

October 14, 2026

Consolidated Financial Results for the Six Months Ended August 31, 2026 (Under Japanese GAAP)

Company name: Shochiku Co., Ltd.
 Listing: Tokyo Stock Exchange / Sapporo Stock Exchange / Fukuoka Stock Exchange
 Securities code: 9601
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 Scheduled date to file semi-annual securities report: October 14, 2026
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

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

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2026	48,921	(1.4)	3,450	(18.8)	3,730	(14.5)	736	(82.1)
August 31, 2025	49,629	25.4	4,249	494.3	4,364	-	4,120	-

Note: Comprehensive income For the six months ended August 31, 2026: ¥1,884 million [(82.0)%]
 For the six months ended August 31, 2025: ¥10,452 million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2026	53.60	-
August 31, 2025	299.81	-

(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
August 31, 2026	230,586	109,677	47.5	7,969.42
February 28, 2026	229,381	108,314	47.2	7,873.26

Reference: Equity
 As of August 31, 2026: ¥109,553 million
 As of February 28, 2026: ¥108,207 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2026	-	0.00	-	40.00	40.00
Fiscal year ending February 28, 2027	-	0.00			
Fiscal year ending February 28, 2027 (Forecast)				30.00	30.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(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, 2027	100,000	1.8	3,700	(40.1)	3,500	(44.8)	2,200	(58.0)	160.07

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

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) 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

(4) Number of issued shares (common shares)

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

As of August 31, 2026	13,937,857 shares
As of February 28, 2026	13,937,857 shares

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

As of August 31, 2026	191,114 shares
As of February 28, 2026	194,172 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2026	13,744,934 shares
Six months ended August 31, 2025	13,742,605 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Overview of Business Results, etc.

(3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

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1. Overview of Business Results, etc.

(1) Overview of business results

During the period under review, the Japanese economy showed signs of a gradual recovery, with improvements in employment and income conditions leading to a rebound in personal consumption. On the other hand, the outlook remains uncertain, as it is necessary to closely monitor the impact of rising prices, natural disasters, and geopolitical risks, including the situation in the Middle East.

Under these circumstances, our corporate group has strived to further improve efficiency and engage in proactive sales activities. As a result, for the period under review, net sales were 48,921 million yen (down 1.4% year-on-year), operating profit was 3,450 million yen (down 18.8% year-on-year), ordinary profit was 3,730 million yen (down 14.5% year-on-year), and profit attributable to owners of parent was 736 million yen (down 82.1% year-on-year).

The segment performance is as follows:

(Motion pictures business)

For the distribution, a diverse range of films are released, including six Japanese films, three foreign films, six animated films, Cinema Kabuki, MET Live Viewing, and ODS titles. “Mobile Suit Gundam Hathaway: The Sorcery Of Nymph Circe,” which was released in January, continued to perform well, and “Till We Meet Again On The Starry Hill” was a hit with box office exceeding 1.5 billion yen, while “The Samurai and the Prisoner” was a hit with over 1 billion yen in revenue.

In terms of box office performance, Japanese films such as “Detective Conan: Fallen Angel of the Highway” and “Chiikawa the Movie: The Secret of Mermaid Island” exceeded 10 billion yen in box office, while “Kingdom 5: The Decisive Battle of Souls” and others were also hits. In the foreign film category, “Toy Story 5” grossed over 10 billion yen at the box office, while other hits included “The Super Mario Galaxy Movie” “Michael” “The Devil Wears Prada 2” and “Spider-Man: Brand New Day.”

Our television productions include the serial dramas “Maison Prison” and “The Cheated Wives’ Revenge Pact” for terrestrial broadcasting, and the special drama “Lawyer Shimpei Rokkaku’s Murder Case in Kyoto2” for BS broadcasting. The program sales included the “ONIHEI: The Crime Files,” the “The Samurai Detectives,” and the “Sure Death series.”

The TV anime series, which included episodes such as “Tamon’s B-Side”, “You and I Are Polar Opposites”, and “The Exiled Heavy Knight Knows How to Game the System”, was well-received.

DVD and Blu-ray disc sales remained strong, with the release of titles such as “Tamon’s B-Side”, “Tokyo Taxi”, and “Stigmatized Properties: Possession.”

Streaming and rights sales contributed to revenue by making “Return to Silent Hill” exclusively available for unlimited streaming on Amazon Prime Video. “You and I Are Polar Opposites” was well-received not only for streaming on ABEMA, Amazon Prime Video, and other platforms, but also for rights sales overseas.

In the CS broadcasting business, Shochiku Broadcasting Co., Ltd. aimed to expand its market share in the subscription television market by promoting sales to CATV stations, and also worked to retain existing subscribers by implementing programming changes.

As a result, net sales for the period under review were 25,652 million yen (down 8.4% year-on-year), and segment profit was 558 million yen (down 78.3% year-on-year).

(Theatre business)

Kabukiza Theatre enjoyed great success with its “Dan-Kiku Sai (Performance to Celebrate Ichikawa Danjurō IX and Onoe Kikugorō V) May Grand Kabuki” in May and “August Mid-summer Kabuki” in August. In addition, its “March Grand Kabuki,” “April Grand Kabuki,” “June Grand Kabuki,” and “July Grand Kabuki” also garnered attention for their diverse programs and achieved excellent results.

Shinbashi Enbujo Theatre achieved excellent results with “LUPIN III Hekisui no Reijō [‘LUPIN III : The beautiful azure castle’]” in March, “Bando Tamasaburō Special Performance” in April, the Atami Gorō Theatre Company performance in June, and the Super Kabuki MONONOKE HIME[Princess Mononoke] in July and August. “Funaki Kazuo Theater Concert in Shinbashi Enbujo Theatre” in August was also a great success.

Osaka Shochikuza Theatre closed its doors in May with the “May Farewell Performance at Osaka Shochikuza” performance, much to the regret of its patrons. However, the “April Farewell Performance at Osaka Shochikuza” in April was also a great success.

Minamiza Theatre achieved excellent results with its “Kabuki Special Performance by young actors” in March, “Funaki Kazuo Theater Concert in Minamiza Theatre” in May, and “Minamiza Special Performance Featuring Bando Tamasaburō” in June. The “OSK NIPPON REVUE COMPANY 「Spring Dance」” and the “Kabuki Performance for Beginners 2026” held in April were also well-received.

Other performances include the “The 39th Kabuki Performance at the Konpira Grand Theatre (Kanamaruza) in Shikoku” in April, which was a great success with a cast including Nakamura Jakuemon, Onoe Shoroku, and Bando Minosuke, as well as the successful run of “HAMLET” at the Nissay Theatre in May and Sky Theater MBS in June.

Regional Kabuki tour was a great success, with the “Shochiku Grand Kabuki Celebrating the name succession of Onoe Kikugoro VIII” in July being a huge hit, as well as the nationwide performances of “JOSEPH AND THE AMAZING TECHNICOLOR DREAMCOAT” achieving excellent results.

Cinema Kabuki has achieved excellent results with its Monthly Cinema Kabuki, showing “SONEZAKI SHINJŪ MONOGATARI [‘The Tale of Sonezaki Shinjū’]” in April, “Kyokanoko Musume Ninin Dojoji [‘Two Women at Dojoji Temple’]” in May, “New Production Kabuki KAZE NO TANI NO NAUSICAÄ[Nausicaä of the Valley of the Wind] Part1/Part2” in June and July, and the NEW Cinema Kabuki “YOTSUYA KAIDAN” in August.

In June, we live-streamed “HAMLET” from Sky Theater MBS, and in August, we live-streamed the final performance of the Super Kabuki MONONOKE HIME[Princess Mononoke] from Shinbashi Enbujo Theatre.

As a result, net sales for the period under review were 15,112 million yen (up 17.1% year-on-year), and segment profit was 2,195 million yen (up 348.9% year-on-year).

(Real estate business)

In our Real estate rental business, we focused on deepening tenant relationships and maintained a strong revenue base. We are driving strong profits by implementing appropriate rent adjustments, primarily for our major properties such as the KABUKIZA Office Tower and the Tsukiji Shochiku Building. Furthermore, the business performed steadily, partly due to increased revenue from strong performance by commercial tenants and reduced repair costs.

Community Development Project focused on enhancing the value of the Higashi-Ginza area through HIGASHIGINZA Area Management activities. In June, we held a “FIFA World Cup 2026 Public Viewing” event, creating a great sense of unity and excitement. Furthermore, the art space “SHUTL” in Higashi-Ginza underwent a spatial renovation in July and relaunched as an experimental ground for generating diverse forms of expression and interaction. Furthermore, in the Ofuna district of Kamakura City, the mixed-use commercial and residential complex “kuguru” had its grand opening, focusing on enhancing the brand’s strength and asset value in the medium to long term.

As a result, net sales for the period under review were 7,298 million yen (down 0.9% year-on-year), and segment profit was 2,744 million yen (down 3.8% year-on-year).

(Other)

While strengthening online product sales, we focused on developing and selling products for popular series and core audiences. Furthermore, in developing new business areas, we focused on creating unprecedented projects and content while keeping costs down, and promoted new collaborations and foundational development with companies in other industries.

Theatrical/Souvenir program and Character merchandise contributed to revenue primarily from works such as “The Orge’s Bride,” “Tamon’s B-Side”, and “The Samurai and the Prisoner.”

To promote sales, our Game Business exhibited at “BitSummit PUNCH,” Japan’s largest indie game exhibition, showcasing six titles.

As a result, net sales for the period under review were 857 million yen (down 37.3% year-on-year), and segment loss was 189 million yen (compared to a segment loss of 13 million yen in the same period of the previous fiscal year).

(2) Overview of the financial condition

As of the end of this interim period, total assets increased by 1,204 million yen compared to the end of the previous fiscal year, reaching 230,586 million yen. This is mainly due to a decrease in buildings and structures, but an increase in investment securities.

Liabilities decreased by 158 million yen compared to the end of the previous fiscal year, reaching 120,909 million yen. This is mainly due to an increase in borrowings, but a decrease in other current liabilities.

Net assets increased by 1,363 million yen compared to the end of the previous fiscal year, reaching 109,677 million yen. This is mainly due to an increase in valuation difference on available-for-sale securities.

(3) Explanation of forward-looking information such as consolidated earnings forecasts

Regarding the consolidated earnings forecast for the fiscal year ending February 2027, after reviewing the results for the second quarter of the current fiscal year and future outlook, the forecasts are currently unchanged from the consolidated earnings forecast announced in the “Financial Results Summary for the Fiscal Year Ended February 2026” dated April 14, 2026.

2. Semi-annual consolidated Financial Statements and Key Notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of February 28, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	18,694	18,663
Notes and accounts receivable - trade and contract assets	11,974	11,918
Merchandise and finished goods	1,570	1,441
Work in process	9,725	10,881
Raw materials and supplies	118	114
Other	3,044	3,289
Allowance for doubtful accounts	(16)	(4)
Total current assets	45,111	46,304
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	35,621	32,504
Facilities, net	13,869	13,434
Land	52,471	52,482
Other, net	4,839	4,469
Total property, plant and equipment	106,801	102,890
Intangible assets		
Other	1,873	1,924
Total intangible assets	1,873	1,924
Investments and other assets		
Investment securities	57,798	61,830
Retirement benefit asset	576	564
Other	17,323	17,161
Allowance for doubtful accounts	(102)	(89)
Total investments and other assets	75,595	79,466
Total non-current assets	184,270	184,282
Total assets	229,381	230,586

	As of February 28, 2026	As of August 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,600	9,496
Short-term borrowings	3,700	3,850
Current portion of long-term borrowings	7,539	8,539
Income taxes payable	1,018	1,029
Provision for bonuses	633	653
Other	11,921	10,293
Total current liabilities	33,413	33,864
Non-current liabilities		
Long-term borrowings	53,459	53,439
Retirement benefit liability	1,994	2,008
Asset retirement obligations	5,127	5,185
Other	27,073	26,411
Total non-current liabilities	87,654	87,045
Total liabilities	121,067	120,909
Net assets		
Shareholders' equity		
Share capital	33,018	33,018
Capital surplus	30,210	30,216
Retained earnings	19,921	20,105
Treasury shares	(1,415)	(1,391)
Total shareholders' equity	81,735	81,949
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,667	27,792
Foreign currency translation adjustment	(63)	(63)
Remeasurements of defined benefit plans	(130)	(125)
Total accumulated other comprehensive income	26,472	27,603
Non-controlling interests	106	123
Total net assets	108,314	109,677
Total liabilities and net assets	229,381	230,586

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Net sales	49,629	48,921
Cost of sales	27,980	27,985
Gross profit	21,648	20,935
Selling, general and administrative expenses	17,399	17,484
Operating profit	4,249	3,450
Non-operating income		
Interest income	8	8
Dividend income	545	751
Share of profit of entities accounted for using equity method	44	62
Other	172	82
Total non-operating income	770	906
Non-operating expenses		
Interest expenses	454	458
Loan fees	28	28
Compensation expenses	127	-
Other	44	139
Total non-operating expenses	655	626
Ordinary profit	4,364	3,730
Extraordinary income		
Gain on sale of investment securities	56	-
Gain on reversal of provision for loss on business withdrawal	658	-
Total extraordinary income	715	-
Extraordinary losses		
Loss on retirement of non-current assets	64	14
Loss on valuation of investment securities	245	-
Loss on closing of theater	19	-
Impairment losses	-	2,372
Loss on disaster	-	36
Compensation loss on eviction	-	680
Total extraordinary losses	329	3,103
Profit before income taxes	4,750	626
Income taxes - current	516	693
Income taxes - deferred	117	(821)
Total income taxes	633	(127)
Profit	4,116	753
Profit (loss) attributable to non-controlling interests	(3)	17
Profit attributable to owners of parent	4,120	736

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Profit	4,116	753
Other comprehensive income		
Valuation difference on available-for-sale securities	6,316	1,122
Remeasurements of defined benefit plans, net of tax	17	5
Share of other comprehensive income of entities accounted for using equity method	2	2
Total other comprehensive income	6,335	1,131
Comprehensive income	10,452	1,884
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,456	1,867
Comprehensive income attributable to non-controlling interests	(3)	17

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Cash flows from operating activities		
Profit before income taxes	4,750	626
Depreciation	2,418	2,404
Increase (decrease) in provision for bonuses	35	20
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(54)	-
Decrease (increase) in retirement benefit asset	(48)	11
Increase (decrease) in retirement benefit liability	38	14
Increase (decrease) in allowance for doubtful accounts	(98)	(24)
Increase (decrease) in provision for losses on business withdrawal	(1,560)	-
Interest and dividend income	(553)	(760)
Interest expenses	454	458
Share of loss (profit) of entities accounted for using equity method	(44)	(62)
Loss on retirement of non-current assets	64	14
Loss (gain) on valuation of investment securities	245	-
Loss (gain) on sale of investment securities	(56)	-
Loss on closing of theater	19	-
Impairment losses	-	2,372
Loss on disaster	-	36
Compensation loss on eviction	-	680
Decrease (increase) in trade receivables	(1,042)	61
Decrease (increase) in inventories	(605)	(1,023)
Increase (decrease) in trade payables	3,196	896
Decrease (increase) in other current assets	1,311	(226)
Increase (decrease) in other current liabilities	1,751	(1,280)
Other, net	1,317	97
Subtotal	11,540	4,317
Interest and dividends received	597	800
Interest paid	(443)	(420)
Income taxes paid	(171)	(743)
Income taxes refund	169	6
Net cash provided by (used in) operating activities	11,693	3,960

	Six months ended August 31, 2025	Six months ended August 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,045)	(1,304)
Purchase of intangible assets	(31)	(126)
Purchase of investment securities	(1,189)	(2,364)
Proceeds from sale of investment securities	182	-
Purchase of shares of subsidiaries and associates	(2)	-
Payments for asset retirement obligations	-	(329)
Loan advances	(1,000)	(20)
Proceeds from collection of loans receivable	18	0
Other, net	(1)	(44)
Net cash provided by (used in) investing activities	(3,068)	(4,189)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(2,300)	150
Proceeds from long-term borrowings	5,000	4,000
Repayments of long-term borrowings	(2,700)	(3,019)
Repayments of lease liabilities	(503)	(369)
Repayments of installment payables	(1)	(5)
Purchase of treasury shares	(6)	(5)
Dividends paid	(414)	(551)
Net cash provided by (used in) financing activities	(926)	198
Net increase (decrease) in cash and cash equivalents	7,698	(30)
Cash and cash equivalents at beginning of period	14,912	18,694
Cash and cash equivalents at end of period	22,611	18,663

(4) Notes to the semi-annual consolidated financial statements

(Notes on segment information, etc.)

[Segment information]

I. Previous interim consolidated accounting period (March 1, 2025 to August 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

	Motion pictures business	Theatre business	Real estate business	Other (Note 1)	Total	Adjustment amount (Note 2)	Amounts recorded in the quarterly consolidated statement of income (Note 3)
Net sales							
Net sales to external customers	27,996	12,901	7,362	1,368	49,629	-	49,629
Inter-segment net sales or transfers	62	95	937	35	1,131	(1,131)	-
Total	28,059	12,997	8,299	1,404	50,760	(1,131)	49,629
Segment profit (loss)	2,576	489	2,851	(13)	5,903	(1,654)	4,249

(Note) 1. The “Other” category refers to business segments not included in the reporting segments, and includes editing, production, and sales of theatrical/souvenir program, planning, production, and sales of character merchandise, planning and production of digital content, and new business development.

2. Adjustments for segment profit or loss (loss) of (1,654) million yen include 0 million yen of inter-segment transaction elimination and (1,654) million yen of company-wide expenses not 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.

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

II. Interim Consolidated Accounting Period (March 1, 2026 to August 31, 2026)

1. Information on sales and the amount of profit or loss for each reported segment

	Motion pictures business	Theatre business	Real estate business	Other (Note 1)	Total	Adjustment amount (Note 2)	Amounts recorded in the quarterly consolidated statement of income (Note 3)
Net sales							
Net sales to external customers	25,652	15,112	7,298	857	48,921	-	48,921
Inter-segment net sales or transfers	136	76	890	44	1,147	(1,147)	-
Total	25,788	15,189	8,189	902	50,069	(1,147)	48,921
Segment profit (loss)	558	2,195	2,744	(189)	5,308	(1,857)	3,450

(Note) 1. The “Other” category refers to business segments not included in the reporting segments, and includes editing, production, and sales of theatrical/souvenir program, planning, production, and sales of character merchandise, planning, development, production and sales of computer software and software, and new business development.

2. Adjustments for segment profit or loss (loss) of (1,857) million yen include 11 million yen of inter-segment transaction elimination and (1,869) million yen of company-wide expenses not 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.

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Extraordinary losses were recorded as impairment losses of 30 million yen in the motion pictures business, 1,871 million yen in the theatre business, and 470 million yen in the real estate business.

(Revenue recognition)

Information that disaggregated revenue from contracts with customers

Six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

(Unit: million yen)

	Motion pictures business	Theatre business	Real estate business	Other (Note) 1	Total
Major goods or services					
Management of theatres and cinema complexes	17,477	9,343	-	-	26,821
Distribution of motion pictures	2,638	26	-	-	2,664
Licensing of Video Rights	2,526	13	-	8	2,549
Subscription television	1,473	-	-	-	1,473
Other	3,880	3,447	1,206	1,360	9,895
Revenue from contracts with customers	27,996	12,831	1,206	1,368	43,403
Other revenue (Note) 2	-	70	6,155	-	6,225
Sales to external customers	27,996	12,901	7,362	1,368	49,629

(Note) 1. The “Other” category refers to business segments not included in the reporting segments, and includes editing, production, and sales of theatrical/souvenir program, planning, production, and sales of character merchandise, planning and production of digital content, new business development, etc.

2. Other revenue includes lease revenue from owned real estate, etc., based on the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13 , March 30, 2007).

Six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

(Unit: million yen)

	Motion pictures business	Theatre business	Real estate business	Other (Note) 1	Total
Major goods or services					
Management of theatres and cinema complexes	16,863	10,796	-	-	27,659
Distribution of motion pictures	2,315	68	-	-	2,383
Licensing of Video Rights	2,944	15	-	87	3,047
Subscription television	1,404	-	-	-	1,404
Other	2,124	4,170	1,074	770	8,139
Revenue from contracts with customers	25,652	15,050	1,074	857	42,635
Other revenue (Note) 2	-	61	6,224	-	6,286
Sales to external customers	25,652	15,112	7,298	857	48,921

(Note) 1. The “Other” category refers to business segments not included in the reporting segments, and includes editing, production, and sales of theatrical/souvenir program, planning, production, and sales of character merchandise, planning, development, production and sales of computer software and software, new business development, etc.

2. Other revenue includes lease revenue from owned real estate, etc., based on the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13 , March 30, 2007).

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

There are no applicable items.

(Notes regarding the going concern assumption)

There are no applicable items.

(Notes on the semi-annual consolidated statement of income)

*1. Gain on reversal of provision for loss on business withdrawal

Six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

On February 27, 2025, our company resolved to withdraw from the BS broadcasting business, and from March 1, 2025 onwards, we recorded the withdrawal costs incurred by BS Shochiku Tokyu Co., Ltd. as a provision for loss on withdrawal from business. However, as a result of transferring all of our shares in BS Shochiku Tokyu Co., Ltd. to JCOM Co., Ltd. on July 1, 2025, the business withdrawal costs have been finalized, and we have recorded the difference between the finalized amount and the actual amount as a gain on reversal of provision for loss on business withdrawal.

Six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

There are no applicable items.

*2. Impairment losses

Six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

There are no applicable items.

Six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

During the period under review, our corporate group has recorded impairment losses for the following asset groups:

(i) Assets for which impairment losses have been recognized.

Place	Purpose	Type
Osaka City, Osaka	Theater facilities, real estate for rent	Buildings and structures, etc.
Kashiwa City, Chiba Prefecture	Theater facilities	Other
Chuo Ward, Tokyo	Office supplies	Other

(ii) Circumstances leading to the recognition of impairment losses

In connection with the resolution to commence demolition work on the theater facilities and real estate for rent operated by our company during the period under review, we have reduced the carrying amount of the theater facilities and real estate for rent we own to their recoverable value and recorded the reduction as impairment losses.

Furthermore, for non-current assets of theaters operated by Shochiku Multiplex Theatres, Ltd., where the revenue initially projected is no longer expected due to a decline in occupancy rates, etc., impairment losses have been recorded down to the recoverable value from the carrying amount.

(iii) Amount of impaired non-current assets and breakdown by type of non-current assets

Type	Impairment losses
Buildings and structures	2,114 million yen
Facilities	83 million yen
Other	174 million yen

(iv) Method for grouping assets

Our corporate group groups assets based on the management accounting classifications of each company, with theaters and real estate for rent grouped on an individual property basis, and other assets grouped considering the revenue recognition classification, as these are the smallest units that generate cash flow.

(v) Method for calculating the recoverable value

The recoverable value is calculated based on the net realizable value. Regarding the net realizable value, we consider the disposability of the assets in question. Assets that are substantially impossible to sell or repurpose are valued at zero, while assets that can be sold or repurposed are valued at their realizable value.