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Securities code: 9602
May 8, 2025

To our shareholders:

Hiroyasu Matsuoka
President
TOHO CO., LTD.
1-2-2 Yurakucho, Chiyoda-ku,
Tokyo, Japan

Notice of the 136th Annual General Meeting of Shareholders

TOHO CO., LTD. (the “Company”) would hereby like to inform you that the 136th Annual General Meeting of Shareholders will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which the measures for providing information in electronic format will be taken) in electronic format and posts this information on the Company’s websites on the internet as shown below. Please access any of the websites to check the information.

[The Company’s website]

<https://www.toho.co.jp/> (in Japanese)

From the above website, select “About Us,” “IR Information” and then “Information for Shareholders” to check the information.

<https://www.toho.co.jp/en/company> (in English)

From the above website, select “IR Information” and then “IR Library” to check the information.

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Access the TSE website by using the internet address shown above, enter “TOHO” in “Issue name (company name)” or the Company’s securities code “9602” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

You may exercise your voting rights in writing or via the internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 6:30 p.m. on Wednesday, May 28, 2025 (JST).

- 1. Date and Time:** Thursday, May 29, 2025 at 10:00 a.m. (JST)
(The reception desk opens at 9:00 a.m.)
- 2. Venue:** Hulin Hall Tokyo, 11th floor, Yurakucho Mullion
2-5-1 Yurakucho, Chiyoda-ku, Tokyo

3. Purpose of the Meeting

- Matters to be reported:**
1. The Business Report and the Consolidated Financial Statements for the 136th fiscal year (from March 1, 2024 to February 28, 2025), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
 2. Non-consolidated Financial Statements for the 136th fiscal year (March 1, 2024 to February 28, 2025)

Matters to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Five Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 3** Election of One Director Who Is an Audit & Supervisory Committee Member
- Proposal No. 4** Introduction of the Performance-Linked Shares Remuneration Plan to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Non-Executive Directors)

4. Exercise of Voting Rights Please refer to “Guide to Exercising Voting Rights” on the next page.

- If you attend the meeting in person, please bring the voting form that has been sent together with this notice and present it at the reception desk. Also, you are requested to bring this notice to the meeting.
- Shareholders not attending the meeting shall be able to exercise voting rights either in writing by using the voting form or via the internet, etc. Note that if there is no indication of approval or disapproval with a proposal in the voting form, it shall be handled as an indication of approval for that proposal.
- If you exercise your voting rights more than once via the internet, etc., the last vote exercised shall be treated as a valid.
- If you exercise your voting rights both in writing (by mail) and via the internet, etc., we will treat your vote via the internet, etc. as valid, regardless of the date and time of arrival.
- Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.
 - (i) “Company structure and policy” in the Business Report
 - (ii) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements
 - (iii) “Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements(i) to (iii) above are part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee in preparing their audit reports. (ii) and (iii) are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Financial Auditor in preparing their audit reports.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company’s website and the TSE website introduced on the previous page.

Guide to Exercising Voting Rights

You may exercise your voting rights through one of the following three methods:

Exercise of voting rights by attending the General Meeting of Shareholders in person

Please submit the voting form enclosed with this notice to the reception at the meeting venue.

Date and Time: Thursday, May 29, 2025 at 10:00 a.m. (JST) (The reception desk opens at 9:00 a.m.)

Venue: Hulic Hall Tokyo, 11th floor, Yurakucho Mullion

Note: If you require assistance when attending, please contact us in advance using our inquiry form.

Inquiry form: <https://faq.toho.co.jp/hc/ja> (in Japanese)

Exercise of voting rights in writing

Please indicate your approval or disapproval of the proposals on the voting form enclosed with this notice, and return the form without affixing a postage stamp.

Exercise deadline: To be received no later than 6:30 p.m. Wednesday, May 28, 2025 (JST)

Exercise of voting rights via the internet, etc.

Please access the website for exercising voting rights (<https://evote.tr.mufg.jp/>) and follow the on-screen instructions to enter your approval or disapproval of the proposals.

Exercise deadline: No later than 6:30 p.m. on Wednesday, May 28, 2025 (JST)

Please refer to the next page for instructions on exercising your voting rights via the internet, etc.

Guide to Using the Electronic Voting Platform

Institutional investors may exercise their voting rights electronically through the Electronic Voting Platform operated by ICJ, Inc.

Guide to Exercising Voting Rights via the Internet, Etc.

Exercise by scanning the QR code

You can log in to the voting website without entering the login ID or temporary password indicated on the voting form.

- 1 Scan the QR code on the voting form.

Note: QR Code is a registered trademark of DENSO WAVE INCORPORATED.

- 2 Follow the on-screen instructions and enter your approval or disapproval.

Exercise by entering your login ID and temporary password

Voting website: <https://evote.tr.mufg.jp/>

- 1 Access the voting website.
- 2 Enter the login ID and temporary password stated on the voting form and click log in.
- 3 Follow the on-screen instructions and enter your approval or disapproval.

Please contact the number on the right if you are unsure how to operate your computer or smartphone to exercise voting rights using the internet, etc.

Help Desk, Securities Agency Division,
Mitsubishi UFJ Trust and Banking Corporation
0120-173-027
(Toll-free / available from 9:00 a.m. to 9:00 p.m. [JST])

Handling of voting rights when exercised multiple times

- (1) If a shareholder exercises the voting rights more than once via the internet, etc., the last vote exercised shall be deemed valid.
- (2) If a shareholder exercises the voting rights both in writing (by mail) and via the internet, etc., the exercise of voting rights via the internet, etc. shall be deemed valid, regardless of the arrival date and time.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

Our basic shareholder return policy is to distribute annual dividend payments of ¥40 as a base with a payout ratio of 30% or more and implement flexible share buy-backs. Under this policy, the Company proposes to pay a year-end dividend for the fiscal year under review of ¥50 per share.

Accordingly, including the interim dividend that has already been paid (¥35 per share), the annual dividend will total ¥85 per share.

Year-end dividends

Type of dividend property

Cash

Allotment of dividend property and aggregate amount thereof

¥50 per common share of the Company

Total ¥8,477,841,600

Effective date of dividends of surplus

May 30, 2025

Proposal No. 2 Election of Five Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The term of office of four Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of five Directors, including one new candidate.

Please note that the Audit & Supervisory Committee has given its opinion that all of the candidates for Director in this proposal are qualified.

The candidates for Director are as follows.

Candidate No.	Attributes of the candidates	Name	Position/responsibility in the Company and significant concurrent positions outside the Company	Attendance / Number of Board of Directors meetings held
1	Reelection Male	Yoshishige Shimatani	Representative Director and Chairperson, Member of the Board Director of Hankyu Hanshin Holdings, Inc. Outside Director of Fuji Media Holdings, Inc. Outside Director of Tokyo Kaikan Co., Ltd.	11 of 11
2	Reelection Male	Hiroyasu Matsuoka	Representative Director and President, Member of the Board Head of Entertainment Unit Direct control of Strategy Planning Department and Internal Control Audit Department	11 of 11
3	Reelection Male	Nobuyuki Tako	Director and Executive Vice President, Member of the Board Head of Corporate Management Group In charge of Corporate Communications, Corporate Management Group Director of Subaru Enterprise Co., Ltd.	11 of 11
4	Reelection Male	Minami Ichikawa	Director and Senior Managing Executive Officer, Member of the Board Head of Motion Picture Group, Entertainment Unit	11 of 11
5	New Nominee Male	Yasuo Shimada	President and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc.	—

Candidate No.	Name (Date of birth)	Career summary and position in the Company		Number of the Company’s shares owned
1	Yoshishige Shimatani March 5, 1952 (Age: 73) Reelection Male Attendance at the Board of Directors meetings: 11 of 11 (100%)	Apr. 1975 Apr. 1999 May 2001 May 2005 May 2007 May 2011 May 2021 May 2022	Joined the Company General Manager of Production & Acquisitions Department, Motion Picture Group Director Managing Director Senior Managing Director Representative Director and President Representative Director and President, Member of the Board Representative Director and Chairperson, Member of the Board (current position) [Significant concurrent positions outside the Company] Director of Hankyu Hanshin Holdings, Inc. Outside Director of Fuji Media Holdings, Inc. Outside Director of Tokyo Kaikan Co., Ltd.	22,419
	Reason for nomination as candidate for Director Mr. Shimatani has long overseen the management of the entire Company group (the “TOHO Group”) as a Representative Director, and through his great leadership and abundant experience, he has made significant contributions to the growth and development of the Group. Given his achievements and insight throughout his career, the Company believes that he will be able to contribute to the sustainable growth and enhanced corporate value for the Group, and proposes his reelection as Director of the Company.			
2	Hiroyasu Matsuoka April 18, 1966 (Age: 59) Reelection Male Attendance at the Board of Directors meetings: 11 of 11 (100%)	Jan. 1994 Apr. 1998 Apr. 2001 Apr. 2008 May 2014 May 2015 May 2018 Apr. 2020 May 2021 May 2022	Joined TOHO-TOWA Company, Limited Director of TOHO-TOWA Company, Limited Managing Director of TOHO-TOWA Company, Limited COO, President of TOHO-TOWA Company, Limited Director of the Company CEO, Chairperson of TOHO-TOWA Company, Limited Managing Director of the Company Director, Chairperson of TOHO-TOWA Company, Limited (current position) Director and Managing Executive Officer, Member of the Board of the Company Representative Director and President, Member of the Board (current position) [Responsibility in the Company] Head of Entertainment Unit Direct control of Strategy Planning Department and Internal Control Audit Department	24,283
	Reason for nomination as candidate for Director Since joining the TOHO Group, Mr. Matsuoka has been engaged in global business related to the film business, and currently, as Representative Director and President of the Company, he has led the Company to record-high operating profit for two consecutive years and exercised leadership to realize “TOHO VISION 2032 Group Management Strategy” that looks toward the 100th anniversary of its founding. Given his achievements and insight throughout his career, the Company believes that he will be able to contribute to the sustainable growth and enhanced corporate value for the Group, and proposes his reelection as Director of the Company.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company		Number of the Company's shares owned
3	Nobuyuki Tako December 4, 1965 (Age: 59) Reelection Male Attendance at the Board of Directors meetings: 11 of 11 (100%)	Apr. 1988 Apr. 2005 May 2008 May 2014 May 2017 May 2020 May 2021	Joined the Company General Manager of Group Planning Department (currently Group Management & Business Solution Department) Director Managing Director Senior Managing Director Vice President Director and Executive Vice President, Member of the Board (current position) [Responsibility in the Company and significant concurrent positions outside the Company] Head of Corporate Management Group In charge of Corporate Communications, Corporate Management Group Director of Subaru Enterprise Co., Ltd.	17,166
	Reason for nomination as candidate for Director Mr. Tako has long been deeply involved in the formulation and implementation of the Group's management strategies in the Corporate Planning Department and has made significant contributions to organizational restructuring and other activities. Currently, as Head of Corporate Management Group, he spearheads corporate governance and human resource strategies, while actively working to enhance the Company's corporate value as the head of investor relations and exercising leadership in the transformation of the organizational culture. Given his achievements and insight throughout his career, the Company proposes his reelection as Director of the Company.			
4	Minami Ichikawa July 22, 1966 (Age: 58) Reelection Male Attendance at the Board of Directors meetings: 11 of 11 (100%)	Apr. 1989 Apr. 2006 May 2011 May 2017 May 2021 May 2022	Joined the Company General Manager of Production & Acquisitions Department, Motion Picture Group Director Managing Director Director and Managing Executive Officer, Member of the Board Director and Senior Managing Executive Officer, Member of the Board (current position) [Responsibility in the Company] Head of Motion Picture Group, Entertainment Unit	11,350
	Reason for nomination as candidate for Director Mr. Ichikawa has long been engaged in the operation of the departments in the Motion Picture Group since he joined the Company, and has contributed greatly to the Company's film business by leading numerous films to success with his outstanding planning and producing skills. He is currently exercising great leadership as Head of Motion Picture Group, actively discovering and nurturing young creators and contributing to the development of human resources who will be leading the film industry in the future. Given his achievements and insight throughout his career, the Company proposes his reelection as Director of the Company.			

Candidate No.	Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p>Yasuo Shimada July 21, 1964 (Age: 60)</p> <p>New Nominee Male</p> <p>Attendance at the Board of Directors meetings: -</p>	<p>Apr. 1988 Joined Hankyu Corporation</p> <p>Apr. 2019 Director of Hankyu Corporation</p> <p>Apr. 2021 Managing Director of Hankyu Corporation</p> <p>Apr. 2022 President and Representative Director of Hankyu Corporation (current position)</p> <p>Jun. 2022 Executive Vice President and Representative Director of Hankyu Hanshin Holdings, Inc.</p> <p>Mar. 2023 President and Representative Director of Hankyu Hanshin Holdings, Inc.</p> <p>Dec. 2024 President and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>President and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc.</p>	0
<p>Reason for nomination as candidate for Director</p> <p>Mr. Yasuo Shimada possesses a wealth of experience and achievements as President and Representative Director and Group CEO of Hankyu Hanshin Holdings, Inc., whose core businesses are urban transportation, real estate, entertainment, information and communication technology, travel, and international transportation. The Company believes he will be able to contribute to strengthening the collaboration between the Hankyu Hanshin Group and the TOHO Group and the sustainable growth and enhanced corporate value of the TOHO Group, and proposes his election as a non-Executive Director of the Company.</p>			

- (Note)
1. There is no special interest between any of the candidates and the Company.
 2. All the candidates have agreed to assume the position of Director on the condition that this proposal is approved.
 3. The career summary, position and responsibility in the Company, and significant concurrent positions outside the Company of the candidates indicated above are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 8, 2025).
 4. The ages of the candidates are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 8, 2025).
 5. The Company has concluded a Directors and Officers insurance contract with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act to cover Directors, Executive Officers, and Audit & Supervisory Committee Members of the Company and its subsidiaries as the insured parties. This contract covers any compensation for damages under the law and lawsuit expenses incurred by the insured parties. In the event that each of the candidates takes office of Director, we plan to cover them with the insurance. The Company plans to renew this insurance contract with the same details during their term in office.
 6. If this proposal to appoint Mr. Yasuo Shimada as Director is approved, he will be appointed as a non-executive director. To ensure he can fully perform the expected duties, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that he receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions).
 7. In April 2005, Hankyu Corporation conducted a corporate split, transferring its railroad business and all other operations to Hankyu Corporation Corporate Split Preparatory Corporation (which changed its name to Hankyu Corporation on the same date) and changed its trade name to Hankyu Holdings, Inc.
Hankyu Holdings, Inc. changed its trade name to Hankyu Hanshin Holdings, Inc. in October 2006.

Proposal No. 3 Election of One Director Who Is an Audit & Supervisory Committee Member

The term of office of a Director who is an Audit & Supervisory Committee Member, Masako Orii, will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Director who is an Audit & Supervisory Committee Member.

Please note that the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidate for Director who is an Audit & Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p>Masako Orii October 10, 1960 (Age: 64)</p> <p>Reelection Outside Independent Female</p> <p>Attendance at the Board of Directors meetings: 11 of 11 (100%)</p> <p>Attendance at the Audit & Supervisory Committee meetings: 10 of 11 (90.9%)</p>	<p>Apr. 1983 Joined Suntory Limited</p> <p>Apr. 2012 Executive Officer of Suntory Holdings Limited</p> <p>Apr. 2016 Senior Managing Director of Suntory Wellness Limited</p> <p>Apr. 2019 Corporate Advisor of Suntory Holdings Limited (current position)</p> <p>Executive Director of SUNTORY HALL, SUNTORY FOUNDATION for the ARTS</p> <p>Jun. 2020 Independent Director of Obayashi Corporation (current position)</p> <p>May 2021 Outside Director (Audit & Supervisory Committee Member) of the Company (current position)</p> <p>Apr. 2025 Senior Advisor of SUNTORY FOUNDATION for the ARTS (current position)</p> <p>[Significant concurrent position outside the Company] Corporate Advisor of Suntory Holdings Limited Senior Advisor of SUNTORY FOUNDATION for the ARTS Independent Director of Obayashi Corporation</p>	0
<p>[Reason for nomination as candidate for outside Director and overview of expected role]</p> <p>Ms. Orii has engaged in marketing and promoting human resource development in corporate management in different industries and possesses valuable knowledge and a wide range of insight based on her experience. The Company judges that she is suited for the role in not only ensuring the Company's sustainable growth and improving its corporate value but also enhancing supervision of the Board of Directors based on her past achievements of providing active and appropriate advice and recommendations regarding management strategies, sustainability, and human resource development, in particular. Therefore, the Company proposes her reelection as an outside Director who is an Audit & Supervisory Committee Member. In the event that she is elected, she will serve as a member of the Governance Committee and will be involved in an objective and neutral manner in the selection of the Company's candidates for officers and the determination of such matters as officer compensation.</p>		

- (Notes)
- There is no special interest between Ms. Masako Orii and the Company.
 - Ms. Orii has agreed to assume the position of outside Director on the condition that this proposal is approved.
 - Her career summary, position in the Company, and significant concurrent positions outside the Company are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 8, 2025).
 - Her age is as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 8, 2025).
 - She is a candidate for outside Director, and at the conclusion of this meeting, her tenure as an outside Director who is an Audit & Supervisory Committee Member of the Company will have been four years.
 - The Company has submitted notification to Tokyo Stock Exchange and Fukuoka Stock Exchange that she has been appointed as an independent officer as provided for by the aforementioned exchanges. If this proposal is approved, the Company plans for her appointment as an independent officer to continue. As for the independence criteria for outside Directors of the Company, please refer to the Reference Documents for General Meeting of Shareholders (page 18 of this notice).
 - The Company has entered into agreements with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act, in which her liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that she receives from the Company as remuneration for performance of duties during her tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions). If her reelection is approved, the Company plans to renew the aforementioned limited liability agreements with her.
 - The Company has concluded a Directors and Officers insurance contract with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act to cover Directors, Executive Officers, and Audit & Supervisory Committee

Members of the Company and its subsidiaries as the insured parties. This contract covers any compensation for damages under the law and lawsuit expenses incurred by the insured parties. In the event that she takes office of Director, we plan to cover her with the insurance. The Company plans to renew this insurance contract with the same details during her term in office.

9. There is no business relationship between SUNTORY FOUNDATION for the ARTS, to which she belongs, and the Company. We have concluded that this candidate is sufficiently independent from the management of the Company.

Proposal No.4 Introduction of the Performance-Linked Shares Remuneration Plan to Directors
(Excluding Directors Who Are Audit & Supervisory Committee Members and Non-Executive Directors)

With regard to annual remuneration of the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members), the amount not exceeding ¥500 million per year was approved by resolution of the 127th Annual General Meeting of Shareholders held on May 26, 2016 (this does not, however, include employee salaries of Directors who serve concurrently as employees). In addition, it was approved by resolution of the 131th Annual General Meeting of Shareholders held on May 28, 2020, in remuneration framework that is separate to the remuneration framework described above, that (i) the Company may pay monetary compensation receivables, not exceeding ¥100 million, to the executive Directors among the Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members) (hereinafter, the "Eligible Directors") for granting the restricted shares with the aim of giving incentives to the Eligible Directors for sustainable growth in our corporate value and sharing profits with our shareholders by increasing corporate value in the medium to long term, and (ii) the Company may pay the performance achievement bonus, not exceeding ¥100 million per year, to the Eligible Directors with the aim of giving incentives to the Eligible Directors for achievement of performance targets in a single fiscal year.

The Company hereby proposes introduction of the Performance-Linked Shares Remuneration Plan (hereinafter, the "Plan") under which restricted shares will be granted after the end of the relevant period according to the degree of achievement of performance targets for a certain period to the Eligible Directors in a remuneration framework that is separate to each remuneration framework described above with the aim of sharing profits with our shareholders by giving incentives to the Eligible Directors for sustainable growth in our corporate value, and clarifying the link between the Company performance and the Director's remuneration. Based on the Plan, the total amount of monetary remuneration to be allocated to the Eligible Directors for the purpose of granting share-based remuneration (restricted shares) shall not exceed ¥500 million per year, which we consider to be reasonable based on the objectives of the Plan. In addition, the Board of Directors shall determine on the specific allocation to each Eligible Director based on deliberation in the Governance Committee voluntarily established by the Company.

This Proposal will apply to 4 Eligible Directors if Proposal No. 2 is approved and adopted in its original form.

The Eligible Directors, pursuant to a resolution of the Board of Directors of the Company, (a) will receive the Company's common shares issued, or disposed of, by the Company with no need for paying money or granting contributed assets in kind as the Directors' compensation, etc., or (b) will make an in-kind contribution of all monetary compensation receivables to be granted under the Plan, and will receive the Company's common shares issued, or disposed of, by the Company. In addition, the total number of the Company's common shares issued, or disposed of, for the Plan shall not exceed 50,000 per year (*), and in the case of (b) above, the amount to be paid per share shall be determined by the Board of Directors in a manner that is not especially advantageous to the Eligible Directors. The basis of said amount shall be the closing price of the Company's common shares on the Tokyo Stock Exchange, Inc. on the business day immediately preceding the date of such resolution of the Board of Directors; or, if there is no closing price on said business day, the closing price on the trading day immediately prior thereto.

- * In the event, however, that the Company makes a share split (including allotment of the common shares of the Company without consideration) or a share consolidation on or after this Proposal is approved and adopted, or any other circumstance arises requiring adjustment of the total number of the Company's common shares to be issued, or disposed of, as the restricted shares, the maximum number of shares shall be adjusted within a reasonable range.

1. Summary of the Plan

The Plan shall be based on a performance evaluation period of the medium-term management plan formulated by the Company (hereinafter, the “Evaluation Period”). The Plan is a performance-linked shares remuneration plan which uses a performance share unit. In the Plan, based on deliberation in the Governance Committee, the majority of which consists of the Independent Outside Directors, the Board of Directors determines the base number of shares to be granted, the performance indicators and the performance targets thereof for each Eligible Director, and, after the Evaluation Period, the Company grants a number of the Company’s common shares calculated according to the achievement of such performance targets to the Eligible Directors. In addition, the Company will impose certain transfer restrictions on the Company’s common shares granted to the Eligible Directors pursuant to the Plan.

The Board of Directors shall determine the performance indicators to be adopted in the Plan, such as indicators of the status of profits and other indicators based on our management policies.

2. Requirements for stock delivery

Under the Plan, the Company will grant the Company’s common shares to the Eligible Directors (including newly appointed Eligible Directors after the beginning of the Evaluation Period) after the Evaluation Period if they comply with the requirements described below.

- (1) No certain acts of misconduct, etc., as determined by the Board of Directors of the Company.
- (2) Satisfying other requirements determined by the Board of Directors of the Company as necessary to achieve the purpose of the performance-linked shares remuneration plan.

From beginning of an Evaluation Period (or for the Eligible Director newly appointed after the beginning of the Evaluation Period, from such appointment) to grant of shares, (i) in the event that any Eligible Director resigns or retires from the position of the Company’s Director or any other position determined by the Board of Directors of the Company due to death or any other reason deemed justifiable by the Board of Directors of the Company, (ii) when a merger agreement in which the Company is dissolved, a share exchange agreement or a share transfer plan that makes the Company into a wholly owned subsidiary, or other reorganization are approved by the General Meeting of Shareholders of the Company (or the Board of Directors of the Company if any such reorganization is not required to be approved at a General Meeting of Shareholders of the Company) or (iii) if the Board of Directors deems reasonable, the Company may, in lieu of the Company’s common shares, as needed, pay cash in an amount reasonably determined by the Board of Directors of the Company at a time reasonably determined by the Board of Directors of the Company.

3. Details of restrictions on transfers, etc.

When issuing, or disposing of, the Company’s common shares, the Company and an Eligible Director shall enter into an agreement (hereinafter, the “Transfer Restriction Agreement”), which shall include the following:

- (1) Regarding the Company’s common shares granted under the Plan (hereinafter, the “Allotted Shares”), the Eligible Director shall not transfer, create a security interest in, or otherwise dispose of the Allotted Shares until the date when the Eligible Director retires or resigns from the position of the Company’s Director or any other position determined by the Board of Directors of the Company (hereinafter, the “Transfer Restriction Period”).
- (2) The Company shall lift the transfer restriction on all Allotted Shares at the end of the Transfer Restriction Period.
- (3) The Company shall acquire the Allotted Shares without consideration if, during the Transfer Restriction

Period, the Eligible Director violates any law and regulation, the Company rule or the Transfer Restriction Agreement, or falls under certain reasons specified by the Board of Directors of the Company as reasonable to acquire the Allotted Shares without consideration.

- (4) Regardless of the provisions of (1) above, if, during the Transfer Restriction Period, a merger agreement in which the Company is dissolved, a share exchange agreement or a share transfer plan that makes the Company into a wholly owned subsidiary, or other reorganization are approved by the General Meeting of Shareholders of the Company (or the Board of Directors if any such reorganization is not required to be approved at a General Meeting of Shareholders), the Board of Directors shall resolve to lift the Transfer Restriction on all Allotted Shares prior to the effective date of such reorganization.
- (5) In the event of any material fraudulence or violation, etc. by the Eligible Director within a certain period after the Transfer Restriction Period, the Company may request such Eligible Director to return all or part of the Company's common shares equivalent to the Allotted Shares or any money equivalent thereto.

Based on the Plan, the Company grants the restricted shares to the Eligible Directors as remuneration with the aim of sharing profits with our shareholders by giving incentives to the Eligible Directors for sustainable growth in our corporate value, and clarifying the link between the Company performance and the Director remuneration.

Upon the introduction of the Plan based on this proposal, based on deliberation in the Governance Committee, the Board of Directors decided on April 14, 2025 to revise the Policy for Determining the Details of Remuneration, etc. for Individual Directors of the Company subject to approval of this proposal at the 136th Annual General Meeting of Shareholders. The revised policy is as described in the “Reference” below and granting restricted shares under this proposal is in line with such policy. In addition, the ratio of the total number of shares of restricted shares to be granted based on this proposal to the total number of issued shares (as of February 28, 2025, excluding treasury shares) is approximately 0.02% at maximum, and the dilution ratio is minor.

Therefore, the Company believes that granting restricted shares based on this proposal is appropriate.

(Reference)

In the event that Proposal No.4 is approved and adopted, the Company intends to introduce the performance-linked shares remuneration plan similar to the Plan to the Executive Officers of the Company.

In addition, the following is the Policy for Determining the Details of Remuneration, etc. for Individual Directors of the Company after the revision in the event that this proposal is approved.

Policies relating to the Determination of the Content of Remunerations of Individual Directors

Basic Policy

The Company's basic policy is to ensure that the remuneration levels of the Company's Directors are commensurate with their positions and responsibilities within the framework resolved at the General Meeting of Shareholders, and to give appropriate incentives for growth in corporate value and improvement of performance of our group. The remuneration system shall consist of (1) the basic remuneration (monetary) based on position, responsibilities and individual performance, etc., (2) the restricted shares remuneration (non-monetary) with the aim of sharing profits with our shareholders by increasing corporate value in the long term, (3) the performance achievement bonus (monetary) with the aim of giving incentives for achievement of performance targets in a single fiscal year, and (4) performance-linked shares remuneration (non-monetary)

linked to the rate of achievement of numerical targets in the medium-term management plan, etc. Provided, however, that for non-executive Directors and Directors who are Audit & Supervisory Committee Members, only fixed remuneration in monetary terms shall be paid in consideration of the nature of their duties.

1. Policy for Determining the Amount of Remuneration, etc., by Individual for the Basic Remuneration

The basic remuneration shall be fixed monthly remuneration, which shall be determined in May every year in consideration of responsibilities, individual performance, etc., based on the remuneration table by position, and shall be paid from June.

2. Policy for Determining the Content and Calculation Method of the Amount or Number of the Non-Monetary Remuneration, etc.

In the restricted shares remuneration, which is non-monetary remuneration, the Directors are granted restricted shares equivalent to a certain amount in accordance with the position every year. The transfer restriction period shall be the period from the date of allotment to the date when such Director retires or resigns from the position of the Company's Director or any other position determined by the Company's Board of Directors. Provided, however, the Company shall acquire such shares without consideration in the event that it is reasonable for the Company to acquire such shares, such as, if the Eligible Director violates any law and regulation, the Company rule or an agreement relating to the allotment of the restricted shares, which is to be entered into separately between the Company and the Eligible Director (hereinafter, the "Allotment Agreement"), etc. In addition, in the event of any material fraudulence or violation of the Allotment Agreement, etc., within a certain period after the transfer restriction period, the Company may request to return all or part of the Company's common shares equivalent to such shares or any money equivalent thereto. The number of shares to be granted for each position is determined by the Board of Directors based on deliberation in the Governance Committee held in May of each year, and the allocation of shares to each Director is made in the following June.

3. Policy for Determining the Content and Calculation Method of the Amount of the Performance-Linked Remuneration (Monetary Remuneration)

The performance achievement bonus, which is a performance-linked remuneration, is paid in monetary when the performance targets in a single year are achieved. The standards for the payment of such bonuses shall be determined by the Board of Directors based on deliberation in the Governance Committee held in May of each year. The indicator is consolidated operating profit, and 0% to 200% of the monthly basic remuneration will be paid in accordance with the level of profit for the fiscal year. Payment to each Director shall be made after the Annual General Meeting of Shareholders in the following year when the settlement of accounts for the relevant fiscal year becomes final.

4. Policy for Determining the Content and Calculation Method of the Amount or Number of the Performance-Linked Remuneration (Non-Monetary Remuneration)

In the performance-linked shares remuneration, which is a performance-linked remuneration, the Directors are granted shares calculated based on the achievement rate of the numerical targets, etc., set forth in the medium-term management plan. The base indicators are determined by the Board of Directors based on deliberation in the Governance Committee. The indicators are consolidated operating profit and return on equity (ROE), which are financial indicators, and non-financial and ESG indicators. The number of shares to be granted to each Director shall be determined by the Board of Directors after the end of the evaluation period, and the shares shall be granted as restricted shares. Provided, however, the Company will pay in cash in the case where the Directors retire or resign before his/her terms of office or at the end of last year. In addition, the Company shall acquire such shares without consideration in the event that it is reasonable

for the Company to acquire such shares, such as, if the Eligible Director violates any law and regulation, the Company rule or an agreement on grant of the performance-linked restricted shares, which is to be entered into separately between the Company and the Eligible Director (hereinafter, the “Grant Agreement”), etc. Further, in the event of any material fraudulence or violation of the Grant Agreement, etc., within a certain period after the transfer restriction period, the Company may request to return all or part of the Company’s common shares equivalent to such shares or any money equivalent thereto.

5. Policy on Determining the Ratio of the Amount of Basic Remuneration, Non-Monetary Remuneration, etc., and Performance-Linked Remuneration, etc., to the Amount of Remuneration, etc., of each Individual Director

Among the remuneration for executive Directors, the ratio of the share of the basic remuneration paid fixedly, and the share-based remuneration and the performance achievement bonus, which have a nature as medium-to long-term or short-term incentive salaries respectively, shall be designed so that the higher the position is, the greater the weight of incentive payment will be. Details of the system shall be determined by the Board of Directors based on deliberation in the Governance Committee.

6. Method of Determining the Content of Remuneration, etc., of Each Individual Director

The authority to determine the individual amount of the basic remuneration shall be delegated to the Representative Director based on the resolution of the Board of Directors meeting held in May of each year. The Representative Director shall comprehensively evaluate each Director's responsibility, individual performance, etc., based on the remuneration table for each position formulated based on deliberation in the Governance Committee, and appropriately determine the amount for each individual Director within the scope (range) of such table.

The individual amount of fixed remuneration for Directors who are Audit & Supervisory Committee Members shall be determined through consultation between the Directors who are Audit & Supervisory Committee Members.

<<Reference>>

Directors' expertise & experience (skills matrix)

We have identified the expertise and experience needed by the Board of Directors to exercise its decision-making and business oversight functions toward the fulfillment and realization of our long-term vision TOHO VISION 2032 TOHO Group Management Strategy and the Mid-Term Plan 2028.

The composition of the Board of Directors and the expertise and experience of each Director, if Proposals No. 2 and 3 are approved as originally proposed at this Annual General Meeting of Shareholders, are as follows.

Name	Attributes	Expertise & experience						
		Corporate management	Planning & marketing	Global	IT & Digital	Human resource & sustainability	Legal affairs & risk management	Finance & accounting Business management
Yoshishige Shimatani	[Business executive] Male	○	○				○	
Hiroyasu Matsuoka	[Business executive] Male	○	○	○	○	○		
Nobuyuki Tako	[Business executive] Male	○				○	○	○
Minami Ichikawa	[Business executive] Male	○	○					
Yasuo Shimada	Male	○					○	○
Eiichi Ogata	[Audit & Supervisory Committee Member] Male	○					○	○
Satoshi Ando	[Audit & Supervisory Committee Member] Male [Independent outside]						○	
Masako Orii	[Audit & Supervisory Committee Member] Female [Independent outside]	○	○			○		
Izumi Okoshi	[Audit & Supervisory Committee Member] Female [Independent outside]	○		○	○			

(Note) The above skills matrix does not represent all the knowledge and experience possessed by each person.

[Expertise & experience in the skills matrix]

Corporate management	Knowledge of corporate management to execute management strategies
Planning & marketing	Knowledge of planning and marketing related to the Company's core business
Global	Knowledge of global business as a growth driver and geopolitical risks
IT & Digital	Knowledge in the use of IT and digital technologies related to the creation of new business models and productivity improvements
Human resource & sustainability	Knowledge of human resource strategy and sustainability management, which are management resources necessary to enhance corporate value
Legal affairs & risk management	Knowledge of risk management to strategically advance business
Finance & accounting Business management	Knowledge of financial management and accounting for business strategy in growth investments

Independence Criteria for Outside Directors

The Company judges that an outside Director who falls under any of the following items 1. to 6. is not independent of the Company.

1. An entity where the TOHO Group is a major business partner (Note 1) or a business executive thereof
2. A major business partner with the TOHO Group (Note 2) or a business executive thereof
3. A consultant, accounting expert, or legal expert who receives a considerable amount of cash or other assets from the TOHO Group (Note 3) other than compensation received from the Company as an officer (or a person who belongs to an incorporated entity or other organization that receives such assets)
4. A person who is a major shareholder of the Company (Note 4) (or a business executive of an incorporated entity that is such a shareholder)
5. A person who fell under any of the above items 1. to 4. in the most recent three fiscal years
6. A person who is a relative within the second degree of kinship to a person who falls under any of the above items 1. to 5. or a business executive of the TOHO Group

(Note 1) “An entity where the TOHO Group is a major business partner” refers to an entity that has a business relationship with the TOHO Group and receives payment from the TOHO Group that exceeds 2% of consolidated sales of the entity per year based on such relationship.

(Note 2) “A major business partner with the TOHO Group” refers to an entity that has a business relationship with the TOHO Group and whose annual payment to the TOHO Group based on such relationship exceeds 2% of consolidated sales of the Company.

(Note 3) “Considerable amount of cash or other assets” refers to the case in which regular remuneration exceeds ¥10,000,000 per year.

(Note 4) “A major shareholder” refers to an entity who owns at least 10% of the total of voting rights of the Company directly or indirectly.

Business Report

(March 1, 2024 - February 28, 2025)

1. Overview of the Corporate Group

(1) Business Progress and Results

During the fiscal year under review, the Japanese economy showed a sustained recovery trend, with gradual improvements in employment and income environment and the Nikkei 225 reaching an all-high. However, the outlook remained uncertain due to factors including chronic labor shortages and sharp price hikes in Japan, as well as increased uncertainty in the global economy caused by overseas conflicts and US policy trends.

Under these conditions, for the film industry in 2024, the market was led by domestic films, primarily major hit anime films, but box office revenue decreased slightly to ¥206,983 million (down 6.5% year on year), and the number of movie theater customers was 144,441,000 people (down 7.1% year on year).

In the Film Business, anime productions greatly boosted business performance. “Detective Conan: The Million-Dollar Pentagon,” surpassed ¥10.0 billion at the box office revenue for two consecutive films in the anime series, and “Haikyu!!: The Dumpster Battle” released in February 2024, which was during the previous fiscal year, also exceeded ¥10.0 billion in box office revenue, and anime productions have greatly boosted business performance. Regarding live-action films, “KINGDOM: Return of the Great General” grossed over ¥8.0 billion at the box office, while “LAST MILE” and “The Floor Plan” both grossed over ¥5.0 billion at the box office.

In the Theatrical Business, each of the performances at the Imperial Theatre, which was closed at the end of the current fiscal year for redevelopment, performed well, and the closing lineups were all very successful. In addition, “Spirited Away” had a successful long-running performance in London, U.K.

In the Real Estate Business, real estate for leasing owned across the country continued to operate steadily, and SHIBUYA AXSH made its grand opening in July 2024 and began operation.

As a result, operating revenue amounted to ¥313,171 million (up 10.5% year on year), operating profit was ¥64,684 million (up 9.2% year on year), ordinary profit was ¥64,455 million (up 2.3% year on year), and the profit attributable to owners of parent was ¥43,357 million (down 4.3% year on year). The Company achieved the numerical target of record-high operating profit (¥52,800 million) set in the Mid-Term Plan 2025 for two consecutive years.

(In millions of yen, unless otherwise specified.)

	The 135th fiscal year ended February 29, 2024	The 136th fiscal year ended February 28, 2025	Compared to the previous fiscal year	
Operating revenue	283,347	313,171	29,823	+10.5%
Operating profit	59,251	64,684	5,432	+9.2%
Ordinary profit	63,024	64,455	1,430	+2.3%
Profit attributable to owners of parent	45,283	43,357	(1,926)	-4.3%

Film Business

Production, distribution, and exhibition, etc. of theatrical films; production and sales of video content

Operating revenue	¥209,253 million (up 8.5% year on year)	Operating profit	¥50,807 million (up 13.6% year on year)
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Production and Distribution Business

The Company distributed a large number of theatrical films, including “Detective Conan: The Million-Dollar Pentagram” and “Haikyuu!!: The Dumpster Battle,” each of which earned over ¥10.0 billion at the box office, anime and live-action films such as “KINGDOM: Return of the Great General” and “LAST MILE” (see Table 1 on the next page), and a diverse range of films distributed by TOHO NEXT. Among international films distributed by TOHO-TOWA Co., Ltd., “Despicable Me 4,” achieved great success. In addition, the major hits of in-house planned and produced works such as “The Floor Plan” and “1ST KISS,” as well as revenue from distribution and TV broadcasting rights for “GODZILLA MINUS ONE,” released in theaters in the previous fiscal year, contributed significantly to earnings.

Movie Theater Business

In the Movie Theater Business centered on TOHO Cinemas Ltd., in addition to films distributed by the Group, “Cells at Work!!,” “Inside Out 2,” “Moana 2” and other popular works contributed to earnings.

Production and Licensing Business

(Anime Production Business)

In the Anime Production Business, positioned as the “fourth pillar” of business in addition to the existing Film, Theatrical, and Real Estate, popular anime titles such as “My Hero Academia,” “Kaiju No. 8,” and “The Apothecary Diaries” (see Table 3) performed well and contributed to earnings through distribution and merchandising rights income and various distribution fees in Japan and overseas. In the gaming business, the distribution of the global version of “JUJUTSU KAISEN Phantom Parade” began worldwide.

(Home Entertainment Business)

In home entertainment sales, such as Blu-rays, “GODZILLA MINUS ONE” and TOHO animation’s popular anime series performed well, contributing to earnings.

(Publishing and Merchandising Business)

Sales were favorable for souvenir programs and character goods for works distributed by the Company such as the “Detective Conan: The Million-Dollar Pentagram,” “Haikyuu!!: The Dumpster Battle,” and “My Hero Academia: You’re Next.”

Table 1: Major film productions during the fiscal year ended February 28, 2025

List of titles	
Doraemon the Movie: Nobita's Earth Symphony	The Floor Plan
April Come She Will	Detective Conan: The Million-Dollar Pentagon
Godzilla x Kong: The New Empire	Umamusume: Pretty Derby – Beginning of a New Era
Teasing Master Takagi-san	Dear Family
Hey Handsome!!	KINGDOM: Return of the Great General
What if SHOGUN Ieyasu Tokugawa was to become the Prime Minister	My Hero Academia: You're Next
Crayon Shinchan the Movie: Our Dinosaur Diary	LAST MILE
THE COLORS WITHIN	ALL ABOUT SUOMI
FURERU	MUROI SHINJI NOT DEFEATED
ACMA:GAME - The Last Key	Stolen Identity Final
MUROI SHINJI STAY ALIVE	6 Lying University Students
Doctor-X the movie	The Supernatural Sweet Shop The Movie
SAINT YOUNG MEN THE MOVIE	Grand Maison Paris
Solitary Gourmet	Mobile Suit Gundam GQuuuuuuX -Beginning-
UNDER NINJA	1ST KISS
Trillion Game the Movie	

Table 2: Changes to theaters during the fiscal year ended February 28, 2025

Date	Theater name	No. of screens	Location	Management	Change
January 12, 2025	Matsue TOHO 5	5	Matsue-shi, Shimane	Kansai Kyouei Kogyo Co., Ltd.	Closure

Table 3: Major anime productions during the fiscal year ended February 28, 2025

List of titles	
[Movie] My Hero Academia: You're Next	[Movie] TOUKEN RANBU KAI DOUDEN
[TV] Kaiju No.8	[TV] My Hero Academia (Season 7)
[TV] Mushoku Tensei: Jobless Reincarnation Season 2	[TV] TOUKEN RANBU KAI KYODEN
[TV] Sakuna: Of Rice and Ruin	[TV] Spice and Wolf: MERCHANT MEETS THE WISE WOLF
[TV] Puniru Is a Cute Slime	[TV] Dr. STONE SCIENCE FUTURE (Final Chapter/1st cour)
[TV] The Apothecary Diaries (Season 2)	[Distribution] BEASTARS FINAL SEASON (Part 1)

Theatrical Business Production, exhibition, and sales of theatrical works, talent agency management

Operating revenue	¥22,890 million (up 13.6% year on year)	Operating profit	¥4,129 million (up 32.6% year on year)
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During the fiscal year under review, the Company continued to offer a wide variety of topical productions (see Table 4 below) at our directly managed theaters, Imperial Theatre and Theatre Creation, as well as at NISSAY THEATRE, TOKYU THEATRE Orb and other non-TOHO venues.

At the Imperial Theatre, which temporarily closed at the end of the current fiscal year in February 2025 due to redevelopment, a closing lineup that included “Les Misérables,” “Moulin Rouge! The Musical,” and “Endless SHOCK” played to sold-out audiences every day.

At Theatre Creation, “Fan Letter” was fully booked, and a varied lineup was well-received.

In addition, the long-running stage play “Spirited Away” at the London Coliseum in the U.K. proved to be a great success despite being performed entirely in Japanese by a Japanese cast, a significant achievement that would pave the way for further expansion of Japanese musical content overseas in the future.

At Toho Entertainment Co., Ltd., affiliated actors worked actively on TV and commercial performances, etc.

Table 4: Major theatrical plays during the fiscal year ended February 28, 2025

Imperial Theatre	
“Spirited Away”	Endless SHOCK
Moulin Rouge! The Musical	MOZART!
DREAM BOYS	Les Misérables
THE BEST New HISTORY COMING	
Theatre Creation	
Navillera	Limelight
VOICARION XVIII ~Mr. Prisoner~	Fan Letter
tick, tick...BOOM!	next to normal
Non-TOHO Theaters	
The King and I	Musical In This Corner of the World
NEWSIES	Tempou Jyuninen no Shakespeare
The Producers	Musical KANE and ABEL

Real Estate Business Real estate leasing, road maintenance and cleaning, real estate maintenance and management

Operating revenue	¥79,653 million (up 15.2% year on year)	Operating profit	¥16,826 million (down 4.4% year on year)
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Lease of Land and Buildings Business

Against the backdrop of a difficult environment of soaring construction costs, the Company continued to focus on reducing the vacancy rate of real estate for leasing. Tokyo Rakutenchi Co., Ltd., which became a consolidated subsidiary of the Company during the previous fiscal year, also contributed to earnings throughout the year, and the Lease of Land and Buildings Business as a whole performed solidly.

SHIBUYA AXSH and the SUMINOE-TATEMONO opened during the fiscal year under review and began operation.

Furthermore, the Marunouchi 3-1 Project (tentative name), a large-scale redevelopment project which includes the Teigeki Building (Kokusai Building and Teigeki Building Redevelopment Project), was initiated.

Road Business

Subaru Enterprise Co., Ltd. and its consolidated subsidiaries saw steady public investment in areas such as the repair of aging road-related infrastructure. Despite the challenging business environment such as a shortage of skilled construction workers and rising labor and equipment costs, they have worked to improve operational efficiency, reduce costs, and secure orders through active sales activities.

Building Maintenance Business

TOHO BUILDING MANAGEMENT Co., Ltd. and Toho Facilities Co., Ltd. proceeded with efforts to receive new orders and improve quality, and also strove to reduce costs and streamline operations amid soaring personnel expenses and raw material prices and continuing labor shortages.

Other Business Management of sports facilities and other businesses

Operating revenue in the Other business was ¥1,372 million (up 9.2% year on year) and operating profit was ¥162 million (down 6.8% year on year).

Topics Related to Growth Investments

1. In June 2024, the Company acquired all shares of Science SARU Inc. and made it a consolidated subsidiary. This will strengthen the Group's animation production capabilities and produce high quality works for the Japanese as well as global market, and thus further accelerate the speed of growth of the Anime business.
2. In August 2024, the Company entered into a capital and business alliance with Bandai Namco Holdings Inc. We aim for further growth in the global market for both companies by leveraging the strengths of both companies to plan and develop original IP, produce motion pictures, and roll out products and services.
3. In October 2024, the Company, through our consolidated subsidiary (sub-subsidiary) Toho International, Inc., acquired all the shares of GKIDS, INC. which is engaged in production and distribution of animation mainly in North America, making GKIDS, INC. a consolidated subsidiary of the Company. In doing so, we will work to promote overseas development of content originating from Japan and the overseas expansion of Japanese creators and studios.

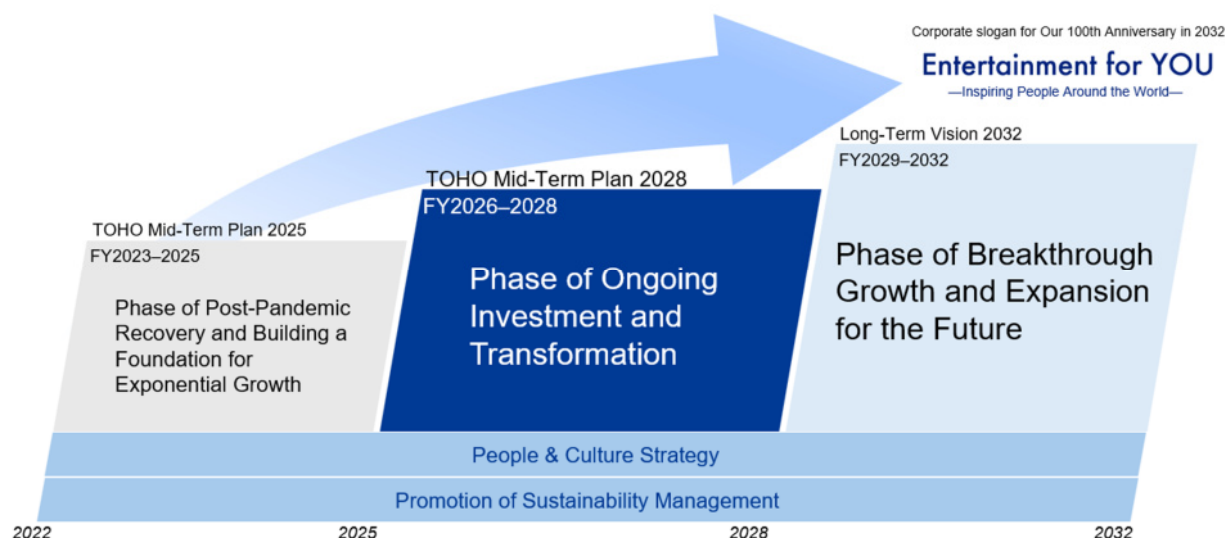
(2) Issues to Be Addressed

As the TOHO Group approaches its 100th anniversary in 2032, we embrace our corporate slogan “Entertainment for YOU—Inspiring People Around the World” based on the “TOHO VISION 2032: TOHO Group Management Strategy,” the Group’s long-term vision announced in April 2022. We are committed to achieving sustainable growth and enhancing corporate value over the medium to long term.

Three key focus areas for the long-term vision are: accelerating investment to drive growth, securing and developing talent, and establishing anime as the fourth pillar of our business. In addition, we have set Creative development & IP, Anime, Digital, and Overseas as the four key elements of our growth strategies, and executed business development, growth investments and capital policies in line with them. As a result, during the three years of the Mid-Term Plan 2025 (FY2023 to FY2025), we surpassed the previous record-high operating profit of ¥52.8 billion and achieved ROE of 8% or more, which were the plan’s financial targets.

In April of this year, we formulated and announced the Mid-Term Plan 2028, marking the beginning of a new three-year plan (FY2026 to FY2028). The Mid-Term Plan 2028 is positioned as a “phase of ongoing investment and transformation,” following the growth story outlined in our long-term vision: “Creative vision and intellectual property (IP) are the driving forces behind our value creation. With animation as our primary engine for growth, we will leverage the power of digital innovation to transcend barriers of time, space, and language—unlocking exponential growth worldwide.” We aim to further accelerate investments and organizational transformations aligned with our growth strategies, and to ensure a transition to the next phase of “breakthrough growth and expansion for the future.”

<Position of the Mid-Term Plan 2028>



<Guiding principles of the Mid-Term Plan 2028>

Our people pour their passion into their creative vision, bring entertainment to life, and share it with the world—no matter how the external landscape evolves, this remains the fundamental cornerstone of TOHO’s value creation. In addition, lasting growth requires more than just delivering entertainment to a global audience. We believe it is imperative to truly understand what resonates with audiences worldwide and actively build deeper connections with them, transforming them into devoted fans.

People. Stories. The World. Stronger Connections with Audiences Everywhere.

With this serving as the guiding principles of the Mid-Term Plan 2028, we have formulated key points, business strategies, financial targets, capital allocation, and people & culture strategy. The outline is as follows.

<Key points of the Mid-Term Plan 2028>

The Mid-Term Plan 2028 positions Human Resources, Content and IP, Digital and Overseas as its key focus areas, setting the following key points. We will make groupwide efforts to actively drive each business strategy forward toward these goals.

Human Resources	<ul style="list-style-type: none"> Scaling Excellence: Creating a Company-wide Network of Experts Hire approx. 200 people^{*1}, the source of our growth, over the next three years. Focus on investing in our people and enhancing engagement with them. <p style="text-align: right;"><small>*1 People at TOHO CO., LTD.</small></p>
Content and IP	<ul style="list-style-type: none"> Deliver world-class entertainment with a diverse lineup of approximately 200 titles, captivating audiences across the globe. Invest approx. ¥70 billion over the next three years to plan and produce content, such as movies, animation, theatrical plays, and digital games, and create related IP. GODZILLA IP will be developed and distributed with an investment of approx. ¥15 billion over the next three years to fully scale the IP business. Set aside approx. ¥120 billion over the next three years for growth investments such as M&A in the content and IP areas and opening of multiplexes. Aim to achieve an operating profit of 200%^{*2} or more in the IP and Anime business by doubling the number of employees at TOHO animation by 2032. <p style="text-align: right;"><small>*2 Operating income in new segments (page 12) compared to that for FY2/25</small></p>
Digital	<ul style="list-style-type: none"> Invest approx. ¥5 billion in the TOHO-ONE project, which is aimed at developing the TOHO Group's customer data platform and launch a new membership service in Spring 2026 to create a seamless and unified customer experience (page 19)
Overseas	<ul style="list-style-type: none"> Create synergies with companies that newly joined the TOHO Group while accelerating the increase of our overseas offices. Increase our overseas net operating revenue ratio from the current 10% to 30% by 2032.

<Strategies for the four pillars of our business>

Starting from the fiscal year ending February 28, 2026, the Group changes its accounting reporting segments to align with the four pillars of our business, namely to Film Business, IP and Anime Business (newly established), Theatrical Business, and Real Estate Business. The outline of the business strategies for each segment under the Mid-Term Plan 2028 is as follows.

In the Film Business, we will further enhance profitability and strengthen our revenue base by promoting production of films planned in-house and expanding non-film content distribution portfolio. We will also work on creative development and production of Japanese live-action content with an awareness of its potential reach beyond Japan, in collaboration with overseas group companies.

In the IP and Anime Business, we will reinforce our organizational framework by expanding our talent base and enhance production studio capabilities to develop and distribute high-quality content and IP worldwide. We also aim to further increase revenues from overseas business and games, our growth areas, and increase the operating profit from the IP and Anime Business to over 200% of the operating profit for the fiscal year ended February 28, 2025 by 2032.

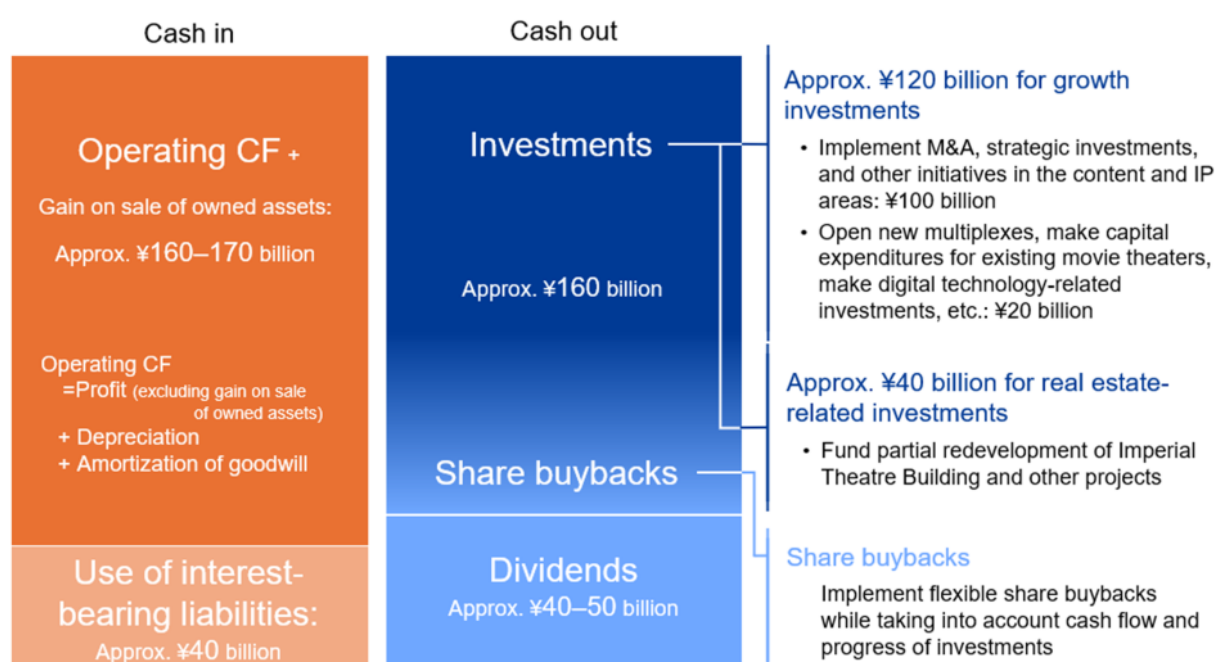
In the Theatrical Business, we will support the bottom line of box-office revenue during the closure of the Imperial Theatre by utilizing outside theaters, launching a new membership service, and offering a variety of ticket prices as well as diverse sales formats. In addition, we will increase TOHO theatrical brand power, leading to the opening of the new Imperial Theatre, by maximizing the value of existing popular plays, developing original plays, and performing those plays abroad.

In the Real Estate business, we will seek to improve asset efficiency while maintaining our revenue base over the medium to long term. We will focus on increasing rents for existing properties to improve property values, and steadily promote the redevelopment project of Teigeki Building.

<Financial targets>



<Capital allocation>



<People & culture strategy/promotion of sustainability management>

In order to move forward with our growth strategies as described above, we believe that those who create moments of inspiration must themselves be inspired in an atmosphere of energizing openness and positivity. We therefore formulated a new vision for people & culture, “**a Fulfilling Workplace where Inspiration Comes Full Circle,**” under the Mid-Term Plan 2028. Furthermore, based on our Sustainability Policy of “**The TOHO Group seeks to contribute to the realization of a society where everyone can be happy and enriched, by providing entertainment with vivacity, modesty, fairness, and grace,**” we will continue our commitment to building a sustainable society, focusing on the four material issues of human resources, climate change, human rights, and cultural heritage.

The TOHO Group aims to earn the admiration of audiences worldwide as a global entertainment company. And to bring this ambitious vision to life, we will continue to take on new, bold challenges to achieve further growth and corporate value enhancement.

I would like to kindly ask for your continued support and backing going forward.

Note: Please visit the following Company webpages for more details on the Group's initiatives.

Mid-Term Plan 2028

<https://contents.xj-storage.jp/xcontents/AS05040/782eb300/6e5d/4c6b/ab2e/ff2a4faa873b/140120250418518142.pdf>

Integrated Report 2024

<https://contents.xj-storage.jp/xcontents/AS05040/a31a004e/8429/411b/b675/666764769fa6/20250328132049309s.pdf>

(3) Capital Investments and Financing

The total amount of capital investment for the fiscal year under review is ¥36.964 billion, and the entire financing required for these investments has been allocated from our internal funds.

1) Major facilities completed during the fiscal year under review

Company name	Major facility completed during the fiscal year under review
TOHO CO., LTD.	SHIBUYA AXSH (Shibuya-ku, Tokyo)
	SUMINOE-TATEMONO (Suminoe-ku, Osaka-shi, Osaka)

2) New construction and expansion of major facilities ongoing during the fiscal year under review

Company name	New construction and expansion of major facilities ongoing during the fiscal year under review
TOHO CO., LTD.	(Tentative name) Marunouchi 3-1 Project (Kokusai Building and Teigeki Building Redevelopment Plan) (Chiyoda-ku, Tokyo)
TOHO Cinemas Ltd.	(Tentative name) TOHO Cinemas Oimachi (within OIMACHI TRACKS, Shinagawa-ku, Tokyo)
	(Tentative name) TOHO Cinemas Nagoya Sakae (within The Landmark Nagoya Sakae, Naka-ku, Nagoya-shi, Aichi)

(4) Trends in Assets and Income

Trends in assets and income of the corporate group

(In millions of yen)

	The 133rd fiscal year ended February 28, 2022	The 134th fiscal year ended February 28, 2023	The 135th fiscal year ended February 29, 2024	The 136th fiscal year ended February 28, 2025
Operating revenue	228,367	244,295	283,347	313,171
Operating profit	39,948	44,880	59,251	64,684
Ordinary profit	42,790	47,815	63,024	64,455
Profit attributable to owners of parent	29,568	33,430	45,283	43,357
Total assets	502,532	534,097	615,826	653,068
Total net assets	409,181	423,691	484,755	494,815

(5) Status of Principal Parent Company and Subsidiaries

1) Relationship to the parent company

Not applicable.

2) Material subsidiaries (listed companies and large companies as defined in Article 2, item (6) of the Companies Act)

Company name	Share capital	Investment ratio (%) (including indirect holdings)	Principal business activities
TOHO Global Inc.	10 million yen	100.00	Supervision of the Group's overseas business locations
Toho International, Inc.	138,300 thousand USD	100.00	Licensing and e-commerce business
TOHO Cinemas Ltd.	2,330 million yen	100.00	Movie theater business
Tokyo Rakutenchi Co., Ltd.	3,046 million yen	100.00	Real estate leasing related, movie theater business
Subaru Enterprise Co., Ltd.	1,331 million yen	53.91	Road maintenance, cleaning, and repair

(Note) There were 47 consolidated subsidiaries including the above five companies and four equity-method affiliates as of the end of the 136th fiscal year.

3) Succession of rights and obligations regarding the business of other corporations due to absorption-type mergers or absorption-type splits

Effective March 1, 2024, the Company merged with its wholly owned subsidiary, TOKYO LABORATORY, LTD., through an absorption-type merger.

4) Transfer of business, absorption-type company split, or incorporation-type company split

Not applicable.

5) Acquisition or disposal of equity interests or share acquisition rights of other companies

On June 19, 2024, the Company acquired all shares of Science SARU, Inc. and made it a consolidated subsidiary. On October 17, 2024, the Company's subsidiary (sub-subsidiary) Toho International, Inc. acquired all the shares of GKIDS, INC., and made it the Company's consolidated subsidiary.

6) Other matters

Hankyu Hanshin Holdings, Inc. owns 22.40% of the Company's shares (including indirect holdings) and the Company is an equity-method affiliate of Hankyu Hanshin Holdings, Inc. The shareholding ratio is calculated after deducting the shares of treasury shares.

(6) Principal Business Locations (as of February 28, 2025)

Company name	Name of the office	Location
TOHO CO., LTD.	Head Office	Chiyoda-ku, Tokyo
	TOHO STUDIOS	Setagaya-ku, Tokyo
	Imperial Theatre (theater)	Chiyoda-ku, Tokyo
	Theatre Creation (theater)	Chiyoda-ku, Tokyo
	TOHO Hibiya Building (Hibiya Chanter: rental building)	Chiyoda-ku, Tokyo
	Tokyo Takarazuka Building (rental building)	Chiyoda-ku, Tokyo
	Teigeki Building (rental building)	Chiyoda-ku, Tokyo
	TOHO Hibiya Promenade Building (rental building)	Chiyoda-ku, Tokyo
	SHINJUKU TOHO BUILDING (rental building)	Shinjuku-ku, Tokyo
	HEP NAVIO (rental building co-owned by Hankyu Hanshin Properties Corp.)	Kita-ku, Osaka-shi
	TOHO Nangai Building (rental building)	Chuo-ku, Osaka-shi
TOHO Global Inc.	Head Office	Chiyoda-ku, Tokyo
Toho International, Inc.	Head Office	California, U.S.A.
TOHO Cinemas Ltd.	Head Office	Chiyoda-ku, Tokyo
	TOHO Cinemas Hibiya (movie theater)	Chiyoda-ku, Tokyo
	TOHO Cinemas Shinjuku (movie theater)	Shinjuku-ku, Tokyo
	TOHO Cinemas Umeda (movie theater)	Kita-ku, Osaka-shi
	TOHO Cinemas Namba (movie theater)	Chuo-ku, Osaka-shi
	A total of 75 sites and 705 screens nationwide in operation, including the above (including five jointly operated sites with 56 screens)	
Tokyo Rakutenchi Co., Ltd.	Head Office	Sumida-ku, Tokyo
	16 business locations nationwide, including the above	
Subaru Enterprise Co., Ltd.	Head Office	Chiyoda-ku, Tokyo
	49 business locations nationwide, including the above	

(7) Employees (as of February 28, 2025)

1) Employees of the corporate group

Business division	Number of employees	
Film	1,970	(2,067)
Theatrical	130	(14)
Real Estate	1,587	(1,157)
Other	40	(96)
Corporate-wide	146	(-)
Total	3,873	(3,334)
Increase (decrease) from the end of the previous fiscal year	+256	(-142)

- (Notes)
1. The number of employees refers to the workforce.
 2. The number of employees includes 592 temporary and contract employees.
 3. The figures in parentheses in the “number of employees” column indicate the annual average number of temporary employees.

2) Employees of the Company

Number of employees	Increase (decrease) from the end of the previous fiscal year	Average age	Average service years
447 (2)	+46 (-2)	38.7 years old	11.0 years

- (Notes)
1. The number of employees includes 20 temporary and contract employees and 27 secondees to the Company. However, “average age” and “average service years” do not include temporary and contract employees.
 2. The number of employees does not include 176 secondees to other companies.
 3. The figures in parentheses in the “number of employees” column indicate the annual average number of temporary employees.

(8) Principal Lenders and Amounts of Borrowings (as of February 28, 2025)

There are no significant borrowings.

2. Status of Shares (as of February 28, 2025)

- (1) Total number of shares authorized to be issued 400,000,000 shares
- (2) Total number of issued shares 186,490,633 shares
(including 16,933,801 treasury shares)
- (3) Number of shareholders 32,763 persons
(-6,575 from the end of the previous fiscal year)
- (4) Major shareholders (top 10 shareholders)

Shareholder name	Investment in the Company	
	Number of shares owned (thousands)	Shareholding ratio (%)
Hankyu Hanshin Holdings, Inc.	22,807	13.45
The Master Trust Bank of Japan, Ltd. (Trust Account)	19,834	11.70
Hankyu Hanshin Properties Corp.	15,150	8.94
Custody Bank of Japan, Ltd. (Trust Account)	11,226	6.62
H2O Retailing Corporation	8,797	5.19
Fuji Media Holdings, Inc.	4,940	2.91
Tokyo Broadcasting System Television, Inc.	4,521	2.67
TAKENAKA CORPORATION	3,785	2.23
MARUI GROUP CO., LTD.	2,578	1.52
MSIP CLIENT SECURITIES	2,477	1.46

- (Notes) 1. The Company holds 16,933,801 treasury shares, which are excluded from the above major shareholders (top 10 shareholders).
2. The shareholding ratio is calculated excluding treasury shares.

- (5) Shares granted to Company officers during the fiscal year under review as consideration for performance of duties

	Number of shares	Number of eligible officers
Directors (excluding Audit & Supervisory Committee Members and Outside Directors)	12,932	4
Outside Directors	-	-
Directors (Audit & Supervisory Committee Members)	-	-

- (Notes) 1. Details of the Company's stock-based compensation are described in "3. (4) Compensation, etc. of Directors" in the Business Report.
2. In addition to the above directors, a total of 8,736 shares were issued to 13 executive officers as consideration for the performance of their duties.

3. Company Officers

(1) Directors (as of February 28, 2025)

Position	Name	Responsibility in the Company and significant concurrent positions outside the Company
Representative Director and Chairperson, Member of the Board	Yoshishige Shimatani	Director of Hankyu Hanshin Holdings, Inc. Outside Director of Fuji Media Holdings, Inc. Outside Director of Tokyo Kaikan Co., Ltd.
Representative Director and President, Member of the Board	Hiroyasu Matsuoka	Head of Entertainment Unit Direct control of Strategy Planning Department and Internal Control Audit Department
Director and Executive Vice President, Member of the Board	Nobuyuki Tako	Head of Corporate Management Group In charge of Corporate Communications, Corporate Management Group Director of Subaru Enterprise Co., Ltd.
Director and Senior Managing Executive Officer, Member of the Board	Minami Ichikawa	Head of Motion Picture Group, Entertainment Unit
Director (Full-time Audit & Supervisory Committee Member)	Eiichi Ogata	Chairperson of the Audit & Supervisory Committee
Director (Audit & Supervisory Committee Member)	Satoshi Ando	Attorney at law Outside Director of ISHIHARA SANGYO KAISHA, LTD.
Director (Audit & Supervisory Committee Member)	Masako Orii	Corporate Advisor of Suntory Holdings Limited Executive Director of SUNTORY HALL, SUNTORY FOUNDATION for the ARTS Independent Director of Obayashi Corporation
Director (Audit & Supervisory Committee Member)	Izumi Okoshi	Executive Officer of CHANGE Holdings, Inc. Outside Director of Fuji Nihon Corporation Outside Director of SRA Holdings, Inc.

- (Notes)
1. Directors (Audit & Supervisory Committee Members) Satoshi Ando, Masako Orii, and Izumi Okoshi are outside directors as defined in Article 2, item (15) of the Companies Act.
 2. Directors (Audit & Supervisory Committee Members) Satoshi Ando, Masako Orii, and Izumi Okoshi are designated as independent officers as stipulated by the Tokyo Stock Exchange and the Fukuoka Stock Exchange and registered with each exchange.
 3. Director (Audit & Supervisory Committee Member) Eiichi Ogata has served as the Chief Manager of Finance Department of the Company and possesses considerable knowledge in finance and accounting.

4. The Company's Audit & Supervisory Committee has appointed Eiichi Ogata as a Full-time Audit & Supervisory Committee Member in order to enhance the effectiveness of information gathering and other auditing functions and to strengthen the auditing and supervisory functions.
5. Changes in directors during the fiscal year under review

Director (Audit & Supervisory Committee Member)	Takashi Kobayashi	May 23, 2024	Retired
Director (Audit & Supervisory Committee Member)	Izumi Okoshi	May 23, 2024	Appointed as Director
Director	Kazuo Sumi	January 14, 2025	Resigned

Note: Kazuo Sumi's significant concurrent positions until his resignation on January 14, 2025 are as follows.

Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc.	December 20, 2024	Resigned
Director of H2O Retailing Corporation Outside Director of ASICS Corporation	January 14, 2025	Resigned

6. Changes in director responsibilities, etc. during the current fiscal year

Representative Director and President, Member of the Board	Hiroyasu Matsuoka	October 1, 2024	Placed in direct control of Internal Control Audit Department
		November 26, 2024	Released from direct supervision of TOHO Digital Lab.
Director and Executive Vice President, Member of the Board	Nobuyuki Tako	October 1, 2024	Appointed to be in charge of Corporate Communications, Corporate Management Group

7. The Company has introduced an executive officer system, and the executive officers who do not concurrently serve as directors are as follows.

(As of April 1, 2025)

Position	Name	Responsibilities
Managing Executive Officer	Kazuhiko Seta	Head of Corporate Real Estate Group
Managing Executive Officer	Atsuo Ikeda	Head of Theatrical Group, Entertainment Unit
Managing Executive Officer	Keiji Ota	Head of Anime Group, Entertainment Unit In charge of Products & Licensing, IP Management & Strategy and TOHO Digital Lab.
Executive Officer	Takayuki Ikeda	In charge of movie theater operations, Entertainment Unit President and Representative Director of TOHO Cinemas Ltd.
Executive Officer	Harunori Kato	In charge of Human Resources and Finance & Accounting, Corporate Management Group
Executive Officer	Kunichiro Wada	In charge of Corporate Real Estate, Corporate Real Estate Group
Executive Officer	Taro Honda	In charge of Group Management & Business Solution, Information Technology & System and TOHO DX Task Force, Corporate Management Group
Operating Officer	Norihiro Uda	In charge of Theatrical Business, Theatrical Group, Entertainment Unit
Operating Officer	Akihiro Fukuda	In charge of Legal and General Affairs, Corporate Management Group
Operating Officer	Mitsutaka Yoshida	In charge of Distribution and Marketing, General Manager of Distribution Department Motion Picture Group, Entertainment Unit
Operating Officer	Taichi Ueda	In charge of Production & Acquisitions and Planning & Production, General Manager of Production & Acquisitions Department, Motion Picture Group, Entertainment Unit
Operating Officer	Koji Ueda	President and Representative Executive Director of TOHO Global Inc. In charge of International Business, Entertainment Unit
Operating Officer	Kazutaka Yamanaka	In charge of TOHO animation General Manager of TOHO animation Department, Anime Group, Entertainment Unit

(2) Summary of Agreement on Limitation of Liability

Pursuant to the provision of Article 427, paragraph (1) of the Companies Act, the Company and four Directors (excluding Executive Directors, etc.) have entered into an agreement limiting liability for damages specified in Article 423, paragraph (1) of the same Act. The Company had also entered into a similar agreement on limitation of liability with Mr. Kazuo Sumi, who resigned on January 14, 2025. The maximum amount of liability for damages based on such agreement is the minimum liability amount stipulated in Article 425, paragraph (1) of the same Act.

(3) Summary of Agreement on Liability Insurance for Directors and Officers

The Company has entered into a director and officer liability insurance contract with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act. The scope of the insured under the insurance policy includes the Company's and its subsidiaries' directors, executive officers, and audit & supervisory committee members, and the insured do not bear the cost of insurance premiums. The policy term is one year. The insurance policy will cover the legal damages and costs of litigation incurred by the insured. However, there are certain exclusions which are not subject to coverage such as when private benefits or advantages are obtained illegally, or when losses arise from actions knowingly carried out in violation of laws or regulations by the insured, ensuring that the appropriateness of the execution of duties by the insured is not compromised.

(4) Compensation, etc. of Directors

1) Policy for the determination of compensation of Directors

The Company's Board of Directors has resolved on a policy for determining the details of compensation, etc. for individual Directors. The resolution of such Board of Directors meeting is subject to the advance deliberation of the Governance Committee on the content of the resolution.

The Board of Directors has confirmed that the method for determining the compensation, etc. for individual Directors for the fiscal year under review and the contents of the determined compensation, etc. are consistent with the said decision policy and that the deliberations of the Governance Committee have been respected, and has judged them to be in line with the policy.

The details of the policy for determining the details of compensation, etc. for individual Directors are as follows.

Basic policy

Director compensation is determined within the limits resolved at the General Meeting of Shareholders based on a basic policy of ensuring that compensation levels are commensurate with position and responsibilities while providing suitable incentives to improve Group corporate value and performance. The compensation system consists of (1) base compensation (monetary), which reflects position, responsibilities, and individual performance, (2) stock-based compensation (restricted stock), aimed at sharing interests with shareholders through medium- to long-term corporate value enhancement, and (3) performance bonuses (monetary), to incentivize the achievement of performance targets for a single fiscal year. However, non-Executive Directors and Directors who are Audit & Supervisory Committee Members shall receive only fixed compensation in cash, in consideration of the nature of their duties.

1. Policy for determining the amount of individual basic compensation

Basic compensation shall be monthly fixed compensation, based on the compensation table for each position, and shall be determined in May of each year, taking into consideration such factors as job responsibilities and individual performance, and shall be paid from June.

2. Policy for determining the content and amount/number of non-monetary compensation

Stock-based compensation, which is non-monetary compensation, shall be granted annually in the form of restricted stock, equivalent to a fixed amount based on the individual's position. The transfer restriction period shall be from the date of grant until the Director resigns or retires from the position as Director or other position designated by the Board of Directors. The number of shares granted by position shall be determined by the Board of Directors after deliberation by the Governance Committee held in May each year, and shares shall be allocated to each Director in June of the following year.

3. Policy for determining the content and amount of performance-linked compensation

Performance bonuses are compensation linked to business results, and are paid in cash upon achievement of performance targets for a single fiscal year.

The criteria for the payment of bonuses shall be determined by the Board of Directors after deliberation by the Governance Committee held in May of each year. The performance indicator is consolidated operating profit, which shall range from 0% to 200% of the base monthly compensation, depending on the profit level of the relevant fiscal year. Payment to each Director shall be made after the General Meeting of Shareholders of the year following the year in which the accounts for the relevant fiscal year are settled.

4. Policy on determining the ratio of base compensation, non-monetary compensation, and performance-linked compensation in compensation, etc. for individual Directors

For Executive Directors, the ratio of fixed base compensation to stock-based compensation and performance bonuses, which are medium to long-term and short-term incentives, shall be designed so that the higher the position, the greater the weight of the incentive-based compensation. The details of this system shall be determined by the Board of Directors after deliberation by the Governance Committee.

5. Method for determining the details of individual compensation, etc. of Directors

The authority to determine amount of base compensation by individual shall be delegated to the Representative Director based on a resolution of the Board of Directors held in May each year. Based on the compensation table for each position established through deliberation by the Governance Committee, the Representative Director shall comprehensively evaluate factors including each Director's job responsibilities and individual performance within the range of the table, and determine the appropriate amount for each individual Director. The amount of fixed compensation for each individual Director who is an Audit & Supervisory Committee Member shall be determined by consultation among the Directors who are Audit & Supervisory Committee Members.

2) Total amount, etc. of compensation, etc. of Directors for the fiscal year under review

	Number of Officers Eligible and Total Amount		Breakdown					
			Basic Compensation (Monetary)		Stock-Based Compensation (Restricted Stock)		Performance Bonuses (Monetary)	
	Number of Officers Eligible	Total Amount	Number of Officers Eligible	Total Amount	Number of Officers Eligible	Total Amount	Number of Officers Eligible	Total Amount
	Persons	Million yen	Persons	Million yen	Persons	Million yen	Persons	Million yen
Directors (excluding Directors who are Audit & Supervisory Committee Members)	5	347	5	244	4	63	4	39
Directors (who are Audit & Supervisory Committee Members)	5	49	5	49	-	-	-	-
Directors (who are Outside Directors)	4	25	4	25	-	-	-	-

- (Notes)
1. The numbers of eligible officers above include one Outside Director who is an Audit & Supervisory Committee Member, who retired at the conclusion of the General Meeting of Shareholders held on May 23, 2024, and one Director (excluding Director who is an Audit & Supervisory Committee Member) who resigned on January 14, 2025.
 2. The base compensation amount for Directors was approved at the 127th Annual General Meeting of Shareholders held on May 26, 2016, to be within an annual limit of ¥500 million for Directors (excluding Directors who are Audit & Supervisory Committee Members, 13 members at the conclusion of the General Meeting of Shareholders), and within an annual limit of ¥80 million for Directors who are Audit & Supervisory Committee Members (five members at the conclusion of the General Meeting of Shareholders). The total amount of stock-based compensation and performance bonus payments to Executive Directors was resolved at the 131st Annual General Meeting of Shareholders held on May 28, 2020, to be within an annual limit of ¥100 million each for Executive Director (12 at the conclusion of the General Meeting of Shareholders).
 3. There is no officer compensation received by Outside Directors from subsidiaries of the Company.

4. The Board of Directors has delegated the authority to determine the base compensation amounts of each director (excluding Directors who are Audit & Supervisory Committee members) to Yoshishige Shimatani, Representative Director and Chairperson, and to Hiroyasu Matsuoka, Representative Director, President, and Executive Officer. The reason for the delegation is that the Company has determined that both Representative Directors are best suited to evaluate the responsibilities and individual performance of each Director, while taking into consideration factors including the Company's overall performance. The responsibilities of the persons who have received the delegation of authority are as stated in "3. (1) Directors" in the Business Report. In determining the details of the delegation, the Governance Committee deliberates and decides within the framework of the total amount of compensation set by a resolution of the General Meeting of Shareholders.
5. Performance bonuses as performance-linked compensation use consolidated operating profit as the performance indicator. This is because it is considered the most appropriate numerical indicator to show the results of the TOHO Group for a single fiscal year. The amount of the performance bonus is calculated in accordance with Section 3 of the Basic Policy described in "3. (4) Compensation, etc. of Directors" in the Business Report, and the payment criteria for the fiscal year under review were determined as follows at a meeting of the Board of Directors held on May 23, 2024, after deliberation by the Governance Committee on the same day. The actual value of the performance indicator used for the calculation (consolidated operating profit) was ¥64.6 billion, and it was decided to pay 200% of each person's base monthly compensation.

Fiscal year ended February 28, 2025 Consolidated operating profit	Multiplier of base monthly compensation
¥60.0 billion or more	200%
¥55.0 billion to less than ¥60.0 billion	100%
Less than ¥55.0 billion	0%

(5) Matters Related to Outside Officers (as of February 28, 2025)

Position and name	Significant concurrent positions	Attendance, speeches, and outline of duties performed regarding the roles expected of outside directors
Outside Director (Audit & Supervisory Committee Member) Satoshi Ando	Attorney at law Outside Director of ISHIHARA SANGYO KAISHA, LTD.	As a lawyer well-versed in the circumstances of the industry to which TOHO Group belongs and as an outside officer of a business corporation, he fulfills an appropriate role in ensuring the validity and appropriateness of decision-making by supervising and advising the Board of Directors from a professional standpoint, particularly on corporate governance and compliance, based on the broad insight gained through his experience. In addition, as chair of the Governance Committee, he is also responsible for overseeing the process of selecting candidates for the Company's Board of Directors and determining officer compensation, etc., from an objective and neutral standpoint. <ul style="list-style-type: none"> Attendance at the Board of Directors meetings: 11 of 11 Attendance at the Audit & Supervisory Committee: 11 of 11
Outside Director (Audit & Supervisory Committee Member) Masako Orii	Corporate Advisor of Suntory Holdings Limited Executive Director of SUNTORY HALL, SUNTORY FOUNDATION for the ARTS Independent Director of Obayashi Corporation	She has engaged in corporate management in industries different from the Company's, promoted marketing and human resource development, and served as an outside officer of a business corporation, as well as having a deep knowledge of arts and culture projects. Drawing on the broad perspective gained through her career, she fulfills an appropriate role in ensuring the validity and appropriateness of decision-making by supervising and advising the Board of Directors, particularly in areas such as management strategy, sustainability, and human resource development. In addition, as member of the Governance Committee, she is also responsible for overseeing the process of selecting candidates for the Company's Board of Directors and determining officer compensation, etc., from an objective and neutral standpoint. <ul style="list-style-type: none"> Attendance at the Board of Directors meetings: 11 of 11 Attendance at the Audit & Supervisory Committee: 10 of 11
Outside Director (Audit & Supervisory Committee Member) Izumi Okoshi	Executive Officer of CHANGE Holdings, Inc. Outside Director of Fuji Nihon Corporation Outside Director of SRA Holdings, Inc.	She has engaged in corporate management of global businesses and served as an outside officer of a business corporation, as well as possessing extensive knowledge in business transformation, digital, and cyber security. Based on the broad insights gained through her career, she fulfills an appropriate role in ensuring the validity and appropriateness of decision-making by supervising and advising the Board of Directors, particularly in the area of risk management regarding new digital businesses and investments in growth strategies. In addition, as member of the Governance Committee, she is also responsible for overseeing the process of selecting candidates for the Company's Board of Directors and determining officer compensation, etc., from an objective and neutral standpoint. <ul style="list-style-type: none"> Attendance at the Board of Directors meetings: 9 of 9 Attendance at the Audit & Supervisory Committee: 8 of 8

- (Notes)
1. There are no special relationships between the Company and the major concurrent positions held by the Outside Directors.
 2. For Outside Director (Audit & Supervisory Committee Member) Izumi Okoshi, the status after her appointment on May 23, 2024 is shown.

4. Financial Auditor

(1) Financial Auditor's Name

Deloitte Touche Tohmatsu LLC

(2) Financial Auditor's Compensation, etc.

	Amount paid
Financial Auditor's compensation, etc., for the fiscal year ended February 28, 2025	¥92 million
Cash and other profits payable by the Company or its subsidiaries to Financial Auditor	¥227 million

- (Notes)
1. The Company's Audit & Supervisory Committee has reviewed the previous fiscal year's audit plan and actual results, confirmed the trend in compensation amounts, and, after hearing from the responsible departments regarding the execution status of audit duties, has comprehensively considered the appropriateness of the estimated audit hours and compensation for the current fiscal year, and consented to the compensation for the Financial Auditor pursuant to Article 399, paragraph (1) of the Companies Act.
 2. In the audit contract between the Company and the Financial Auditor, the audit fees based on the Companies Act and the Financial Instruments and Exchange Act are not separately distinguished, so the above amount represents the total of both.

(3) Description of Non-Audit Services

Not applicable.

(4) Policy on Determination of Dismissal or Non-reappointment of Financial Auditor

The Company's Audit & Supervisory Committee shall dismiss or not reappoint the Financial Auditor after deliberation by the Audit & Supervisory Committee if the Financial Auditor falls under any of the following items and it is deemed inappropriate for the Financial Auditor to continue to perform their duties.

1. When there is a violation or conflict with the Companies Act, the Certified Public Accountants Act, or other laws and regulations
2. When it is deemed that there has been an act that offends public order and morals
3. When it is deemed that the appropriateness and reliability of the audit cannot be ensured due to the status of the Financial Auditor's duties, etc.

5. Other Important Matters Concerning the Current Status of the Corporate Group

Not applicable.

The figures and number of shares stated in this business report are rounded down to the nearest display unit.
The ratios are rounded to the nearest unit.

Consolidated Financial Statements

Consolidated Balance Sheet

(As of February 28, 2025)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	202,050	Current liabilities	90,941
Cash and deposits	42,905	Accounts payable-trade	35,455
Notes and accounts receivable -trade, and contract assets	55,981	Short-term borrowings	22
Investments in leases	14,928	Current portion of long-term borrowings	311
Securities	39,036	Accounts payable - other	15,775
Inventories	21,067	Accrued expenses	5,565
Short-term loans receivable with resale agreement	14,995	Income taxes payable	13,174
Other	13,196	Accrued consumption taxes	1,415
Allowance for doubtful accounts	(60)	Provision for bonuses	1,421
Non-current assets	451,017	Provision for bonuses for directors (and other officers)	58
Property, plant and equipment	243,502	Asset retirement obligations	145
Buildings and structures	103,713	Guarantee deposits received	1,158
Machinery, equipment and vehicles	7,566	Other	16,436
Tools, furniture and fixtures	2,961	Non-current liabilities	67,311
Land	125,456	Long-term borrowings	1,575
Construction in progress	3,694	Deferred tax liabilities	27,887
Other	110	Retirement benefit liability	3,771
Intangible assets	30,751	Provision for retirement benefits for directors (and other officers)	168
Leasehold interests in land	1,449	Asset retirement obligations	9,374
Software	1,580	Long-term guarantee deposits	24,380
Software in progress	4,039	Other	153
Goodwill	18,046	Total liabilities	158,253
Other intangible assets	5,635	(Net assets)	
Investments and other assets	176,764	Shareholders' equity	425,608
Investment securities	153,764	Share capital	10,355
Deferred tax assets	3,430	Capital surplus	14,216
Retirement benefit asset	2,696	Retained earnings	466,066
Guarantee deposits	12,802	Treasury shares	(65,031)
Other	4,179	Accumulated other comprehensive income	52,781
Allowance for doubtful accounts	(109)	Valuation difference on available-for-sale securities	44,778
		Deferred gains or losses on hedges	(127)
		Foreign currency translation adjustment	7,041
		Remeasurements of defined benefit plans	1,088
		Non-controlling interests	16,425
		Total net assets	494,815
Total assets	653,068	Total liabilities and net assets	653,068

Consolidated Statement of Income

(March 1, 2024 – February 28, 2025)

(Millions of yen)

Description	Amount	
Operating revenue		313,171
Operating costs		168,611
Gross profit		144,559
Selling, general and administrative expenses		79,875
Operating profit		64,684
Non-operating income		
Interest and dividend income	3,133	
Foreign exchange gains	313	
Other	640	4,088
Non-operating expenses		
Interest expenses	59	
Share of loss of entities accounted for using equity method	4,210	
Other	48	4,317
Ordinary profit		64,455
Extraordinary income		
Gain on sales of non-current assets	295	
Gain on sale of investment securities	2,859	
Other	320	3,475
Extraordinary losses		
Impairment losses	1,631	
Loss on tax purpose reduction entry of non-current assets	9	
Compensation loss on eviction	224	1,865
Profit before income taxes		66,065
Income taxes - current	23,024	
Income taxes - deferred	(1,773)	21,250
Profit		44,815
Profit attributable to non-controlling interests		1,458
Profit attributable to owners of parent		43,357

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet

(As of February 28, 2025)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	134,540	Current liabilities	119,267
Cash and deposits	13,501	Accounts payable – trade	14,098
Accounts receivable - trade	29,470	Short-term borrowings from subsidiaries and associates	72,989
Investments in leases	14,182	Current portion of long-term borrowings from subsidiaries and associates	7,480
Securities	39,026	Accounts payable – other	2,579
Inventories	14,233	Accrued expenses	4,205
Short-term loans receivable with resale agreement	14,995	Income taxes payable	8,166
Current portion of long-term loans receivable from subsidiaries and associates	1,403	Provision for bonuses	419
Other	7,774	Provision for bonuses for directors (and other officers)	39
Allowance for doubtful accounts	(48)	Other	9,289
Non-current assets	386,133	Non-current liabilities	50,554
Property, plant and equipment	164,422	Long-term borrowings from subsidiaries and associates	4,385
Buildings and structures	66,770	Deferred tax liabilities	19,916
Machinery, equipment and vehicles	1,046	Provision for retirement benefits	1,577
Tools, furniture and fixtures	646	Director's retirement benefits payable	23
Land	93,535	Asset retirement obligations	3,984
Construction in progress	2,422	Long-term guarantee deposits	20,667
Intangible assets	6,761	Total liabilities	169,821
Leasehold interests in land	886	(Net assets)	
Software	425	Shareholders' equity	307,943
Software in progress	3,967	Share capital	10,355
Goodwill	1,364	Capital surplus	10,729
Other	117	Legal capital surplus	10,603
Investments and other assets	214,949	Other capital surplus	126
Investment securities	108,486	Retained earnings	346,965
Shares of subsidiaries and associates	68,953	Legal retained earnings	2,588
Long-term loans receivable from subsidiaries and associates	33,166	Other retained earnings	344,376
Prepaid pension costs	1,050	Reserve for tax purpose reduction entry of land	615
Guarantee deposits	725	Reserve for tax purpose reduction entry of buildings	46
Other	2,664	General reserve	120,465
Allowance for doubtful accounts	(96)	Retained earnings brought forward	223,249
		Treasury shares	(60,107)
		Valuation and translation adjustments	42,909
		Valuation difference on available-for-sale securities	42,909
		Total net assets	350,852
Total assets	520,673	Total liabilities and net assets	520,673

Non-Consolidated Statement of Income

(March 1, 2024 – February 28, 2025)

(Millions of yen)

Description	Amount	
Operating revenue		171,550
Operating costs		91,706
Gross profit		79,843
Selling, general and administrative expenses		39,793
Operating profit		40,050
Non-operating income		
Interest and dividend income	9,200	
Foreign exchange gains	344	
Other	47	9,593
Non-operating expenses		
Interest expenses	192	
Provision of allowance for doubtful accounts	37	
Other	5	235
Ordinary profit		49,408
Extraordinary income		
Gain on sales of non-current assets	192	
Gain on sale of investment securities	2,667	
Receive consent fee	300	3,159
Extraordinary losses		
Loss on exchange from dividends	155	
Compensation loss on eviction	224	379
Profit before income taxes		52,187
Income taxes - current	14,055	
Income taxes - deferred	(919)	13,136
Profit		39,051

Independent Auditor's Report
(English Translation)

April 11, 2025

To the Board of Directors
TOHO CO., LTD.

Deloitte Touche Tohmatsu LLC
Tokyo Office
Mitsuyasu Nakagiri
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Yasuhiro Kawaguchi
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Audit Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements of TOHO CO., LTD., namely the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity for the fiscal year from March 1, 2024 to February 28, 2025, and notes to consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material aspects, the status of assets and profits and losses of TOHO CO., LTD. and its consolidated subsidiaries (the "Group") for the period of the consolidated financial statements concerned in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with audit standards generally accepted in Japan. Our responsibilities under the audit standards are further described in the Auditor's Responsibility in the Audit of the Consolidated Financial Statements. We are independent of the Group in accordance with the code of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as an auditor. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information

Other information includes the business report and supplementary schedules thereof. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties in developing and operating the reporting process for the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not express our opinion thereon.

Regarding the consolidated financial statements, our responsibility is to read thoroughly the other information, review whether the other information is materially inconsistent with the consolidated financial statements or with our knowledge obtained in the process of the audit in the course of doing so, and note for any other signs of material misstatement in the other information.

If we conclude that there is material misstatement in the other information based on the work performed, we

are required to report on such fact. We have no matters to report in this regard.

Responsibilities of Management, Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes the development and operation of internal control as management determines is necessary for the preparation and fair presentation of the consolidated financial statements that are free from materially false statements due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether preparing the consolidated financial statements based on the going concern assumption is appropriate. If it finds necessary to disclose the matters relating to the going concern based on accounting principles generally accepted in Japan, it will be responsible to disclose such matters.

The Audit & Supervisory Committee is responsible for overseeing the Director's performance of duties relating to the development and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error based on the audit we conduct and to issue an auditor's report that includes our opinion on the consolidated financial statements from an independent standpoint. Misstatements may arise from fraud or error, and they will be considered material if individually or in the aggregate, they reasonably expect to affect the decision-making of those using the consolidated financial statements.

We exercise professional judgement and maintain professional skepticism throughout the audit in accordance with auditing standards generally accepted in Japan. We also:

- Identify and assess risks of material misstatement due to fraud or error and design and implement audit procedures that address such risks. The audit procedures selected and applied depend on the auditor's discretion. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion expressed.
- Consider internal control relating to the audit to design audit procedures that are appropriate according to circumstances upon performing the risk assessment, although the objective of audit for consolidated financial statements is not to express our opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies and the application method adopted by management, the reasonableness of accounting estimates made by management, and validity of related cautions.
- Conclude on the appropriateness of management to prepare consolidated financial statements based on the going concern assumption and the presence of any event that may cause material doubt or material uncertainty in the status of the going concern assumption based on the audit evidence obtained. In our auditor's report, we are required to bring to notice in the notes to consolidated financial statements any findings of material uncertainty relating to the going concern assumption or to express our opinion with qualifications on the consolidated financial statements if the material uncertainty is inadequate to notify in the notes to consolidated financial statements. Our conclusion is based on the audit evidence obtained by the date of our auditor's report, and future events and situations may cause the Company to cease to exist as a going concern.
- Evaluate whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan and whether the presentation, structure, and details of the consolidated financial statements, including related notes, as well as the presentation of transactions and accounting matters that form the basis of the consolidated financial statements are fair.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Group to express our opinion on the consolidated financial statements. We are responsible for direction, supervision, and implementation relating to the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate to the Audit & Supervisory Committee the scope of the planned audit and its timing of implementation, significant audit findings including material incompleteness in internal control that we identify during our audit, and other matters that audit standards require.

We report to the Audit & Supervisory Committee that we have complied with the code of professional ethics in Japan regarding independence. We report matters reasonably thought to affect our independence, and if we

are taking measures to eliminate inhibiting factors or adopting safeguards to mitigate the factors to an acceptable level, details of such.

Interests

The Group has no interest in our firm or engagement partners which are required to be stated in accordance with the provisions of the Certified Public Accountants Act.

Independent Auditor's Report
(English Translation)

April 11, 2025

To the Board of Directors
TOHO CO., LTD.

Deloitte Touche Tohmatsu LLC
Tokyo Office
Mitsuyasu Nakagiri
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Yasuhiro Kawaguchi
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Audit Opinion

Pursuant to Article 436, paragraph (2), item (1) of the Companies Act, we have audited the financial statements of TOHO CO., LTD., namely the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity for the 136th fiscal year from March 1, 2024 to February 28, 2025, notes to non-consolidated financial statements, and supplementary schedules (hereinafter referred to as "Financial Statements, etc.").

In our opinion, the accompanying Financial Statements, etc. present fairly, in all material aspects, the status of assets and profits and losses of TOHO CO., LTD. for the period of the Financial Statements, etc. concerned in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with audit standards generally accepted in Japan. Our responsibilities under the audit standards are further described in the Auditor's Responsibility in the Audit of the Financial Statements, etc. We are independent of the Company in accordance with the code of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as an auditor. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information

Other information includes the business report and supplementary schedules thereof. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties in developing and operating the reporting process for the other information.

Our audit opinion on the Financial Statements, etc. does not cover the other information, and we do not express our opinion thereon.

Regarding the Financial Statements, etc., our responsibility is to read thoroughly the other information, review whether the other information is materially inconsistent with the Financial Statements, etc. or with our knowledge obtained in the process of the audit in the course of doing so, and note for any other signs of material misstatement in the other information.

If we conclude that there is material misstatement in the other information based on the work performed, we are required to report on such fact. We have no matters to report in this regard.

Responsibilities of Management, Audit & Supervisory Committee for the Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the Financial Statements, etc. in accordance with accounting principles generally accepted in Japan. This includes the development and operation of internal control as management determines is necessary for the preparation and fair presentation of the Financial Statements, etc. that are free from materially false statements due to fraud or error.

In preparing the Financial Statements, etc., management is responsible for assessing whether preparing the Financial Statements, etc. based on the going concern assumption is appropriate. If it finds necessary to disclose the matters relating to the going concern based on accounting principles generally accepted in Japan, it will be responsible to disclose such matters.

The Audit & Supervisory Committee is responsible for overseeing the Director's performance of duties relating to the development and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements, etc.

Our responsibility is to obtain reasonable assurance about whether the Financial Statements, etc. as a whole are free from material misstatement due to fraud or error based on the audit we conduct and to issue an auditor's report that includes our opinion on the Financial Statements, etc. from an independent standpoint. Misstatements may arise from fraud or error, and they will be considered material if individually or in the aggregate, they reasonably expect to affect the decision-making of those using the Financial Statements, etc.

We exercise professional judgement and maintain professional skepticism throughout the audit in accordance with auditing standards generally accepted in Japan. We also:

- Identify and assess risks of material misstatement due to fraud or error and design and implement audit procedures that address such risks. The audit procedures selected and applied depend on the auditor's discretion. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion expressed.
- Consider internal control relating to the audit to design audit procedures that are appropriate according to circumstances upon performing the risk assessment, although the objective of audit for Financial Statements, etc. is not to express our opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies and the application method adopted by management, the reasonableness of accounting estimates made by management, and validity of related cautions.
- Conclude on the appropriateness of management to prepare Financial Statements, etc. based on the going concern assumption and the presence of any event that may cause material doubt or material uncertainty in the status of the going concern assumption based on the audit evidence obtained. In our auditor's report, we are required to bring to notice in the notes to Financial Statements, etc. any findings of material uncertainty relating to the going concern assumption or to express our opinion with qualifications on the Financial Statements, etc. if the material uncertainty is inadequate to notify in the notes to Financial Statements, etc. Our conclusion is based on the audit evidence obtained by the date of our auditor's report, and future events and situations may cause the Company to cease to exist as a going concern.
- Evaluate whether the presentation of and notes to the Financial Statements, etc. are in accordance with accounting principles generally accepted in Japan and whether the presentation, structure, and details of the Financial Statements, etc., including related notes, as well as the presentation of transactions and accounting matters that form the basis of the Financial Statements, etc. are fair.

We communicate to the Audit & Supervisory Committee the scope of the planned audit and its timing of implementation, significant audit findings, including material incompleteness in internal control that we identify during our audit, and other matters that audit standards require.

We report to the Audit & Supervisory Committee that we have complied with the code of professional ethics in Japan regarding independence. We report matters reasonably thought to affect our independence, and if we are taking measures to eliminate inhibiting factors or adopting safeguards to mitigate the factors to an acceptable level, details of such.

Interests

The Company has no interest in our firm or engagement partners which are required to be stated in accordance with the provisions of the Certified Public Accountants Act.

Audit Report (English Translation)

The Audit & Supervisory Committee audited the performance of duties by the Directors for the 136th fiscal year from March 1, 2024 to February 28, 2025, and hereby submits the method and results of the audit.

1. Auditing Methods and Details of Such Methods

The Audit & Supervisory Committee periodically received reports from Directors, Executive Officers, employees, etc. on details of the resolution by the Board of Directors meeting relating to matters set forth in Article 399-13, paragraph (1), items (i) (b) and (c) of the Companies Act and the status of the establishment and operation of the system (internal control system) developed based on such resolution, requested explanations as necessary, and expressed opinions. We also conducted audits by the following methods.

- (1) The Audit & Supervisory Committee Members attended important meetings, received reports from Directors, Executive Officers, employees, etc. on matters related to the performance of their duties, requested explanations as necessary, viewed documents such as decision-making documents, and examined the status of operations and assets at Head Office and main offices in cooperation with the internal control department and other departments while also utilizing methods via the internet, in accordance with the audit policies, division of duties, audit plans, etc. set forth by the Audit & Supervisory Committee. We periodically received reports on the operation of subsidiaries from the Company's Internal Control Audit Department, Group Management & Business Solution Department, etc., communicated and exchanged information with Directors, Audit & Supervisory Committee Members, etc. of the subsidiaries, received reports on business from subsidiaries, and requested explanations, as necessary.
- (2) The Audit & Supervisory Committee Members oversaw and verified whether the Financial Auditor maintained an independent standpoint and conducted a fair audit, received reports from the Financial Auditor on the status of performance of its duties, and requested explanations as necessary. We also received notification from the Financial Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), it has developed a "systems for ensuring that the performance of the duties of Financial Auditor(s) is being carried out correctly" (matter stated in each item of Article 131 of the Regulation on Corporate Accounting) and requested explanations as necessary. We consulted primary audit considerations with the Financial Auditor, received reports on the status of implementing the audits thereof, and requested explanations as necessary.

Based on the method above, we examined the business report and supplementary schedules thereof, non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, notes to non-consolidated financial statements) and supplementary schedules thereof as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, notes to consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1. We find that the business report and supplementary schedules thereof accurately present the status of the Company in accordance with the laws, regulations, and the Articles of Incorporation.
2. We do not find any misconduct or material fact constituting a violation of laws, regulations, or Articles of Incorporation concerning the Directors' performance of their duties.
3. We find the details of the resolutions of the Board of Directors meetings regarding the internal control system to be reasonable. In addition, we do not find any matters we should comment on regarding the statements in the business report or the Directors' performance of their duties relating to the internal control system.

(2) Results of Audit of Non-Consolidated Financial Statements and Supplementary Schedules We find the methods and results of the audit by the Financial Auditor, Deloitte Touche Tohmatsu LLC, to be reasonable.

(3) Results of Audit of Consolidated Financial Statements We find the methods and results of the audit by the Financial Auditor, Deloitte Touche Tohmatsu LLC, to be reasonable.

April 11, 2025

Audit & Supervisory Committee, TOHO CO., LTD.

Full-Time Audit & Supervisory Committee Member	Eiichi Ogata	(Seal)
Audit & Supervisory Committee Member	Satoshi Ando	(Seal)
Audit & Supervisory Committee Member	Masako Orii	(Seal)
Audit & Supervisory Committee Member	Izumi Okoshi	(Seal)

(Note) Audit & Supervisory Committee Members, Satoshi Ando, Masako Orii, and Izumi Okoshi are outside Directors as stipulated in Article 2, paragraph (15) and Article 331, paragraph (6) of the Companies Act.