen (down 7.0%).

[Web Services Segment]

In the Web Services Segment, the Company operates a portal Segment for a variety of streaming social network services, as well as planning and managing a variety of events, and content distribution service for mobile device users.

Sales in streaming social network services increased compared to the corresponding period of the preceding fiscal year, when there was a significant impact of cyberattacks. Sales in planning and managing events also increased mainly due to the strong performance of Niconico Chokaigi 2025 and Animelo Summer Live2025.

Profit in this segment increased mainly due to a decrease in IT infrastructure expenses in addition to the effect of the sales increase described above.

Consequently, net sales in this segment totaled 16,249 million yen (up 21.5% year on year) with operating profit of 2,187 million yen (compared to operating loss of 712 million yen for the corresponding period of the preceding fiscal year).

[Education/EdTech Segment]

In the Education/EdTech Segment, the Company operates trade schools and provides online educational content and systems to online high schools.

At Vantan Inc., which operates vocational schools in the creative arts field, the number of students increased due to the opening of new schools, including KADOKAWA SCHOOL OF ANIME, which opened in April 2024, and the expansion of the areas of operation, and sales rose as a result. In addition, DWANGO Co., Ltd. remained strong, reflecting a continued increase in student enrollment mainly due to the opening of new campuses for commuter courses of N High School, S High School, and R High School and establishment of R High School and ZEN University.

Operating profit in this segment increased, mainly reflecting the increase in sales.

Consequently, net sales in this segment came to 12,837 million yen (up 13.4% year on year) with operating profit of 2,510 million yen (up 10.9%).

[Others Segment]

In the Others Segment, the Company operates the MD business, which plans and sells character goods and other products, and recreation business, which includes operation of TOKOROZAWA SAKURA TOWN and planning of events.

Sales in the MD business declined due to the presence of certain hit products in the previous fiscal year. Sales in the recreation business increased, chiefly reflecting strong performance of IP events that were held in major cities across the country. In other businesses, the position of KADOKAWA Connected Inc., which drove digital transformation within the KADOKAWA Group, changed after it was absorbed by DWANGO Co., Ltd. This absorption had a significant negative impact, resulting in a decline in sales for this segment. However, because most of KADOKAWA Connect's sales were conducted within the Group, the impact of the sales decline on the consolidated results was minor and insignificant.

Profit remained flat in the recreation business, while it decreased in the MD business due to the effect of sales decrease described above. However, profit in this segment increased compared with the previous fiscal year, when KADOKAWA Connected was negatively affected by a cyberattack.

Consequently, net sales in this segment totaled 10,949 million yen (down 12.9% year on year) with operating loss of 3,128 million yen (compared to operating loss of 3,212 million yen for the corresponding period of the preceding fiscal year).

(2) Overview of Financial Position

(i) Analysis of assets, liabilities and net assets

Total assets as of December 31, 2025 decreased by 15,313 million yen from the end of the previous fiscal year to 394,716 million yen. This chiefly reflected a decrease in cash and deposits due to repayments of long-term borrowings, and increases in inventories and accounts receivable - trade.

Total liabilities as of December 31, 2025 decreased by 14,776 million yen from the end of the previous fiscal year to 117,844 million yen. This is chiefly due to the repayment of long-term borrowings.

Total net assets as of December 31, 2025 decreased by 536 million yen from the end of the previous fiscal year to 276,872 million yen. This was primarily due to a decrease in retained earnings, which resulted from payment of dividends, while non-controlling interests increased.

(ii) Analysis of cash flows

Net cash provided by operating activities was 1,198 million yen (compared to net cash provided of 3,623 million yen in the corresponding period of the preceding fiscal year), chiefly due to cash inflows, such as profit before income taxes and depreciation, a non-cash item, which were partially offset by an increase in inventories and other cash outflows.

Net cash used in investing activities was 36,794 million yen (compared to net cash used of 5,172 million yen in the corresponding period of the preceding fiscal year), primarily due to payments into time deposits, the purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities was 21,416 million yen (compared to net cash used of 5,045 million yen in the corresponding period of the preceding fiscal year), primarily due to repayments of long-term borrowings and dividend payments.

Consequently, the total use of cash came to 56,653 million yen (including those associated with foreign currency translation differences), leaving cash and cash equivalents at end of period at 73,065 million yen.

(3) Overview Concerning Forward-Looking Information, Including Consolidated Operating Result Forecasts

The Company made no change to consolidated operating result forecasts for the fiscal year ending March 31, 2026 it had announced on November 6, 2025.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: Million yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	145,494	114,593
Notes receivable - trade	1,785	1,120
Accounts receivable - trade	67,800	74,011
Contract assets	1,671	2,197
Securities	808	782
Inventories	34,757	42,875
Prepaid expenses	3,695	4,304
Deposits paid	4,088	278
Other	12,558	14,819
Allowance for doubtful accounts	(211)	(241)
Total current assets	272,447	254,742
Non-current assets		
Property, plant and equipment		
Buildings and structures	47,355	49,619
Accumulated depreciation	(15,762)	(17,418)
Buildings and structures, net	31,592	32,201
Machinery and equipment	7,609	7,678
Accumulated depreciation	(3,654)	(4,140)
Machinery and equipment, net	3,955	3,538
Tools, furniture and fixtures	9,232	7,864
Accumulated depreciation	(6,817)	(5,490)
Tools, furniture and fixtures, net	2,415	2,373
Land	28,250	28,374
Construction in progress	24	37
Other	1,268	1,759
Accumulated depreciation	(584)	(754)
Other, net	684	1,004
Total property, plant and equipment	66,922	67,529
Intangible assets		
Software	11,021	13,275
Goodwill	5,333	6,748
Other	4,149	2,997
Total intangible assets	20,504	23,021
Investments and other assets		
Investment securities	38,397	33,859
Retirement benefit asset	–	7
Deferred tax assets	3,713	6,757
Insurance funds	1,727	1,935
Guarantee deposits	4,183	4,488
Other	2,366	2,593
Allowance for doubtful accounts	(233)	(219)
Total investments and other assets	50,154	49,422
Total non-current assets	137,581	139,974
Total assets	410,029	394,716

(Unit: Million yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	35,411	37,521
Short-term borrowings	451	330
Current portion of long-term borrowings	15,292	10,189
Accounts payable - other	14,976	11,329
Income taxes payable	4,631	1,252
Contract liabilities	16,647	20,464
Deposits received	8,774	12,565
Provision for bonuses	6,106	4,211
Refund liabilities	6,685	6,350
Provision for share-based remuneration	261	100
Provision for share-based remuneration for directors (and other officers)	1,103	1,062
Other	6,691	6,550
Total current liabilities	117,033	111,926
Non-current liabilities		
Long-term borrowings	10,946	719
Deferred tax liabilities	637	353
Retirement benefit liability	2,368	2,021
Other	1,634	2,822
Total non-current liabilities	15,587	5,917
Total liabilities	132,621	117,844
Net assets		
Shareholders' equity		
Share capital	65,613	65,613
Capital surplus	85,223	85,670
Retained earnings	85,913	83,696
Treasury shares	(5,619)	(4,774)
Total shareholders' equity	231,130	230,205
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,042	11,385
Foreign currency translation adjustment	4,222	4,206
Remeasurements of defined benefit plans	392	335
Total accumulated other comprehensive income	18,658	15,927
Share acquisition rights	2,426	2,669
Non-controlling interests	25,192	28,069
Total net assets	277,408	276,872
Total liabilities and net assets	410,029	394,716

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Unit: Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	206,587	202,991
Cost of sales	130,229	132,146
Gross profit	76,358	70,845
Selling, general and administrative expenses	60,520	64,467
Operating profit	15,838	6,377
Non-operating income		
Interest income	1,156	795
Dividend income	477	516
Share of profit of entities accounted for using equity method	575	734
Foreign exchange gains	–	235
Gain on sale of goods	58	62
Other	125	544
Total non-operating income	2,394	2,889
Non-operating expenses		
Interest expenses	56	59
Foreign exchange losses	932	–
Other	16	98
Total non-operating expenses	1,005	158
Ordinary profit	17,226	9,107
Extraordinary income		
Gain on sale of non-current assets	1	4
Gain on sale of investment securities	2,885	776
Other	3	47
Total extraordinary income	2,890	828
Extraordinary losses		
Expenses for dealing with system failure	*1 2,338	–
Loss on retirement of non-current assets	87	136
Loss on valuation of investment securities	257	72
Amortization of goodwill	–	*2 2,700
Extra retirement payments	553	–
Other	91	409
Total extraordinary losses	3,328	3,319
Profit before income taxes	16,788	6,617
Income taxes	7,232	2,279
Profit	9,556	4,337
Profit attributable to non-controlling interests	2,189	2,125
Profit attributable to owners of parent	7,366	2,211

Quarterly Consolidated Statements of Comprehensive Income

(Unit: Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	9,556	4,337
Other comprehensive income		
Valuation difference on available-for-sale securities	1,488	(2,657)
Foreign currency translation adjustment	243	(197)
Remeasurements of defined benefit plans, net of tax	(98)	(60)
Share of other comprehensive income of entities accounted for using equity method	(3)	(11)
Total other comprehensive income	1,630	(2,925)
Comprehensive income	11,186	1,411
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,922	(519)
Comprehensive income attributable to non-controlling interests	2,264	1,930

(3) Quarterly Consolidated Statements of Cash Flows

(Unit: Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	16,788	6,617
Depreciation	5,326	6,197
Amortization of goodwill	369	3,270
Share-based payment expenses	1,814	1,586
Expenses for dealing with system failure	2,338	–
Loss (gain) on sale of investment securities	(2,885)	(752)
Loss (gain) on valuation of investment securities	257	72
Loss on retirement of non-current assets	87	136
Increase (decrease) in retirement benefit liability	(416)	(470)
Increase (decrease) in refund liabilities	(668)	(520)
Increase (decrease) in provision for bonuses	21	(1,895)
Interest and dividend income	(1,634)	(1,311)
Foreign exchange losses (gains)	1,037	(110)
Share of loss (profit) of entities accounted for using equity method	(575)	(734)
Decrease (increase) in trade receivables and contract assets	(6,992)	(5,274)
Decrease (increase) in inventories	(5,782)	(7,838)
Increase (decrease) in trade payables	2,598	1,641
Increase (decrease) in contract liabilities	2,535	3,541
Other, net	(2,913)	2,252
Subtotal	11,308	6,408
Interest and dividends received	2,555	2,066
Interest paid	(48)	(57)
Expenses paid to address system failures	(2,292)	–
Income taxes paid	(7,899)	(7,218)
Net cash provided by (used in) operating activities	3,623	1,198
Cash flows from investing activities		
Net decrease (increase) in time deposits	7,340	(26,155)
Purchase of property, plant and equipment	(6,378)	(2,241)
Purchase of intangible assets	(5,185)	(5,212)
Purchase of investment securities	(2,906)	(20)
Proceeds from sale of investment securities	4,411	1,304
Purchase of membership interest of subsidiaries resulting in a change in scope of consolidation	–	(2,183)
Purchase of shares of subsidiaries resulting in a change in scope of consolidation	(3,213)	(1,719)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	213	–
Other, net	546	(567)
Net cash provided by (used in) investing activities	(5,172)	(36,794)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(121)
Repayments of long-term borrowings	(334)	(15,378)
Proceeds from share issuance to non-controlling shareholders	73	86
Purchase of treasury share acquisition rights	–	(1,179)
Dividends paid	(4,065)	(4,428)
Other, net	(717)	(395)
Net cash provided by (used in) financing activities	(5,045)	(21,416)
Effect of exchange rate change on cash and cash equivalents	641	358
Net increase (decrease) in cash and cash equivalents	(5,952)	(56,653)
Cash and cash equivalents at beginning of period	79,841	129,674
Increase in cash and cash equivalents resulting from merger	–	44
Cash and cash equivalents at end of period	73,889	73,065

(4) Notes on Quarterly Consolidated Financial Statements
(Notes on Going Concern Assumption)
Not applicable.

(Notes on Material Changes in Shareholders' Equity)
Not applicable.

(Notes on Quarterly Consolidated Statements of Income)

*1 Expenses for dealing with system failure

The expenses for dealing with system failure recorded in extraordinary losses are compensation expenses for creators of the Niconico services and expenses related to investigation and restoration, etc. in connection to the cyberattack on servers in the Group's data center.

*2 Amortization of goodwill

The amortization of goodwill recorded as an extraordinary loss refers to the amortization of goodwill related to an impairment loss on shares in a consolidated subsidiary in accordance with paragraph 32 of the Practical Guidelines on the Capital Consolidation Procedure in Consolidated Financial Statements (ASBJ Transferred Guidance No. 4, July 1, 2024).

3 The Group applies paragraph 7 of the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ PITF No. 46, March 22, 2024) and has not recorded any income taxes for global minimum tax in the consolidated financial statements for the relevant fiscal year including the first nine months under review.

(Notes on Segment Information)

First Nine Months of Previous Fiscal Year (April 1, 2024 to December 31, 2024)

1. Information on Net Sales and Profit (Loss) by Reportable Segment

(Unit: Million yen)

	Reportable Segments					Others (Note 1)	Total	Adjustments (Note 2)	Amount on Quarterly Consolidated Statements of Income (Note 3)
	Publication/ IP Creation	Animation/ Film	Gaming	Web Services	Education/ EdTech				
Net sales									
Third party net sales	109,722	37,142	26,336	13,120	11,316	8,949	206,587	–	206,587
Inter-segment net sales or transfers	2,001	778	115	248	3	3,621	6,769	(6,769)	–
Total	111,723	37,921	26,452	13,369	11,319	12,570	213,357	(6,769)	206,587
Segment profit (loss)	6,362	4,705	8,659	(712)	2,264	(3,212)	18,066	(2,228)	15,838

- (Notes) 1. "Others" refers to non-reportable business segments, including the planning and sales, etc. of character goods and other products, and the operation of facilities.
2. Adjustments of (2,228) million yen for segment profit (loss) was the result of 9 million yen for inter-segment eliminations and non-allocable corporate expenses of (2,237) million yen.
3. Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.
4. Information by geographical segment

Net sales

(Unit: Million yen)

Japan	Americas	Asia	Others	Total
160,875	25,874	14,722	5,114	206,587

(Note) Net sales are based on the geographical area of the customers and categorized by country or region.

2. Information on Impairment Loss of Non-current Assets and Goodwill by Reportable Segment

(Significant changes in amount of goodwill)

During the third quarter under review, the Company acquired shares of Doga Kobo inc. in the Animation/Film Segment, making it a consolidated subsidiary. This event resulted in an increase in goodwill of 2,893 million yen.

First Nine Months of Fiscal Year Under Review (April 1, 2025 to December 31, 2025)

1. Information on Net Sales and Profit (Loss) by Reportable Segment

(Unit: Million yen)

	Reportable Segments					Others (Note 1)	Total	Adjustments (Note 2)	Amount on Quarterly Consolidated Statements of Income (Note 3)
	Publication/ IP Creation	Animation/ Film	Gaming	Web Services	Education/ EdTech				
Net sales									
Third party net sales	110,319	30,982	23,270	15,991	12,834	9,592	202,991	–	202,991
Inter-segment net sales or transfers	1,361	649	110	257	2	1,357	3,740	(3,740)	–
Total	111,681	31,632	23,381	16,249	12,837	10,949	206,732	(3,740)	202,991
Segment profit (loss)	623	(904)	8,050	2,187	2,510	(3,128)	9,338	(2,961)	6,377

(Notes) 1. "Others" refers to non-reportable business segments, including the planning and sales, etc. of character goods and other products, and the operation of facilities.

2. Adjustments of (2,961) million yen for segment profit (loss) was the result of 12 million yen for inter-segment eliminations and non-allocable corporate expenses of (2,978) million yen.

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

4. Information by geographical segment

Net sales

(Unit: Million yen)

Japan	Americas	Asia	Others	Total
163,464	20,280	14,043	5,203	202,991

(Note) Net sales are based on the geographical area of the customers and categorized by country or region.

2. Information on Impairment Loss of Non-current Assets and Goodwill by Reportable Segment

(Significant changes in amount of goodwill)

In the Publication/IP Creation Segment, the Company acquired an equity in Edizioni BD S.r.l. (Italy) and included it in the scope of consolidation in the first quarter. This resulted in a 2,427 million yen increase in the amount of goodwill.

In the Others Segment, the Company acquired shares in SOZO Pte. Ltd. (Singapore) and included it in the scope of consolidation in the third quarter under review. This resulted in a 1,846 million yen increase in the amount of goodwill. The amount of goodwill is a provisional amount because acquisition cost allocation was not completed at the end of the third quarter under review.

In the Animation/Film Segment, goodwill was amortized due to an impairment loss recognized on shares in a consolidated subsidiary. Consequently, goodwill decreased by 2,700 million yen.

(Business Combinations)

Business combination through acquisition

1. Outline of the business combination

(1) Name and business of acquired company

Name of the acquired company: SOZO Pte. Ltd. (Singapore; hereinafter "SOZO")

Business: Hosting large events featuring anime, comic books, games, and music in Southeast Asia, organizing concerts for Japanese artists in the region, holding exhibitions of intellectual property, and selling merchandise

(2) Main reasons for the business combination

The Group has been strengthening and expanding the business foundations of its overseas bases under its fundamental strategy of enhancing its global media mix with technology, primarily by consistently creating a diverse portfolio of intellectual property (IP) and rolling it out globally.

SOZO is a leading company in Southeast Asia in the promotion of Japanese entertainment content and platforms. SOZO's core business is planning and managing large-scale events, including Anime Festival Asia ("AFA"), one of the largest animation events in Southeast Asia. The company operates in various sectors of the entertainment industry. Its activities include the production of performances by top Japanese artists in Southeast Asia, the hosting of exhibitions and events that showcase popular anime and other works, and the development and distribution of related merchandise.

SOZO's integration as a subsidiary of the Group enhances the Group's ability to host large-scale animation events, such as AFA, and organize various live events, including concerts and performances featuring songs from anime and IP events. Additionally, the Group plans to develop D2C (Direct to Consumer) business models. Through these initiatives, the Group aims to increase recognition of its intellectual property, increase revenue by establishing a

comprehensive media mix, and improve communication capabilities for the promotion of Japanese content, including the Company's content. The Group will also focus on initiatives to promote diverse talent in the Asian market by encouraging creators and artists associated with the streaming social network service niconico to perform internationally and participate in large-scale events.

(3) Date of business combination

November 14, 2025 (deemed acquisition date: October 31, 2025)

(4) Legal form of business combination

Acquisition of shares in exchange for cash

(5) Name of the company after business combination

No change

(6) Percentage share of voting rights acquired

80%

(7) Main reason for the decision to acquire the company

Availability to the Company of the method of share acquisition in exchange for cash.

2. Period of financial results of the acquired company included in the quarterly consolidated statement of income for the first nine months under review

Only the balance sheets have been consolidated. The Company's quarterly consolidated statements of income for the first nine months under review do not include the results of the acquired company.

3. Costs of the acquisition of acquired company and breakdown by type of consideration

Consideration: Cash	2,299	million yen
Acquisition cost	2,299	

4. Goodwill arising from the business combination, reason for the goodwill, and method and period of amortization

(1) Amount of goodwill

1,846 million yen

The amount of goodwill is a provisional amount because acquisition cost allocation was not completed at the end of the third quarter under review.

(2) Reason for the goodwill

The reason is future additional earnings power that is expected from future business development.

(3) Method and period of amortization

The Company will amortize goodwill on a straight-line basis over the period in which the effects of the additional earnings power will be produced.

The period of amortization is being determined.

(Notes on Significant Subsequent Events)

Disposal of treasury shares related to performance-based stock compensation plan

The Company resolved at a meeting of its Board of Directors held on January 29, 2026 to dispose of its treasury shares as stock compensation (the “Treasury Share Disposition”).

(1) Reason for disposal

The Company has introduced a performance-based stock compensation plan (the “Plan”) using a trust for Chief Officers and Executive Officers of the Company and the Directors (excluding Outside Directors) of the Company’s subsidiaries. In the Treasury Share Disposition, the Company will allocate treasury shares to the trustees of the trust it has established to manage the Plan.

(2) Overview of the disposal

Date of disposal	February 18, 2026
Number of shares for disposal	903,100 common shares of the Company
Disposal value	3,250 yen per share
Total disposal value	2,935 million yen
Method of disposal	Disposal through private placement
Allottee	Sumitomo Mitsui Trust Bank, Limited (trust account)