

April 14, 2025

Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Under Japanese GAAP)

Company name: Shochiku Co., Ltd.
 Listing: Tokyo Stock Exchange / Sapporo Stock Exchange / Fukuoka Stock Exchange
 Securities code: 9601
 URL: <https://www.shochiku.co.jp>
 Representative: Toshihiro Takahashi, President and CEO
 Inquiries: Hiroshige Osaki, Senior Executive Officer
 Telephone: +81-3-5550-1699
 Scheduled date of annual general meeting of shareholders: May 27, 2025
 Scheduled date to commence dividend payments: May 28, 2025
 Scheduled date to file annual securities report: May 26, 2025
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

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

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	83,974	(1.7)	1,664	(53.6)	(2,500)	-	(664)	-
February 29, 2024	85,428	9.2	3,584	-	2,866	110.8	3,016	(45.0)

Note: Comprehensive income For the fiscal year ended February 28, 2025: ¥(919) million [-%]
 For the fiscal year ended February 29, 2024: ¥8,365 million [31.2%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2025	(48.34)	-	(0.7)	(1.2)	2.0
February 29, 2024	219.56	-	3.3	1.5	4.2

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended February 28, 2025: ¥(4,513) million
 For the fiscal year ended February 29, 2024: ¥(1,237) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	208,900	93,152	44.5	6,772.01
February 29, 2024	211,140	94,466	44.7	6,868.61

Reference: Equity
 As of February 28, 2025: ¥93,056 million
 As of February 29, 2024: ¥94,367 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	(586)	(3,659)	(1,533)	14,912
February 29, 2024	8,134	(15,236)	11,781	20,692

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 29, 2024	-	0.00	-	30.00	30.00	414	13.7	0.5
Fiscal year ended February 28, 2025	-	0.00	-	30.00	30.00	414	-	0.4
Fiscal year ending February 28, 2026 (Forecast)		0.00		30.00	30.00		20.6	

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	95,000	13.1	3,100	86.2	3,000	-	2,000	-	145.55

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of February 28, 2025	13,937,857 shares
As of February 29, 2024	13,937,857 shares

- (ii) Number of treasury shares at the end of the period

As of February 28, 2025	196,532 shares
As of February 29, 2024	198,877 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2025	13,741,004 shares
Fiscal year ended February 29, 2024	13,738,499 shares

[Reference] Overview of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	50,546	0.5	1,737	(17.2)	1,911	(21.3)	(512)	-
February 29, 2024	50,301	12.5	2,099	-	2,430	(12.6)	4,008	(41.3)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
February 28, 2025	(37.10)	-
February 29, 2024	290.15	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	197,478	97,298	49.3	7,040.53
February 29, 2024	199,063	98,441	49.5	7,124.40

Reference: Equity

As of February 28, 2025: ¥97,298 million

As of February 29, 2024: ¥98,441 million

2. Non-consolidated earnings forecast for the fiscal year ending February 28, 2026 (March 1, 2025 ~ February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	56,000	10.8	1,800	(5.8)	1,100	-	79.60

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

* Proper use of earnings forecasts, and other special matters

(Note on Forward-Looking Statements)

The forward-looking statements, such as earnings forecasts, contained in this material are based on the information available to the Company and are reasonable.

Judgment is based on certain assumptions, and actual results may differ due to various factors. Earnings Forecast

For the conditions and precautions for the use of earnings forecasts, please refer to "1. Business Results, etc.

(4) Future Outlook".

Consolidated balance sheet

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	20,195	14,912
Notes and accounts receivable - trade and contract assets	10,714	9,857
Merchandise and finished goods	1,783	1,659
Work in process	4,155	8,002
Raw materials and supplies	117	114
Advance payments to suppliers	509	887
Prepaid expenses	1,083	1,141
Advances paid	373	538
Consumption taxes refund receivable	89	738
Other	3,125	1,104
Allowance for doubtful accounts	(4)	(9)
Total current assets	42,142	38,949
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,353	37,314
Facilities, net	11,919	13,898
Machinery, equipment and vehicles, net	1,145	1,093
Tools, furniture and fixtures, net	852	962
Land	52,011	52,471
Leased assets, net	1,787	2,071
Construction in progress	877	88
Other, net	54	37
Total property, plant and equipment	108,001	107,937
Intangible assets		
Leasehold interests in land	1,451	1,451
Trademark right	1	0
Software	459	453
Other	41	45
Total intangible assets	1,954	1,951
Investments and other assets		
Investment securities	40,852	41,992
Long-term loans receivable	924	915
Long-term prepaid expenses	11,807	11,668
Deferred tax assets	183	177
Retirement benefit asset	185	311
Guarantee deposits	4,801	4,701
Other	380	477
Allowance for doubtful accounts	(93)	(182)
Total investments and other assets	59,042	60,062
Total non-current assets	168,998	169,951
Total assets	211,140	208,900

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,501	6,945
Short-term borrowings	4,871	7,099
Current portion of long-term borrowings	18,971	14,582
Lease liabilities	607	621
Accounts payable - other	2,858	2,868
Accrued expenses	1,111	1,040
Accrued business office tax	115	115
Income taxes payable	1,146	357
Accrued consumption taxes	925	112
Provision for bonuses	553	552
Provision for losses on business withdrawal	-	1,560
Other	3,853	4,157
Total current liabilities	43,516	40,011
Non-current liabilities		
Long-term borrowings	45,335	47,152
Lease liabilities	1,483	1,758
Deferred tax liabilities	9,561	10,060
Provision for retirement benefits for directors (and other officers)	239	54
Retirement benefit liability	1,854	1,916
Asset retirement obligations	5,229	5,390
Guarantee deposits received	8,400	8,529
Other	1,052	874
Total non-current liabilities	73,158	75,736
Total liabilities	116,674	115,747
Net assets		
Shareholders' equity		
Share capital	33,018	33,018
Capital surplus	30,187	30,191
Retained earnings	16,178	15,100
Treasury shares	(1,447)	(1,430)
Total shareholders' equity	77,938	76,879
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,739	16,537
Foreign currency translation adjustment	(63)	(63)
Remeasurements of defined benefit plans	(246)	(297)
Total accumulated other comprehensive income	16,429	16,176
Non-controlling interests	98	96
Total net assets	94,466	93,152
Total liabilities and net assets	211,140	208,900

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net sales	85,428	83,974
Cost of sales	49,450	48,126
Gross profit	35,977	35,848
Selling, general and administrative expenses		
Advertising expenses	2,617	3,907
Personnel expenses	10,921	11,123
Business office tax	115	118
Provision of allowance for doubtful accounts	28	19
Provision for bonuses	459	456
Retirement benefit expenses	584	527
Provision for retirement benefits for directors (and other officers)	26	17
Rent expenses on land and buildings	4,905	4,775
Depreciation	1,959	2,174
Other	10,775	11,062
Total selling, general and administrative expenses	32,393	34,183
Operating profit	3,584	1,664
Non-operating income		
Interest income	20	12
Dividend income	767	805
Subsidies for employment adjustment	5	-
Subsidy income	110	-
Business compensation income	373	405
Miscellaneous income	177	177
Total non-operating income	1,455	1,400
Non-operating expenses		
Interest expenses	590	792
borrowing fee	168	98
Share of loss of entities accounted for using equity method	1,237	4,513
Miscellaneous expenses	176	160
Total non-operating expenses	2,173	5,565
Ordinary profit (loss)	2,866	(2,500)

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Extraordinary income		
Gain on change in equity	401	-
Gain on sale of investment securities	2,956	4,385
Compensation income	540	4,317
Gain on sale of businesses	200	-
Gain on liquidation of subsidiaries	12	-
Gain on reversal of asset retirement obligations	-	418
Total extraordinary income	4,110	9,122
Extraordinary losses		
Loss on retirement of non-current assets	42	53
Loss on disaster	655	110
Impairment losses	886	514
Litigation settlement	192	-
Penalty cost	37	-
Loss on valuation of shares of subsidiaries and associates	2	-
Loss on tax purpose reduction entry of non-current assets	-	3,708
Provision for Loss on business withdrawal	-	1,560
Provision of allowance for doubtful accounts	-	100
Loss on closing of theater	-	87
Loss on valuation of investment securities	-	48
Loss on sale of investment securities	-	7
Total extraordinary losses	1,818	6,192
Profit before income taxes	5,158	429
Income taxes - current	1,273	477
Income taxes - deferred	846	618
Total income taxes	2,119	1,095
Profit (loss)	3,038	(666)
Profit (loss) attributable to non-controlling interests	22	(1)
Profit (loss) attributable to owners of parent	3,016	(664)

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit (loss)	3,038	(666)
Other comprehensive income		
Valuation difference on available-for-sale securities	5,308	(206)
Remeasurements of defined benefit plans, net of tax	13	(51)
Share of other comprehensive income of entities accounted for using equity method	4	4
Total other comprehensive income	5,326	(253)
Comprehensive income	8,365	(919)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,342	(917)
Comprehensive income attributable to non-controlling interests	22	(1)

Consolidated statement of changes in equity

Fiscal year ended February 29, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,018	30,157	13,576	(1,464)	75,288
Dividends of surplus			(414)		(414)
Profit (loss) attributable to owners of parent			3,016		3,016
Purchase of shares of consolidated subsidiaries		13			13
Purchase of treasury shares				(18)	(18)
Disposal of treasury shares		17		35	52
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	30	2,601	17	2,650
Balance at end of period	33,018	30,187	16,178	(1,447)	77,938

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,426	(63)	(259)	11,102	91	86,482
Dividends of surplus						(414)
Profit (loss) attributable to owners of parent						3,016
Purchase of shares of consolidated subsidiaries						13
Purchase of treasury shares						(18)
Disposal of treasury shares						52
Change in treasury shares arising from change in equity in entities accounted for using equity method						(0)
Net changes in items other than shareholders' equity	5,312	-	13	5,326	7	5,333
Total changes during period	5,312	-	13	5,326	7	7,983
Balance at end of period	16,739	(63)	(246)	16,429	98	94,466

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	33,018	30,187	16,178	(1,447)	77,938
Dividends of surplus			(414)		(414)
Profit (loss) attributable to owners of parent			(664)		(664)
Purchase of shares of consolidated subsidiaries					
Purchase of treasury shares				(13)	(13)
Disposal of treasury shares		4		30	34
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	4	(1,078)	16	(1,058)
Balance at end of period	33,018	30,191	15,100	(1,430)	76,879

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	16,739	(63)	(246)	16,429	98	94,466
Dividends of surplus						(414)
Profit (loss) attributable to owners of parent						(664)
Purchase of shares of consolidated subsidiaries						
Purchase of treasury shares						(13)
Disposal of treasury shares						34
Change in treasury shares arising from change in equity in entities accounted for using equity method						(0)
Net changes in items other than shareholders' equity	(201)	-	(51)	(253)	(1)	(254)
Total changes during period	(201)	-	(51)	(253)	(1)	(1,313)
Balance at end of period	16,537	(63)	(297)	16,176	96	93,152

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	5,158	429
Depreciation	4,619	4,747
Increase (decrease) in provision for bonuses	25	(1)
Decrease (increase) in retirement benefit asset	(90)	(230)
Increase (decrease) in retirement benefit liability	86	61
Increase (decrease) in provision for retirement benefits for directors (and other officers)	26	(185)
Increase (decrease) in allowance for doubtful accounts	9	92
Increase (decrease) in provision for losses on business withdrawal	-	1,560
Interest and dividend income	(788)	(817)
Interest expenses	590	792
Share of loss (profit) of entities accounted for using equity method	1,237	4,513
Loss on retirement of property, plant and equipment	42	53
Loss on tax purpose reduction entry of non-current assets	-	3,708
Loss on valuation of shares of subsidiaries and associates	2	-
Loss (gain) on valuation of investment securities	-	48
Loss (gain) on sale of investment securities	(2,956)	(4,378)
Gain on reversal of asset retirement obligations	-	(418)
Loss (gain) on change in equity	(401)	-
Impairment losses	886	514
Loss (gain) on sale of businesses	(200)	-
Penalty costs	37	-
Litigation settlement	192	-
Compensation income	(540)	(4,317)
Loss on disaster	655	110
Loss on closing of theater	-	87
Loss (gain) on liquidation of subsidiaries	(12)	-
Decrease (increase) in accounts receivable - trade, and contract assets	(3,248)	763
Decrease (increase) in inventories	(284)	(3,721)
Decrease (increase) in advance payments to suppliers	(25)	(377)
Increase (decrease) in trade payables	2,384	(1,555)
Decrease (increase) in guarantee deposits	4	99
Increase (decrease) in guarantee deposit received	141	(83)
Increase (decrease) in accrued consumption taxes	32	(732)
Decrease (increase) in other current assets	(211)	(1,439)
Increase (decrease) in other current liabilities	1,213	691
Other, net	215	614
Subtotal	8,806	629
Interest and dividends received	901	864
Interest paid	(557)	(778)
Proceeds from compensation	540	-
Payments associated with disaster loss	(530)	(110)
Income taxes refund	5	57
Income taxes paid	(1,030)	(1,248)
Net cash provided by (used in) operating activities	8,134	(586)

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from investing activities		
Payments into time deposits	(100)	(100)
Proceeds from withdrawal of time deposits	100	200
Purchase of property, plant and equipment	(15,475)	(3,811)
Proceeds from sale of property, plant and equipment	-	6
Purchase of intangible assets	(232)	(197)
Purchase of investment securities	(1,223)	(4,543)
Proceeds from sale of investment securities	4,779	6,841
Purchase of shares of subsidiaries and associates	(1,402)	(2,000)
Proceeds from liquidation of subsidiaries	64	-
Payments for asset retirement obligations	-	(54)
Loan advances	(2,000)	(40)
Proceeds from collection of loans receivable	51	42
Proceeds from sale of businesses	200	-
Other, net	1	(3)
Net cash provided by (used in) investing activities	(15,236)	(3,659)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	-	2,228
Proceeds from long-term borrowings	17,000	3,000
Repayments of long-term borrowings	(3,984)	(5,572)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1)	-
Repayments of lease liabilities	(757)	(750)
Purchase of treasury shares	(18)	(13)
Proceeds from sale of treasury shares	1	0
Repayments of installment payables	(43)	(13)
Dividends paid	(413)	(412)
Net cash provided by (used in) financing activities	11,781	(1,533)
Net increase (decrease) in cash and cash equivalents	4,679	(5,779)
Cash and cash equivalents at beginning of period	16,013	20,692
Cash and cash equivalents at end of period	20,692	14,912

(Segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are the constituent units of the Group for which segregated financial information is available and is subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate performance. The Group divides its business from the perspective of the services it handles, and each business division formulates a comprehensive strategy and develops its business activities.

Accordingly, the Group is comprised of three segments: Imaging Business, Theater Business, and Real Estate Business.

The "Video-related business" includes the production, sale, distribution, and box office of theatrical films, the production and sale of television movies, the production and editing of BS, CS, and CATV software, the production, purchase, and sale of satellite core broadcasting, general broadcasting, and video software, and the use and licensing of music copyrights. The "Theater Business" includes the planning, production, and performance of theater, the placement of actors and talents, the production, sale, and rental of stage costumes, and the production and sale of theater stage props, props, and sound. The "Real Estate Business" is the leasing and management of owned real estate.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The accounting methods for the reported business segments are generally identical to those used in the preparation of consolidated financial statements. Profit in the reporting segment is based on operating income.

Internal sales and transfers between segments are primarily based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (March 1, 2023 to February 29, 2024)

(in millions of yen)

	Motion pictures business	Theatre business	Real estate business	Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
Sales							
Revenues from external customers	45,810	24,356	12,839	2,422	85,428	-	85,428
Transactions with other segments	141	159	1,927	129	2,357	(2,357)	-
Total	45,952	24,515	14,766	2,551	87,785	(2,357)	85,428
Segment profit (loss)	2,561	(704)	5,506	(556)	6,806	(3,222)	3,584
Segment Assets	39,779	14,749	102,765	1,499	158,794	52,345	211,140
Other items							
Depreciation	1,202	856	2,448	20	4,527	92	4,619
Impairment losses	839	46	-	-	886	-	886
Increase in property, plant and equipment and intangible assets	2,370	197	14,339	3	16,911	88	16,999

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, and includes the production and sale of programs, the planning and sale of character products, the planning and production of distributed content, and the development of new businesses.

2. The adjustment amount is as follows:

(1) Adjustments for segment profit or loss (loss) of (3,222) million yen include 1 million yen of inter-segment transaction elimination and (3,223) million yen of company-wide expenses that have not been allocated to each reporting segment. Company-wide expenses are mainly expenses related to the Company's general affairs and other administrative divisions that are not attributable to the reporting segment.

(2) Segment asset adjustments of ¥52,345 million include ¥59,537 million in company-wide assets that have not been allocated to each reporting segment and ¥(7,191) million in offset elimination of receivables and liabilities between segments.

(3) The amount of depreciation adjustment is a company-wide depreciation expense that has not been allocated to each reporting segment.

(4) The adjustment for the increase in property, plant and equipment and intangible assets is the amount of acquisitions of property, plant and equipment and intangible assets that have not been allocated to each reporting segment.

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

4. The increase in property, plant and equipment and intangible assets does not include assets equivalent to asset retirement obligations.

The current fiscal year (March 1, 2024 to February 28, 2025)

(in millions of yen)

	Motion pictures business	Theatre business	Real estate business	Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
Sales							
Revenues from external customers	43,739	23,802	13,955	2,476	83,974	-	83,974
Transactions with other segments	183	144	1,937	114	2,379	(2,379)	-
Total	43,922	23,946	15,893	2,590	86,353	(2,379)	83,974
Segment profit (loss)	435	(1,182)	5,810	(234)	4,829	(3,164)	1,664
Segment Assets	45,561	13,585	100,722	1,276	161,145	47,755	208,900
Other items							
Depreciation	1,425	831	2,389	14	4,660	86	4,747
Impairment losses	304	170	-	40	514	-	514
Increase in property, plant and equipment and intangible assets	3,496	190	872	51	4,610	70	4,680

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, and includes the production and sale of programs, the planning and sale of character products, the planning and production of distributed content, and the development of new businesses.

2. The adjustment amount is as follows:

(1) The adjustment for segment profit or loss (loss) of (3,164) million yen includes 3 million yen of inter-segment transaction elimination and (3,168) million yen of company-wide expenses that have not been allocated to each reporting segment. Company-wide expenses are mainly expenses related to the Company's general affairs and other administrative divisions that are not attributable to the reporting segment.

(2) The adjustment of segment assets of ¥47,755 million includes ¥56,437 million in company-wide assets that have not been allocated to each reporting segment and ¥(8,682) million in offset elimination of receivables and liabilities between segments.

(3) The amount of depreciation adjustment is a company-wide depreciation expense that has not been allocated to each reporting segment.

(4) The adjustment for the increase in property, plant and equipment and intangible assets is the amount of acquisitions of property, plant and equipment and intangible assets that have not been allocated to each reporting segment.

3. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.
4. The increase in property, plant and equipment and intangible assets does not include assets equivalent to asset retirement obligations.
5. The increase in property, plant and equipment and intangible assets is deducted from the reduction entry amount of 3,708 million yen due to compensation received.

Related Information

The previous fiscal year (March 1, 2023 to February 29, 2024)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

Since there are no property, plant and equipment located outside of Japan, there is no applicable matter.

3. Information per main customer

Since there are no counterparties that account for more than 10% of sales to external customers in the consolidated statements of income, the description is omitted.

The current fiscal year (March 1, 2024 to February 28, 2025)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

Since there are no property, plant and equipment located outside of Japan, there is no applicable matter.

3. Information per main customer

Since there are no counterparties that account for more than 10% of sales to external customers in the consolidated statements of income, the description is omitted.

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (March 1, 2023 to February 29, 2024)

Since the same information is disclosed in the segment information, it is omitted.

The current fiscal year (March 1, 2024 to February 28, 2025)

Since the same information is disclosed in the segment information, it is omitted.

Information on amortization and unamortized balances of goodwill by reporting segment

The previous fiscal year (March 1, 2023 to February 29, 2024)

Not applicable.

The current fiscal year (March 1, 2024 to February 28, 2025)

Not applicable.

Information on Negative Goodwill Accrual Gains by Reporting Segment

The previous fiscal year (March 1, 2023 to February 29, 2024)

Not applicable.

The current fiscal year (March 1, 2024 to February 28, 2025)

Not applicable.