

KeyHolder (4712)

Consolidated Fiscal Year (IFRS)		Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
(Million Yen)								
FY12/2024		31,090	2,805	2,629	2,500	133.01	10.00	1,165.46
FY12/2025		35,630	1,573	1,058	857	45.56	10.00	1,201.11
FY12/2026CoE		36,000	1,600	-	1,000	53.14	11.00	-
FY12/2025	YoY	14.6%	(43.9%)	(59.8%)	(65.7%)	-	-	-
FY12/2026CoE	YoY	1.0%	1.7%	-	16.6%	-	-	-

Source: Company data and WRJ calculations

1.0 Executive Summary (31 March 2026)

Growth Momentum Rebuilding Phase


KeyHolder's performance trajectory, under which the Company consistently plans, produces, develops, deploys and monetizes a wide range of content centered on Nogizaka46 as its core IP, has entered a growth momentum rebuilding phase starting with the results for FY12/2025. While the Company is oriented toward medium- to long-term growth through the creation of new proprietary IP content, it is also seeking to strike a balance between growth and stability and, as a result, short-term performance has shown significant volatility driven by multiple one-off factors associated with two M&A transactions executed to advance this management strategy. With respect to 10ANTZ, which engages in the development and operation of app-based games and became a consolidated subsidiary as of 1 January 2024, revenue has been recognized on a full-year basis starting from FY12/2024, while at the initial stage the Company was compelled to record an impairment loss of ¥909m related to goodwill and associated assets. In addition, regarding TOPOS ENTERPRISE, which primarily engages in Logistics Business and became a consolidated subsidiary as of 1 October 2024, revenue has been recognized starting from Q4 (October–December) FY12/2024, while a gain on negative goodwill of ¥2,551m was recorded in connection with the execution of the M&A. Furthermore, the Company's asset base, including right-of-use assets, has expanded substantially, reflecting the fact that TOPOS ENTERPRISE, which is deeply involved in logistics operations, utilizes warehouses and other facilities under long-term lease arrangements. As a consequence, from FY12/2025 onward, the Company has begun recording interest expenses on lease liabilities, representing interest costs that accrue over time on lease liabilities, as financial expenses in period profit and loss. However, from FY12/2025 through FY12/2026, all of these one-off impacts are expected to fully dissipate and, accordingly, the Company is projected to achieve a performance trajectory that more directly reflects its underlying earnings power.

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2.0 Company Profile

Group Policy “Creating Abundance”

Company Name	KeyHolder, Inc. Company Website (English Contents) Share price (Japanese) 
Established	26 December 1967
Listing	26 November 1998: Tokyo Stock Exchange Standard Market (ticker: 4712)
Capital	¥92m (as of the end of December 2025)
No. of Shares	18,967,410 shares, including 148,764 treasury shares (as of the end of Dec. 2025)
Main Features	<ul style="list-style-type: none"> ● A holding company that has grown through a series of M&A transactions ● Advocating the creation of new proprietary IP content ● Logistics Business operated by TOPOS ENTERPRISE emerging as a new source of earnings
Segments	I . Entertainment Business II . Video & TV Program Production Business III . Advertising Agency Business IV . Logistics Business V . Other Business
Representative	President and CEO: Yushi Oide
Main Shareholders	J Trust Co., Ltd. 29.81%, Yasushi Akimoto 7.59%, Omotesando Capital Co., Ltd. 7.23%, SMEJ Plus, INC. 2.59%, Atsushi Morita 1.99% and Forthree, Inc. 1.58% (as of the end of December 2025)
Head Office	Shibuya-ku, Tokyo
No. of Personnel	Consolidated: 1,053 (as of the end of December 2025)

Source: Company data

3.0 Group Policy

Sustainable Value Circulation

What the Group Policy, “Creating Abundance,” suggests is that the Company is seeking to realize sustainable value circulation across its overall IP portfolio by making medium- to long-term investments in the creation of new IP while maintaining a foundation of stable earnings generated from existing IP. Rather than aiming to maximize short-term profits, the Company has articulated a policy of sustainably enhancing corporate value through the creation, accumulation and reinvestment of value originating from IP. The Company’s business structure places entertainment domains such as live events, video and TV program production and digital content at its core, while combining these with businesses such as logistics and food & beverage operations, thereby enabling the multifaceted monetization of IP value and the generation of recurring earnings flows, and as such, a high degree of consistency can be observed between the Group’s philosophy and its actual management strategy.

What the Company refers to as “creativity” is reflected in management as a medium- to long-term investment stance toward the creation of new IP. While the well-established IP of Nogizaka46 serves as the core earnings driver for the Group, initiatives such as newcomer discovery auditions, video distribution operations and engagement in overseas projects have been pursued on an ongoing basis, even where their short-term contribution to earnings is limited, with a view to future growth potential. This approach can be positioned as a strategy that acknowledges the inherent characteristics of the IP business, where the reproducibility of hits is low and a considerable amount of time is required for results to materialize, and that seeks to steadily accumulate new growth options by leveraging cash flows generated from existing IP.

In addition, the value of “integrity” advocated by the Company is reflected in its governance framework and IR stance. The Company discloses relatively candidly negative factors such as its high dependence on revenue from Nogizaka46, impairment losses in digital content and variances from initial assumptions following M&A, and explicitly identifies these issues as management challenges. This disclosure approach can be seen as reflecting a management philosophy that prioritizes the building of long-term trust with investors over short-term market evaluations. Furthermore, the Company’s involvement in the Logistics Business is positioned as a pragmatic measure to mitigate the earnings volatility inherent in entertainment operations. Centered on storage and transportation services for amusement machines for amusement facilities, this business is expected to support the Company’s earnings through high profitability and a certain degree of recurring revenue characteristics.

Overall, the Group Policy can be regarded not as a mere slogan but as a clear articulation of the Company’s management strategy itself, namely building a foundation of stable earnings from existing IP while making medium- to long-term investments in new IP and balancing risk and return across the overall IP portfolio. Although the Company remains in an adjustment phase and continues to bear upfront investment burdens, the high degree of consistency between its philosophy and management decisions and the simultaneous progress in improving the earnings structure and accumulating growth options are noteworthy. Looking ahead, as earnings from existing businesses stabilize and progress in new initiatives becomes clearer, there appears to be ample room for a re-evaluation of the Company’s corporate value.

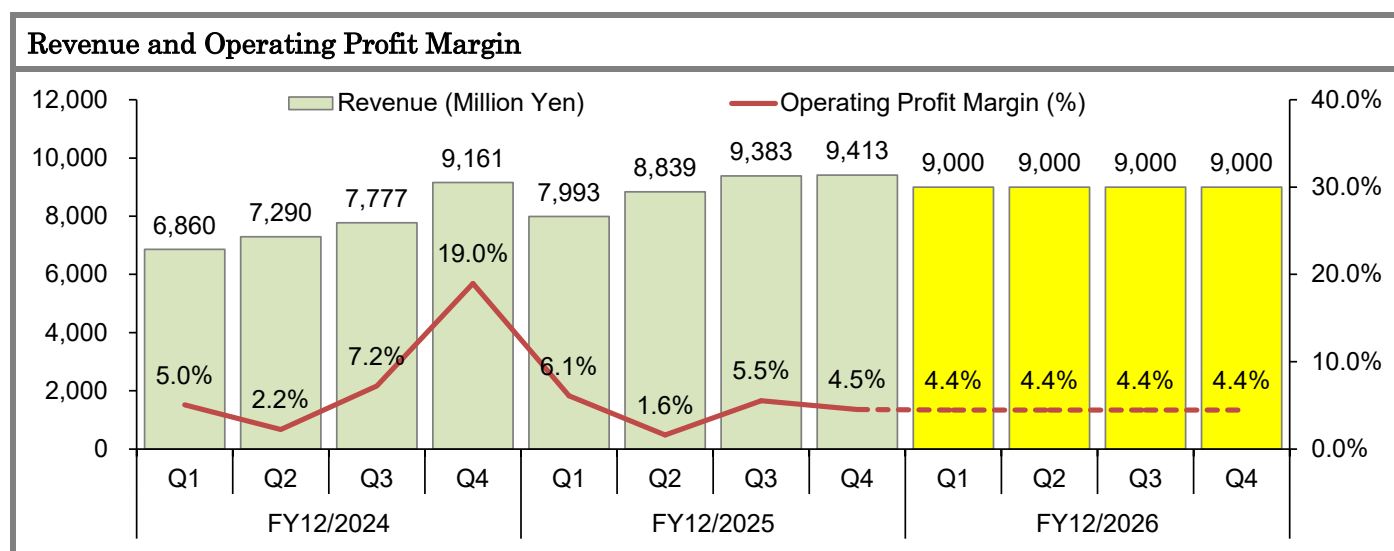
Selected Company History

Date	Events
December 1967	Established Sigma Co., Ltd. with the aim of conducting game machine installation operations centered on imported amusement machines
November 1998	The shares were registered for over-the-counter trading with the Japan Securities Dealers Association (currently the Tokyo Stock Exchange)
October 2000	Under the umbrella of ARUZE CORP. (currently Universal Entertainment Corporation), Sigma Co., Ltd. (the surviving company) merged with Technical Management Co., Ltd. and Tamaki Design Co., Ltd., and the corporate name was changed to ADORES, Inc.
October 2017	Transitioned to a holding company structure, changed the corporate name to “KeyHolder, Inc.” and made ADORES, Inc. a wholly owned subsidiary
March 2018	All shares of ADORES, Inc. were transferred, resulting in a withdrawal from the game center operation business and a strategic shift toward the Entertainment Business
April 2018	Established KeyStudio Co., Ltd. to engage in the live entertainment business and KeyProduction Co., Ltd. to engage in the television program production business
July 2018	Established FA Project Co., Ltd., a joint venture engaged in artist and talent management as well as the planning, development and production of new projects
December 2018	Established SKE Co., Ltd., an entertainment production company engaged in the operation and management of idols and talents
April 2019	allfuz, Inc. was made a wholly owned subsidiary through a share exchange, and WHURLIN LARGE Co., Ltd., which operates the Video & TV Program Production Business, was made a subsidiary through the acquisition of 100% of its shares
August 2019	With WHURLIN LARGE Co., Ltd. as the base, the production functions of KeyProduction Co., Ltd. and Image Field Inc. were integrated to form UNITED PRODUCTIONS Co., Ltd.
October 2019	Wizenlarge Co., Ltd., which provides personnel dispatch services in video & TV program production, was made a subsidiary through the acquisition of all shares
August 2020	North River Inc. was made a subsidiary through the acquisition of 100% of its shares, and 50% of the shares of Nogizaka46 LLC held by the said company were acquired, making it an equity-method affiliate
January 2022	UNITED PRODUCTIONS Co., Ltd. and Wizenlarge Co., Ltd. were integrated, resulting in the formation of one of Japan’s leading independent video & TV program production companies.
January 2024	10ANTZ Co., Ltd. became a second-tier subsidiary through the acquisition of 51% of its shares by North River Inc.
October 2024	TOPOS ENTERPRISE Co., which currently operates the Logistics Business, was made a subsidiary through the acquisition of 100% of its shares
May 2025	Red List Co., Ltd., which operates the steakhouse “Empire Steak House Roppongi,” was made a subsidiary through the acquisition of 100% of its shares
August 2025	AOI Corporation, Inc., an entertainment production company, was made a subsidiary through the acquisition of 100% of its shares

4.0 Recent Trading and Prospects

FY12/2025

In FY12/2025, revenue came in at ¥35,630m (up 14.6%), operating profit ¥1,573m (down 43.9%), profit before tax ¥1,058m (down 59.8%) and profit attributable to owners of parent ¥857m (down 65.7%), while operating profit margin was 4.4% (down 4.6% points). Meanwhile, in the Company forecast for FY12/2026, revenue of ¥36,000m (up 1.0%), operating profit of ¥1,600m (up 1.7%) and operating profit margin of 4.4% (up 0.0% points) are projected.



Source: Company data and WRJ calculations (FY12/2026: quarterly figures are evenly allocated from the full-year Company forecast)

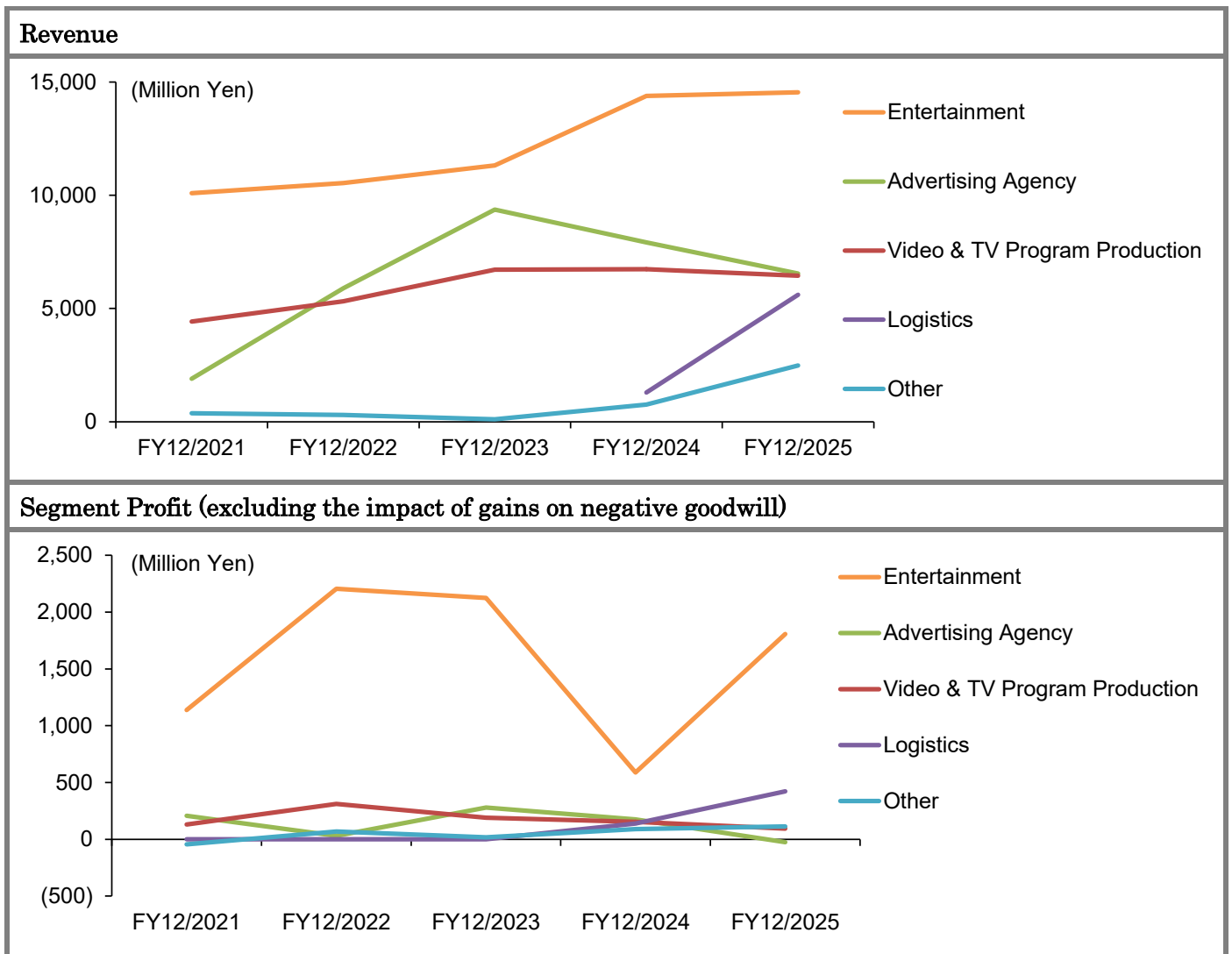
When organizing the performance overview for FY12/2025, the most important point is that while earnings levels fluctuated due to one-off factors, there has been no material change in the Company's underlying earnings structure itself. Although headline earnings appear volatile, the earnings power and revenue models of each business have not been impaired and the current phase calls for an assessment that takes into account the breakdown and structure of earnings rather than surface-level movements alone.

From a segment perspective, the Entertainment Business and the Logistics Business primarily shape the Company's overall earnings trends. While the Video & TV Program Production Business and the Advertising Agency Business also form part of the business portfolio, their impact on earnings fluctuations in FY12/2025 was relatively limited, clearly indicating that the Company's earnings structure is supported by two main pillars: the Entertainment Business and the Logistics Business.

In the Entertainment Business, a structure in which Nogizaka46 continues to occupy a central position in earnings among the Company's major content remains in place. According to the Company, the earnings level of this business is highly influenced by the performance of Nogizaka46 and, at present, other content has yet to reach a stage where it exerts a comparable level of impact. At the same time, the Company clearly recognizes this structure as a challenge and, rather than relying solely on the utilization of existing IP, continues initiatives to cultivate new IP through newcomer discovery auditions and expansion into the actor and talent domain. As a result, business operations are being conducted in parallel, with Nogizaka46 supporting current earnings while IP creation aimed at becoming future earnings drivers progresses simultaneously.

The Logistics Business plays a complementary role to the earnings structure of the Entertainment Business. In particular, logistics services for amusement facilities operate stably as a business model characterized by high value added and a low-cost structure and are incorporated into the Company's earnings structure as a factor that mitigates the volatility inherent in the Entertainment Business. The presence of this Logistics Business is expected to absorb, to a certain extent, the structural concentration within the Entertainment Business and contribute to greater stability in the Company's earnings structure.

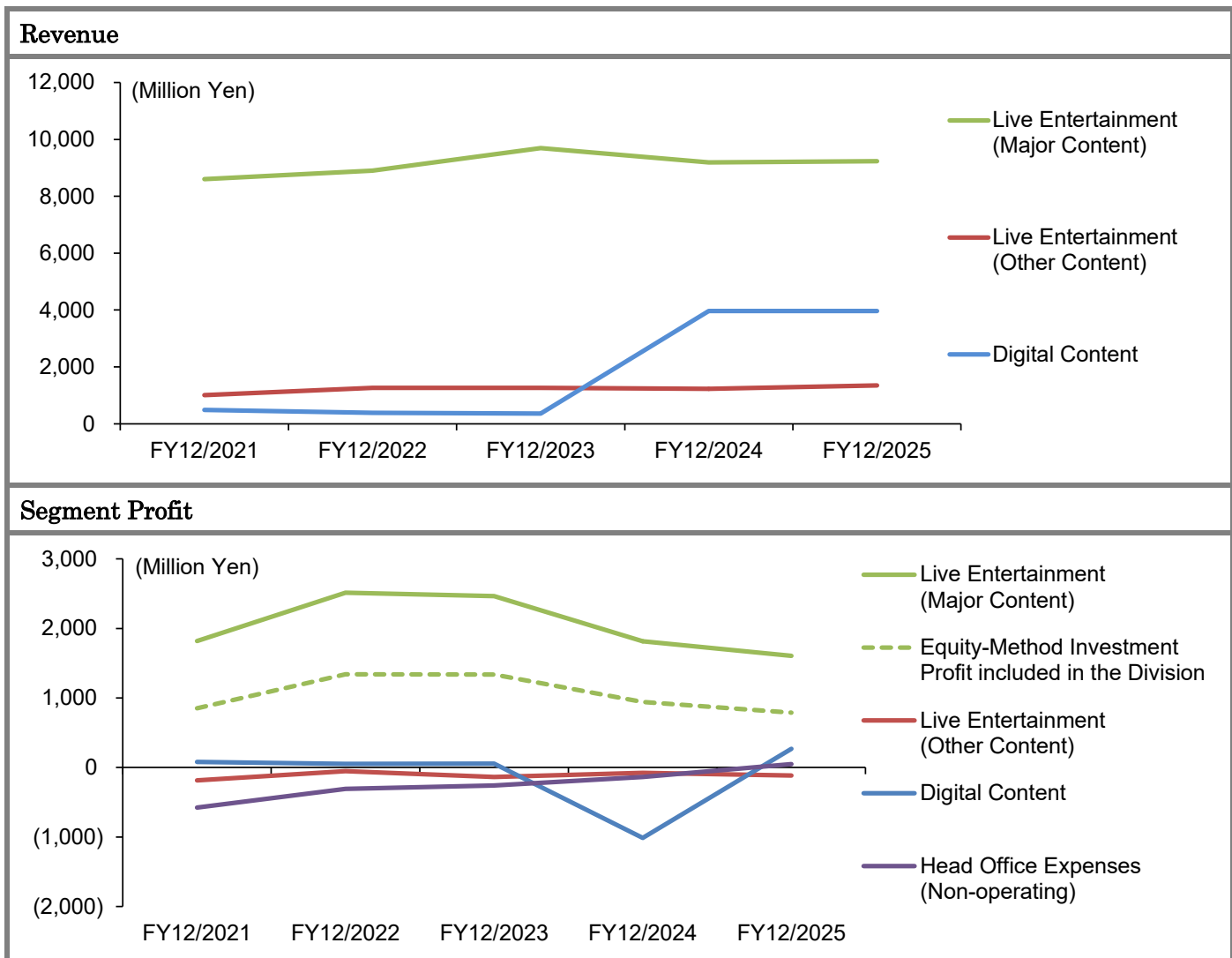
Taking the above into account, in FY12/2025, existing IP centered on Nogizaka46 continued to occupy a central position in the Company's earnings structure, while at the same time the direction toward adjusting its level of dependence over the medium to long term has become clearer. Under an earnings structure built around the Entertainment Business and the Logistics Business, business operations are progressing in a manner that gradually incorporates new IP as future sources of earnings.



Source: Company data and WRJ calculations

Entertainment Business (40.8% of revenue and 74.9% of segment profit)

In FY12/2025, the Entertainment Business posted revenue of ¥14,550m (up 1.2%), segment profit of ¥1,808m (up 207.0%) and segment profit margin of 12.4% (up 8.3% points). By division, live entertainment (major content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki) recorded revenue of ¥9,233m (up 0.5%) and segment profit of ¥1,609m (down 11.5%). Segment profit in this division includes equity-method investment profit of ¥790m (down 16.1%) and, excluding this on a simple basis, segment profit here would be ¥816m (down 6.5%). Live entertainment (other content) recorded revenue of ¥1,352m (up 10.2%) and segment profit of negative ¥114m (FY12/2024: negative ¥77m). Meanwhile, digital content recorded revenue of ¥3,965m (down 0.1%) and segment profit of ¥268m (FY12/2024: negative ¥1,014m).



Source: Company data and WRJ calculations

Live Entertainment (Major Content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki)

In FY12/2025, the Entertainment Business accounted for 40.8% of revenue and 74.9% of segment profit, indicating that it represented a substantial portion of the Company's operating profit. By division within the Entertainment Business, live entertainment (major content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki) accounted for 63.5% of revenue and 91.3% of segment profit. The IP that forms the core of earnings in this area is Nogizaka46.

In live entertainment (major content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki), which accounts for a substantial share of the Company's operating profit, revenue edged up on the back of the steady activities of Nogizaka46, the largest IP, while segment profit was forced to decline mainly due to a decrease in equity-method investment profit. According to the Company, revenue related to merchandise sales at Nogizaka46 live events and box office and merchandise revenue from Novelbright's arena tour continues to perform strongly, confirming the underlying resilience of the business foundation. However, a decline in profit has also occurred due to temporary cost burdens associated with SKE48's transition to a new organizational structure and the impact of adjustments in the number of performances. Meanwhile, the primary factor behind the decline in equity-method investment profit is cited as the absence of the significant contribution recorded in FY12/2024 from Nogizaka46's large-scale graduation live events and related video products, which has now run its course.

Live Entertainment (Major Content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki)



Nogizaka46



SKE48



Novelbright



Hiroshi Tamaki

Source: Company data

The IP portfolio within the Entertainment Business, particularly in live entertainment (major content: Nogizaka46, SKE48, Novelbright and Hiroshi Tamaki), spans multiple domains including idol groups, music artists and actors. Among these, Nogizaka46 engages in multifaceted IP development through music activities, live events, video appearances, streaming content and merchandise revenue, maintaining high recognition and a strong fan base over an extended period. The group continues its activities under a multi-generation structure while proceeding with a generational shift and is positioned as the core IP supporting both the Company's IP value and its earnings scale.

SKE48 is a female idol group based in Sakae-area, Nagoya-city, characterized by performance activities centered on its dedicated theater. While it has built a stable fan base through a locally rooted operating model, it has also maintained ongoing business development through music activities, events and fan club operations. Although the group enjoys nationwide recognition, its continued adherence to an activity style deeply rooted in a specific region represents a distinctive characteristic that differentiates it from other IP.

Novelbright is a music IP that began its activities as a rock band originating from Osaka and has expanded its recognition through social media and streaming platforms. Building up streaming performance through its signature songs via digital distribution, the band has continuously conducted live tours and performances at large venues. Backed by strong support primarily from younger audiences, Novelbright is positioned as a growth-phase IP with multiple revenue bases spanning music distribution, live performances, video content and tie-ups.

Hiroshi Tamaki is an individual IP who has been active as an actor across a wide range of fields including films, television dramas and streaming content and has maintained a stable track record of appearances over a long period. He has established high recognition through his representative works and has continued to appear in high-profile productions in recent years. Supported by his flexibility in handling diverse roles in the acting domain and sustained demand, he functions as one of the Company's core talents in the video domain. While each of the major IP mentioned above differs in terms of revenue model and growth stage, they are combined as an IP portfolio within the Company and play a role in supporting both a stable earnings base and medium- to long-term growth potential.

Live Entertainment (Other Content)

In FY12/2025, live entertainment (other content) achieved revenue growth, while the loss widened. However, within the Entertainment Business, live entertainment (other content) represents a division that reflects business developments related to content other than the major IP discussed above and, for each IP, the contribution to earnings remains inherently limited. Nevertheless, this division is positioned as a complementary area that encompasses future growth potential through initiatives such as new projects originating from live events.

Such IP is often in a development stage, with a strong tendency for revenue ramp-up and earnings contribution to require time. Meanwhile, the Company utilizes this area as a trial field for the creation of new IP and it plays a role in accumulating content developed from different perspectives than existing major IP as well as seeds for future earnings sources. Overall, while live entertainment (other content) does not support near-term performance, it is positioned as a strategic division aimed at expanding the IP portfolio and building medium- to long-term growth options.

Digital Content

In FY12/2025, digital content was characterized by limited growth in revenue while its earnings profile showed increased stability. Until FY12/2022, this division had been small in scale and its impact on the Entertainment Business was limited but, following the consolidation of 10ANTZ, which engages in the development and operation of app-based games, as a consolidated subsidiary as of 1 January 2024, its positioning has shifted to an area with a certain scale of revenue as a division.

At present, the core of digital content revenue is derived from the development and operation of app-based games, with the majority consisting of operating revenue from existing titles handled by 10ANTZ. The Company is not in a phase of actively pursuing revenue expansion through the launch of new titles and, as stock-type revenue generated through the continued operation of existing games forms the main pillar, revenue is structurally unlikely to show significant growth but is considered to have characteristics that make it easier to maintain a certain level of stability.

As noted above, while digital content revenue is structured with a greater emphasis on stability rather than growth, clear improvement is being seen on the profit side. In the initial phase following the consolidation of 10ANTZ, the Company was compelled to record an impairment loss of ¥909m related to goodwill and associated assets but, toward FY12/2025, this impact has largely run its course and qualitative changes in business operations have contributed to improved profitability.

According to the Company, in digital content operations, there has been a clear shift from a management approach that prioritized scale expansion to one that places greater emphasis on profitability and investment efficiency. Specifically, by tightening project selection criteria and reviewing the cost structure, and by restraining resource allocation to low-profit initiatives, a pattern has begun to emerge in which profit margins improve while maintaining revenue levels.

Based on the above, digital content can be positioned not as a division that drives revenue growth but as one that, premised on a stable revenue base, is in a phase of enhancing its earnings contribution through improved profitability. Sluggish revenue growth does not necessarily indicate business stagnation and, under a strategic choice not to pursue growth for its own sake, operations have shifted toward improving the quality of business management, which can be viewed positively from the perspective of strengthening the earnings profile of the Entertainment Business.

Video & TV Program Production Business (18.1% of revenue and 3.9% of segment profit)

In FY12/2025, the Video & TV Program Production Business posted revenue of ¥6,445m (down 4.3%), segment profit of ¥94m (down 38.5%) and segment profit margin of 1.5% (down 0.8% points). The business was forced to record a revenue decline and profit decline due to a decrease in the number of production projects stemming from broadcasters' programming policies as well as the booking of upfront costs related to distribution activities and overseas projects. Meanwhile, cost structure improvements progressed in variety program production and the personnel dispatch business remained stable, indicating no significant change in the underlying business foundation. While profitability has weakened in the near term, the business is currently in the process of building a framework that looks beyond production to include distribution, and this phase calls for distinguishing short-term performance fluctuations from medium- to long-term initiatives.

Advertising Agency Business (18.4% of revenue and negative 1.0% of segment profit)

In FY12/2025, the Advertising Agency Business recorded revenue of ¥6,445m (down 17.3%), segment profit of negative ¥25m (FY12/2024: ¥174m) and segment profit margin of negative 0.4% (down 2.6% points). Revenue declined sharply due to a review of advertising placements by major clients and a contraction in advertising contract values and segment profit fell from a surplus to a slight loss. In the digital advertising division, upfront cost burdens associated with securing talent and strengthening the organizational structure with a view to the future contributed to a decline in profitability while, in the advertising agency division, profitability on sponsorship projects fell short of initial expectations, exerting downward pressure on overall earnings levels within the business. Although the external environment remains challenging in the near term, the business is considered to be in the process of rebuilding its operating framework and reshuffling its client portfolio.

Logistics Business (15.7% of revenue and 17.5% of segment profit)

In FY12/2025, the Logistics Business posted revenue of ¥5,605m, segment profit of ¥421m and segment profit margin of 7.5%. This business segment was newly established following the consolidation of TOPOS ENTERPRISE, which primarily engages in logistics operations, as a consolidated subsidiary as of 1 October 2024 and, in FY12/2024, results were recorded only for Q4 (October–December), with revenue of ¥1,290m and segment profit of ¥2,689m. Segment profit in FY12/2024 included a gain on negative goodwill of ¥2,551m related to general logistics and, even excluding this factor, a high segment profit margin of 10.7% was indicated. Meanwhile, in FY12/2025, with this one-off factor having fully unwound, the results present the underlying profit and loss structure of the Logistics Business.

In addition, at TOPOS ENTERPRISE, which is deeply involved in the core logistics operations, logistics hubs such as warehouses are utilized under long-term lease arrangements and, as a result of the recent consolidation, right-of-use assets and other items have increased, leading to a substantial expansion in the Company's asset base. In connection with this, from FY12/2025, interest expenses on lease liabilities, representing interest costs that accrue over time on lease liabilities, have begun to be recorded as financial expenses in period profit and loss, which amounted to ¥437m in FY12/2025.

For the Logistics Business, in addition to general delivery operations, a key characteristic is its stock-type revenue structure centered on warehouse storage. TOPOS ENTERPRISE operates with major bases in Chiba-prefecture, Saitama-prefecture and Osaka-prefecture and, alongside the storage and transportation of general cargo, provides storage, management and transport services for amusement machines for amusement facilities. In particular, given the specialized nature of amusement machines as cargo, the business focuses on storage services using dedicated warehouses with high security requirements and, while transport frequency is limited, demand for storage over a certain period continues on an ongoing basis.

In logistics services for amusement facilities, the frequency of amusement machine replacement tends to be limited due to industry-specific regulations and operating practices, resulting in longer storage periods. This supports a business model in which stable revenue, mainly from storage fees, is steadily accumulated. In addition, the use of automated warehouses and the advancement of systemization in operations enable the containment of variable costs, primarily labor costs and, compared with general logistics, considerably high profitability is being secured.

Meanwhile, in general logistics, in addition to the storage and delivery of food products and various goods, operations also include the handling of special waste and other items and, as a result, logistics unit prices and profitability vary by project. The Company aims to improve warehouse utilization rates and stabilize earnings by combining general logistics with logistics services for amusement facilities. As described above, the Logistics Business is positioned as an accumulated stock-type business model that can be considered the opposite of IP-related operations and the Company recognizes the significance of incorporating the Logistics Business as an earnings base that complements performance volatility in the entertainment domain while, looking ahead, it is seeking further improvements in profitability through higher warehouse utilization rates and more selective project screening.

Other Business (7.0% of revenue and 4.7% of segment profit)

In FY12/2025, the Other Business posted revenue of ¥2,480m (up 227.2%), segment profit of ¥114m (up 26.7%) and segment profit margin of 6.8% (down 5.1% points). In addition to the full-year contribution from the consolidation of TOPOS ENTERPRISE, which is involved not only in logistics operations but also in wholesale, convenience store-related and hotel-related businesses, the incorporation of new food and beverage-related operations also contributed, resulting in a significant increase in both revenue and profit. Meanwhile, segment profit margin declined due to increases in cost of sales and fixed costs accompanying the expansion of business domains. While this segment is composed of a collection of multiple small-scale businesses, it is considered to play a role in steadily accumulating earnings, albeit on a modest scale, from the Company's overall earnings perspective.

Company Forecast for FY12/2025 and Actual Results

Cons. Fiscal Year (IFRS) (Million Yen)	Date	Event	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
FY12/2025CoE	13-Feb-25	Q4 Results	35,000	1,500	-	1,300
FY12/2025CoE	14-May-25	Q1 Results	35,000	1,500	-	1,300
FY12/2025CoE	08-Aug-25	Q2 Results	35,000	1,500	-	1,300
FY12/2025CoE	13-Nov-25	Q3 Results	35,000	1,500	-	1,300
FY12/2025Act	13-Feb-26	Q4 Results	35,630	1,573	1,058	857
		Amount of Gap	630	73	-	(443)
		Rate of Gap	1.8%	4.9%	-	(34.0%)
FY12/2025CoE	13-Feb-25	Q4 Results	35,000	1,500	-	1,300
FY12/2025Act	13-Feb-26	Q4 Results	35,630	1,573	1,058	857
		Amount of Gap	630	73	-	(443)
		Rate of Gap	1.8%	4.9%	-	(34.0%)
Cons. Half Year (IFRS) (Million Yen)	Date	Event	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Q1 to Q2 FY12/2025CoE	13-Feb-25	Q4 Results	-	-	-	-
Q1 to Q2 FY12/2025CoE	14-May-25	Q1 Results	-	-	-	-
Q1 to Q2 FY12/2025Act	08-Aug-25	Q2 Results	16,833	629	372	287
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q1 to Q2 FY12/2025CoE	13-Feb-25	Q4 Results	-	-	-	-
Q1 to Q2 FY12/2025Act	08-Aug-25	Q2 Results	16,833	629	372	287
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Cons. Half Year (IFRS)	Date	Event	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Q3 to Q4 FY12/2025CoE	13-Feb-25	Q4 Results	-	-	-	-
Q3 to Q4 FY12/2025CoE	14-May-25	Q1 Results	-	-	-	-
Q3 to Q4 FY12/2025CoE	08-Aug-25	Q2 Results	18,167	871	-	1,013
Q3 to Q4 FY12/2025CoE	13-Nov-25	Q3 Results	18,167	871	-	1,013
Q3 to Q4 FY12/2025Act	13-Feb-26	Q4 Results	18,797	944	687	570
		Amount of Gap	630	73	-	(443)
		Rate of Gap	3.5%	8.4%	-	(43.7%)
Q3 to Q4 FY12/2025CoE	08-Aug-25	Q2 Results	18,167	871	-	1,013
Q3 to Q4 FY12/2025Act	13-Feb-26	Q4 Results	18,797	944	687	570
		Amount of Gap	630	73	-	(443)
		Rate of Gap	3.5%	8.4%	-	(43.7%)

Source: Company data and WRJ calculations

Statement of Profit or Loss (Cumulative / Quarterly)

Statement of Profit or Loss (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2024	Q1 to Q2 12/2024	Q1 to Q3 12/2024	Q1 to Q4 12/2024	Q1 12/2025	Q1 to Q2 12/2025	Q1 to Q3 12/2025	Q1 to Q4 12/2025		
Revenue	6,860	14,150	21,928	31,090	7,993	16,833	26,217	35,630	+4,539	
Cost of revenue	5,786	11,866	18,234	25,962	6,572	13,825	21,425	29,299	+3,337	
Gross profit	1,073	2,284	3,693	5,128	1,420	3,007	4,791	6,330	+1,202	
SG&A expenses	1,099	2,349	3,412	5,014	1,325	2,836	4,284	5,663	+648	
Investment gain on equity method	384	575	787	947	282	310	455	789	(157)	
Other income and expenses (net)	(12)	(1)	0	1,744	109	147	184	116	(1,628)	
Operating profit	345	508	1,068	2,805	487	628	1,148	1,573	(1,232)	
Financial income and costs (net)	(15)	(30)	(52)	(175)	(126)	(257)	(380)	(514)	(339)	
Profit before tax	330	477	1,016	2,629	360	371	767	1,058	(1,571)	
Income tax expenses	101	125	277	359	73	70	119	59	(299)	
Profit	229	352	738	2,270	286	300	648	999	(1,271)	
Profit attributable to owners of parent	329	481	872	2,500	296	287	578	857	(1,643)	
Profit attributable to non-controlling interests	(100)	(129)	(133)	(230)	(9)	13	70	141	+371	
Profit attributable to owners of parent	329	481	872	2,500	296	287	578	857	(1,643)	
Revenue YoY	(2.0%)	(0.3%)	+2.1%	+13.0%	+16.5%	+19.0%	+19.6%	+14.6%	-	
Operating profit YoY	(71.4%)	(68.1%)	(46.3%)	+42.7%	+41.0%	+23.8%	+7.4%	(43.9%)	-	
Profit before tax YoY	(72.4%)	(69.3%)	(47.7%)	+38.3%	+9.2%	(22.2%)	(24.5%)	(59.8%)	-	
Profit YoY	(77.2%)	(71.6%)	(53.8%)	+8.9%	+25.2%	(14.6%)	(12.2%)	(56.0%)	-	
Profit attributable to owners of parent YoY	(67.1%)	(61.2%)	(46.0%)	+18.3%	(10.1%)	(40.4%)	(33.7%)	(65.7%)	-	
Gross profit margin	15.7%	16.1%	16.8%	16.5%	17.8%	17.9%	18.3%	17.8%	+1.3%	
SG&A ratio	16.0%	16.6%	15.6%	16.1%	16.6%	16.8%	16.3%	15.9%	(0.2%)	
Operating profit margin	5.0%	3.6%	4.9%	9.0%	6.1%	3.7%	4.4%	4.4%	(4.6%)	
Profit before tax margin	4.8%	3.4%	4.6%	8.5%	4.5%	2.2%	2.9%	3.0%	(5.5%)	
Profit margin	3.3%	2.5%	3.4%	7.3%	3.6%	1.8%	2.5%	2.8%	(4.5%)	
Profit attributable to owners of parent margin	4.8%	3.4%	4.0%	8.0%	3.7%	1.7%	2.2%	2.4%	(5.6%)	
Income tax expenses / Profit before tax	30.6%	26.2%	27.3%	13.7%	20.4%	19.0%	15.5%	5.6%	(8.0%)	

Statement of Profit or Loss (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2024	Q2 12/2024	Q3 12/2024	Q4 12/2024	Q1 12/2025	Q2 12/2025	Q3 12/2025	Q4 12/2025		
Revenue	6,860	7,290	7,777	9,161	7,993	8,839	9,383	9,413	+251	
Cost of revenue	5,786	6,080	6,368	7,727	6,572	7,253	7,599	7,874	+146	
Gross profit	1,073	1,210	1,409	1,434	1,420	1,586	1,784	1,539	+104	
SG&A expenses	1,099	1,250	1,063	1,602	1,325	1,510	1,447	1,379	(222)	
Investment gain on equity method	384	190	212	160	282	27	145	334	+173	
Other income and expenses (net)	(12)	11	1	1,744	109	37	37	(68)	(1,812)	
Operating profit	345	162	560	1,736	487	141	519	425	(1,311)	
Financial income and costs (net)	(15)	(15)	(21)	(123)	(126)	(130)	(123)	(134)	(10)	
Profit before tax	330	147	539	1,613	360	11	395	290	(1,322)	
Income tax expenses	101	24	152	81	73	(3)	48	(59)	(140)	
Profit	229	123	386	1,531	286	14	347	350	(1,181)	
Profit attributable to owners of parent	329	151	390	1,628	296	(9)	290	279	(1,349)	
Profit attributable to non-controlling interests	(100)	(28)	(4)	(96)	(9)	23	56	71	+168	
Profit attributable to owners of parent	329	151	390	1,628	296	(9)	290	279	(1,349)	
Revenue YoY	(2.0%)	+1.4%	+6.8%	+51.6%	+16.5%	+21.3%	+20.7%	+2.7%	-	
Operating profit YoY	(71.4%)	(57.5%)	+39.8%	-	+41.0%	(12.9%)	(7.4%)	(75.5%)	-	
Profit before tax YoY	(72.4%)	(59.3%)	+39.4%	-	+9.2%	(92.5%)	(26.5%)	(82.0%)	-	
Profit YoY	(77.2%)	(47.8%)	+7.6%	+215.7%	+25.2%	(88.6%)	(10.0%)	(77.1%)	-	
Profit attributable to owners of parent YoY	(67.1%)	(36.9%)	+4.8%	+225.7%	(10.1%)	-	(25.5%)	(82.9%)	-	
Gross profit margin	15.7%	16.6%	18.1%	15.7%	17.8%	17.9%	19.0%	16.3%	+0.7%	
SG&A ratio	16.0%	17.1%	13.7%	17.5%	16.6%	17.1%	15.4%	14.7%	(2.8%)	
Operating profit margin	5.0%	2.2%	7.2%	19.0%	6.1%	1.6%	5.5%	4.5%	(14.4%)	
Profit before tax margin	4.8%	2.0%	6.9%	17.6%	4.5%	0.1%	4.2%	3.1%	(14.5%)	
Profit margin	3.3%	1.7%	5.0%	16.7%	3.6%	0.2%	3.7%	3.7%	(13.0%)	
Profit attributable to owners of parent margin	4.8%	2.1%	5.0%	17.8%	3.7%	(0.1%)	3.1%	3.0%	(14.8%)	
Income tax expenses / Profit before tax	30.6%	16.4%	28.3%	5.0%	20.4%	(27.2%)	12.2%	(20.5%)	(25.6%)	

Source: Company data and WRJ calculations

Segment Information (Cumulative / Quarterly)

Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1 to Q4	YoY
(Million Yen)	12/2024	12/2024	12/2024	12/2024	12/2025	12/2025	12/2025	12/2025	12/2025	Net Chg.
Entertainment	3,634	7,045	10,994	14,383	3,500	6,923	10,775	14,550		+166
Video & TV Program Production	1,449	3,063	4,636	6,738	1,409	3,103	4,730	6,445		(292)
Advertising Agency	1,753	3,985	6,204	7,919	1,277	2,987	4,816	6,547		(1,371)
Logistics	-	-	-	1,290	1,285	2,672	4,110	5,605		+4,315
Other	22	56	92	758	519	1,145	1,784	2,480		+1,722
Revenue	6,860	14,150	21,928	31,090	7,993	16,833	26,217	35,630		+4,539
Entertainment	499	756	1,318	589	474	800	1,307	1,808		+1,219
Video & TV Program Production	12	75	167	154	28	28	72	94		(59)
Advertising Agency	(5)	66	104	174	(28)	(74)	(78)	(25)		(199)
Logistics	-	-	-	2,689	177	321	450	421		(2,268)
Other	5	24	35	90	(3)	34	54	114		+24
Segment Profit	512	923	1,625	3,697	648	1,110	1,806	2,414		(1,283)
(Adjustment)	(167)	(414)	(556)	(892)	(161)	(481)	(658)	(841)		+51
Operating Profit	345	508	1,068	2,805	487	628	1,148	1,573		(1,232)
Entertainment	13.7%	10.7%	12.0%	4.1%	13.5%	11.6%	12.1%	12.4%		+8.3%
Video & TV Program Production	0.9%	2.5%	3.6%	2.3%	2.0%	0.9%	1.5%	1.5%		(0.8%)
Advertising Agency	(0.3%)	1.7%	1.7%	2.2%	(2.2%)	(2.5%)	(1.6%)	(0.4%)		(2.6%)
Logistics	-	-	-	208.5%	13.8%	12.0%	11.0%	7.5%		(201.0%)
Other	26.0%	43.5%	38.3%	11.9%	(0.6%)	3.0%	3.1%	4.6%		(7.3%)
Segment Profit Margin	7.5%	6.5%	7.4%	11.9%	8.1%	6.6%	6.9%	6.8%		(5.1%)
Entertainment	(2.4%)	(2.9%)	(2.5%)	(2.9%)	(2.0%)	(2.9%)	(2.5%)	(2.4%)		+0.5%
Operating Profit Margin	5.0%	3.6%	4.9%	9.0%	6.1%	3.7%	4.4%	4.4%		(4.6%)
Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	YoY
(Million Yen)	12/2024	12/2024	12/2024	12/2024	12/2025	12/2025	12/2025	12/2025	12/2025	Net Chg.
Entertainment	3,634	3,411	3,949	3,389	3,500	3,423	3,851	3,775		+385
Video & TV Program Production	1,449	1,614	1,572	2,101	1,409	1,693	1,627	1,714		(387)
Advertising Agency	1,753	2,231	2,218	1,714	1,277	1,709	1,828	1,731		+16
Logistics	-	-	-	1,290	1,285	1,386	1,437	1,494		+204
Other	22	33	36	665	519	626	638	696		+30
Revenue	6,860	7,290	7,777	9,161	7,993	8,839	9,383	9,413		+251
Entertainment	499	256	561	(729)	474	325	507	501		+1,230
Video & TV Program Production	12	62	91	(12)	28	-	43	22		+35
Advertising Agency	(5)	71	37	70	(28)	(46)	(3)	53		(17)
Logistics	-	-	-	2,689	177	144	129	(29)		(2,719)
Other	5	18	11	54	(3)	38	19	59		+5
Segment Profit	512	410	701	2,072	648	461	696	607		(1,465)
(Adjustment)	(167)	(247)	(141)	(336)	(161)	(320)	(176)	(182)		+153
Operating Profit	345	162	560	1,736	487	141	519	425		(1,311)
Entertainment	13.7%	7.5%	14.2%	(21.5%)	13.5%	9.5%	13.2%	13.3%		+34.8%
Video & TV Program Production	0.9%	3.9%	5.8%	(0.6%)	2.0%	0.0%	2.7%	1.3%		+1.9%
Advertising Agency	(0.3%)	3.2%	1.7%	4.1%	(2.2%)	(2.7%)	(0.2%)	3.1%		(1.0%)
Logistics	-	-	-	208.5%	13.8%	10.4%	9.0%	(1.9%)		(210.4%)
Other	26.0%	55.4%	30.2%	8.2%	(0.6%)	6.1%	3.1%	8.6%		+0.4%
Segment Profit Margin	7.5%	5.6%	9.0%	22.6%	8.1%	5.2%	7.4%	6.5%		(16.2%)
Entertainment	(2.4%)	(3.4%)	(1.8%)	(3.7%)	(2.0%)	(3.6%)	(1.9%)	(1.9%)		+1.7%
Operating Profit Margin	5.0%	2.2%	7.2%	19.0%	6.1%	1.6%	5.5%	4.5%		(14.4%)

Source: Company data and WRJ calculations

Statement of Financial Position (Quarterly)

Statement of Financial Position	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY	Net Chg.
(Million Yen)	12/2024	12/2024	12/2024	12/2024	12/2025	12/2025	12/2025	12/2025	12/2025	Net Chg.
Cash and cash equivalents	2,480	3,580	4,470	4,110	4,510	4,734	5,305	5,096	5,096	+986
Trade and other receivables	4,206	3,971	3,778	4,636	4,239	4,522	4,605	5,261	5,261	+625
Other financial assets	548	578	855	688	658	726	782	759	759	+71
Inventory	403	575	891	543	502	391	513	681	681	+138
Other	214	272	296	442	434	361	362	465	465	+23
Total current assets	7,853	8,978	10,293	10,420	10,344	10,736	11,569	12,265	12,265	+1,844
Property, plant and equipment	1,028	934	851	23,226	22,802	22,791	22,467	22,004	22,004	(1,221)
Goodwill	6,265	6,364	6,364	5,637	5,637	5,831	5,915	5,915	5,915	+277
Intangible asset	1,543	1,443	1,346	1,251	1,162	1,074	982	906	906	(344)
Investment property	924	2,812	2,791	3,300	3,206	3,184	3,212	3,190	3,190	(109)
Investments accounted for using the Equity method	7,587	7,407	7,620	7,785	8,068	7,795	7,941	8,275	8,275	+489
Other financial assets	2,407	2,412	2,341	2,287	1,767	1,974	2,009	1,907	1,907	(379)
Other	819	653	653	365	367	342	372	364	364	(0)
Total non-current assets	20,575	22,029	21,969	43,853	43,011	42,995	42,900	42,564	42,564	(1,288)
Total assets	28,428	31,007	32,262	54,274	53,356	53,732	54,470	54,830	54,830	+556
Trade and other payables	3,248	3,520	3,888	4,576	3,897	4,044	4,735	5,212	5,212	+635
Bonds and borrowings	1,007	1,089	1,155	1,205	1,198	1,246	1,184	1,281	1,281	+75
Other financial liabilities	685	602	526	1,854	1,860	1,824	1,859	1,913	1,913	+58
Other	1,194	1,498	1,753	1,175	1,205	1,292	1,636	1,495	1,495	+320
Total current liabilities	6,136	6,710	7,324	8,812	8,162	8,407	9,415	9,903	9,903	+1,090
Bonds and borrowings	1,150	3,051	3,351	3,123	3,138	3,232	3,031	3,048	3,048	(74)
Other financial liabilities	711	772	718	18,556	18,170	18,163	17,599	17,198	17,198	(1,358)
Other	467	464	463	1,842	1,848	1,882	2,028	1,929	1,929	+86
Total non-current liabilities	2,329	4,288	4,533	23,522	23,157	23,277	22,659	22,176	22,176	(1,346)
Total liabilities	8,466	10,999	11,857	32,334	31,319	31,685	32,075	32,079	32,079	(255)
Total equity attributable to owners of parent	20,235	20,396	20,788	21,933	22,040	22,027	22,319	22,603	22,603	+670
Other	(273)	(388)	(383)	6	(3)	19	76	147	147	+141
Total equity	19,962	20,008	20,404	21,939	22,036	22,047	22,395	22,750	22,750	+811
Total liabilities and equity	28,428	31,007	32,262	54,274	53,356	53,732	54,470	54,830	54,830	+556
Equity attributable to owners of parent	20,235	20,396	20,788	21,933	22,040	22,027	22,319	22,603	22,603	+670
Interest-bearing debt	2,158	4,140	4,506	4,329	4,336	4,478	4,216	4,330	4,330	+1
Net debt	(321)	560	35	218	(173)	(255)	(1,089)	(766)	(766)	(984)
Equity ratio	71.2%	65.8%	64.4%	40.4%	41.3%	41.0%	41.0%	41.2%	41.2%	-
Net debt-to-equity ratio	(1.6%)	2.7%	0.2%	1.0%	(0.8%)	(1.2%)	(4.9%)	(3.4%)	(3.4%)	-
ROE (12 months)	7.4%	6.8%	6.8%	11.9%	11.7%	10.9%	10.2%	3.9%	3.9%	-
ROA (12 months)	3.7%	2.8%	3.2%	6.5%	6.5%	6.0%	5.5%	1.9%	1.9%	-
Quick ratio	109%	113%	113%	99%	107%	110%	105%	105%	105%	-
Current ratio	128%	134%	141%	118%	127%	128%	123%	124%	124%	-

Source: Company data and WRJ calculations

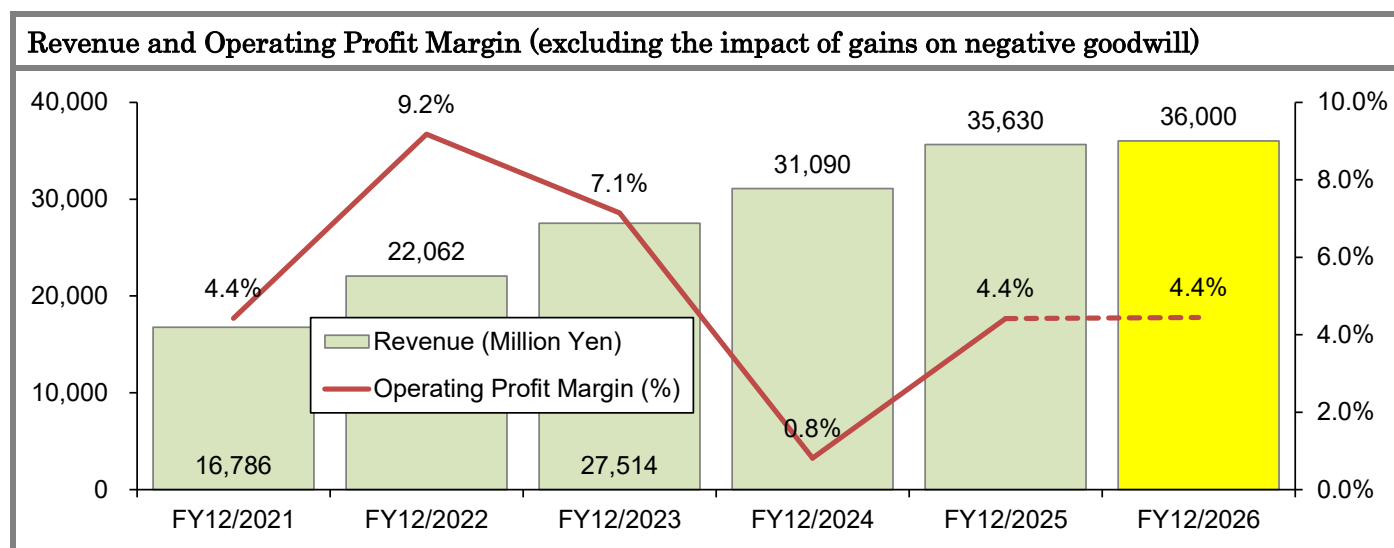
Statement of Cash Flows (Cumulative / Quarterly)

Statement of Cashflows	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY	Net Chg.
(Million Yen)	12/2024	12/2024	12/2024	12/2024	12/2025	12/2025	12/2025	12/2025	12/2025	Net Chg.
Cashflows from operating activities	(50)	789	1,815	2,349	498	1,276	2,898	3,178	3,178	+828
Cashflows from Investing activities	(2,266)	3,797	(4,116)	(3,904)	592	505	292	251	251	+4,156
Cashflows from operating and investing activities	(2,317)	4,587	(2,300)	(1,555)	1,090	1,781	3,190	3,430	3,430	+4,985
Cashflows from financing activities	(286)	1,504	1,687	582	(691)	(1,158)	(1,995)	(2,444)	(2,444)	(3,026)
Total cash flows	(2,603)	6,091	(6,111)	(4,927)	399	623	1,487	1,237	1,237	+1,959
Statement of Cashflows	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY	Net Chg.
(Million Yen)	12/2024	12/2024	12/2024	12/2024	12/2025	12/2025	12/2025	12/2025	12/2025	Net Chg.
Cashflows from operating activities	(50)	839	1,025	534	498	778	1,621	280	280	(253)
Cashflows from Investing activities	(2,266)	6,064	(7,914)	211	592	(87)	(212)	(40)	(40)	(252)
Cashflows from operating and investing activities	(2,317)	6,904	(6,888)	745	1,090	691	1,408	239	239	(505)
Cashflows from financing activities	(286)	1,791	183	(1,105)	(691)	(467)	(836)	(448)	(448)	+657

Source: Company data and WRJ calculations

Medium- to Long-Term Earnings Outlook

In the Company forecast for FY12/2026, revenue is projected at ¥36,000m (up 1.0%), operating profit at ¥1,600m (up 1.7%) and profit attributable to owners of parent at ¥1,000m (up 16.6%), indicating both revenue growth and profit growth. Operating profit margin is expected at 4.4% (up 0.0% points). Meanwhile, the planned annual dividend for FY12/2026 is ¥11.00 per share (yearend only; payout ratio 20.7%), representing a ¥1.00 increase compared with ¥10.00 per share (yearend only; payout ratio 21.9%) for FY12/2025.



Source: Company data and WRJ calculations

The Company, which advocates the creation of new proprietary IP content, has set “Dramatic Expansion & Development” as its KeyHolder Group outlook for FY12/2026. According to the Company, in addition to focusing on the creation of new IP through active relationships with companies across different industries and sectors, it plans to strengthen and further develop its existing IP, develop and acquire proprietary IP and promote the effective use of its cash position. At the same time, the Company aims to reinforce its earnings structure by streamlining unprofitable projects within its existing businesses.

Under this policy, a realistic and strategic direction can be identified that reflects the Company’s current business environment and its medium- to long-term growth challenges. While the Company has secured a certain level of profitability through the development of the Entertainment Business centered on Nogizaka46 as its core IP, it also faces structural issues inherent to the IP business, including earnings volatility and a high degree of dependence on a single IP. Against this backdrop, the Company can be viewed as having entered a phase in which it is pursuing, in parallel, the maximization of value from existing IP and the creation of the next sources of growth.

In the Entertainment Business, the Company has clearly adopted an approach of extending the lifecycle of existing IP not by merely consuming it but by expanding activity domains and monetization methods. In addition, by strengthening a portfolio-based management approach that combines multiple IP, including SKE48 as well as artists and the actor and talent domain, the Company is indicating a direction toward enhancing the sustainability of earnings. This can be viewed as a shift from a business model dependent on one-off hits to one that places greater emphasis on stability and reproducibility.

On the other hand, the creation of new proprietary IP represents a key medium- to long-term growth option for the Company. Initiatives such as newcomer discovery and development programs centered on bijoux, as well as IP development through collaboration with companies in other industries and sectors, are not intended to contribute to short-term earnings but encompass nonlinear growth opportunities with potentially significant returns upon success. By establishing an integrated framework that spans discovery, development, visual content creation and promotion, the Company is seeking to enhance the reproducibility of IP creation.

In the Video & TV Program Production Business, the Company is advancing the expansion of its value chain to include distribution and overseas development in addition to conventional program production. By looking beyond production alone and extending its scope to distribution and overseas markets, the Company aims to broaden opportunities to capture IP value and, while this approach will take time, it has the potential to enhance earnings leverage over the medium to long term. The stance of expanding operations in stages starting from small-scale initiatives can be viewed as reflecting an operating approach that places emphasis on risk management.

In parallel with these growth strategies, the Company is also proceeding with the streamlining of unprofitable projects and organizational restructuring within its existing businesses. By clearly positioning business models based on accumulated revenue streams, including the Logistics Business, and aiming to build an earnings structure that absorbs the volatility of the Entertainment Business, the Company is addressing an important element in stabilizing corporate value. In other words, by advancing growth investments and structural reforms simultaneously, the Company is seeking to strengthen its medium- to long-term earnings base.

From a financial perspective, supported by a relatively solid cash position, the Company maintains flexibility to address both growth investments and business streamlining initiatives. While the current phase suggests a cautious stance that avoids hasty investments and prioritizes improvements in earnings quality, ample capacity remains for the Company to move forward with new IP investments and strategic M&A once structural reforms have largely run their course.

Overall, under the slogan “Dramatic Expansion & Development,” the Company is in a phase that simultaneously pursues both expansion and deepening. It is transitioning from a stage focused on short-term results to one oriented toward medium- to long-term value creation and, if the three elements of the ability to leverage existing IP, an investment stance toward IP creation and the stabilization of the earnings structure come together, the Company’s corporate value is likely to achieve a step-by-step improvement from a medium- to long-term perspective.

5.0 Financial Statements

Statement of Profit or Loss

Statement of Profit or Loss	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	Net Chg.
Revenue	16,786	22,062	27,514	31,090	35,630	36,000	+369
Cost of revenue	13,087	17,820	22,957	25,962	29,299	-	-
Gross profit	3,699	4,241	4,556	5,128	6,330	-	-
SG&A expenses	3,943	3,658	3,855	5,014	5,663	-	-
Investment gain on equity method	852	1,340	1,337	947	789	-	-
Other income and expenses (net)	135	101	(73)	1,744	116	-	-
Operating profit	743	2,024	1,965	2,805	1,573	1,600	+26
Financial income and costs (net)	(53)	150	(63)	(175)	(514)	-	-
Profit before tax	689	2,175	1,901	2,629	1,058	-	-
Income tax expenses	314	317	(182)	359	59	-	-
Profit	375	1,857	2,084	2,270	999	-	-
Profit attributable to owners of parent	461	1,877	2,114	2,500	857	1,000	+142
Profit attributable to non-controlling interests	(86)	(19)	(30)	(230)	141	-	-
Profit attributable to owners of parent	461	1,877	2,114	2,500	857	1,000	+142
Revenue YoY	+56.9%	+31.4%	+24.7%	+13.0%	+14.6%	+1.0%	-
Operating profit YoY	(53.7%)	+172.5%	(2.9%)	+42.7%	(43.9%)	+1.7%	-
Profit before tax YoY	(30.8%)	+215.6%	(12.6%)	+38.3%	(59.8%)	-	-
Profit YoY	(66.4%)	+395.1%	+12.2%	+8.9%	(56.0%)	-	-
Profit attributable to owners of parent YoY	(64.2%)	+306.9%	+12.6%	+18.3%	(65.7%)	+16.6%	-
Gross profit margin	22.0%	19.2%	16.6%	16.5%	17.8%	-	-
SG&A ratio	23.5%	16.6%	14.0%	16.1%	15.9%	-	-
Operating profit margin	4.4%	9.2%	7.1%	9.0%	4.4%	4.4%	+0.0%
Profit before tax margin	4.1%	9.9%	6.9%	8.5%	3.0%	-	-
Profit margin	2.2%	8.4%	7.6%	7.3%	2.8%	-	-
Profit attributable to owners of parent margin	2.7%	8.5%	7.7%	8.0%	2.4%	2.8%	+0.4%
Income tax expenses / Profit before tax	45.6%	14.6%	(9.6%)	13.7%	5.6%	-	-

Source: Company data and WRJ calculations

Segment Information

Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	YoY
(Million Yen)	FY	FY	FY	FY	FY	FY	Net Chg.
	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	
Entertainment	10,096	10,541	11,318	14,383	14,550	-	-
Video & TV Program Production	4,421	5,321	6,719	6,738	6,445	-	-
Advertising Agency	1,895	5,897	9,371	7,919	6,547	-	-
Logistics	-	-	-	1,290	5,605	-	-
Other	372	300	104	758	2,480	-	-
Revenue	16,786	22,062	27,514	31,090	35,630	36,000	+369
Entertainment	1,138	2,205	2,125	589	1,808	-	-
Video & TV Program Production	129	312	190	154	94	-	-
Advertising Agency	207	29	279	174	(25)	-	-
Logistics	-	-	-	2,689	421	-	-
Other	(45)	68	18	90	114	-	-
Segment Profit	1,430	2,616	2,613	3,697	2,414	-	-
(Adjustment)	(687)	(591)	(647)	(892)	(841)	-	-
Operating Profit	743	2,024	1,965	2,805	1,573	1,600	+26
Entertainment	11.3%	20.9%	18.8%	4.1%	12.4%	-	-
Video & TV Program Production	2.9%	5.9%	2.8%	2.3%	1.5%	-	-
Advertising Agency	11.0%	0.5%	3.0%	2.2%	(0.4%)	-	-
Logistics	-	-	-	208.5%	7.5%	-	-
Other	(12.2%)	22.9%	17.9%	11.9%	4.6%	-	-
Segment Profit Margin	8.5%	11.9%	9.5%	11.9%	6.8%	-	-
Entertainment	(4.1%)	(2.7%)	(2.4%)	(2.9%)	(2.4%)	-	-
Operating Profit Margin	4.4%	9.2%	7.1%	9.0%	4.4%	4.4%	+0.0%

Source: Company data and WRJ calculations

Statement of Financial Position

Statement of Financial Position	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	Net Chg.
Cash and cash equivalents	3,607	4,538	5,084	4,110	5,096	-	-
Trade and other receivables	5,284	3,506	3,651	4,636	5,261	-	-
Other financial assets	377	956	987	688	759	-	-
Inventory	376	449	386	543	681	-	-
Other	210	145	231	442	465	-	-
Total current assets	9,857	9,597	10,340	10,420	12,265	-	-
Property, plant and equipment	1,633	1,152	937	23,226	22,004	-	-
Goodwill	5,237	5,215	5,218	5,637	5,915	-	-
Intangible asset	1,922	1,959	1,571	1,251	906	-	-
Investment property	1,382	954	934	3,300	3,190	-	-
Investments accounted for using the Equity method	5,157	6,495	7,042	7,785	8,275	-	-
Other financial assets	2,481	799	699	2,287	1,907	-	-
Other	29	248	469	365	364	-	-
Total non-current assets	17,842	16,824	16,874	43,853	42,564	-	-
Total assets	27,700	26,422	27,215	54,274	54,830	-	-
Trade and other payables	3,249	3,077	3,195	4,576	5,212	-	-
Bonds and borrowings	1,381	845	881	1,205	1,281	-	-
Other financial liabilities	1,720	581	642	1,854	1,913	-	-
Other	969	864	737	1,175	1,495	-	-
Total current liabilities	7,321	5,369	5,458	8,812	9,903	-	-
Bonds and borrowings	1,749	1,148	1,081	3,123	3,048	-	-
Other financial liabilities	1,205	1,082	690	18,556	17,198	-	-
Other	1,030	826	465	1,842	1,929	-	-
Total non-current liabilities	3,985	3,058	2,237	23,522	22,176	-	-
Total liabilities	11,306	8,427	7,695	32,334	32,079	-	-
Total equity attributable to owners of parent	16,769	18,389	19,957	21,933	22,603	-	-
Other	(375)	(395)	(437)	6	147	-	-
Total equity	16,393	17,994	19,519	21,939	22,750	-	-
Total liabilities and equity	27,700	26,422	27,215	54,274	54,830	-	-
Equity attributable to owners of parent	16,769	18,389	19,957	21,933	22,603	-	-
Interest-bearing debt	3,130	1,994	1,963	4,329	4,330	-	-
Net debt	(476)	(2,544)	(3,121)	218	(766)	-	-
Equity ratio	60.5%	69.6%	73.3%	40.4%	41.2%	-	-
Net debt-to-equity ratio	(2.8%)	(13.8%)	(15.6%)	1.0%	(3.4%)	-	-
ROE (12 months)	3.0%	10.7%	11.0%	11.9%	3.9%	-	-
ROA (12 months)	2.4%	8.0%	7.1%	6.5%	1.9%	-	-
Quick ratio	121%	150%	160%	99%	105%	-	-
Current ratio	135%	179%	189%	118%	124%	-	-

Source: Company data and WRJ calculations

Statement of Cash Flows

Statement of Cashflows	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	Net Chg.
Cashflows from operating activities	676	1,649	1,072	2,349	3,178	-	-
Cashflows from Investing activities	57	1,523	665	(3,904)	251	-	-
Cashflows from operating and investing activities	734	3,172	1,738	(1,555)	3,430	-	-
Cashflows from financing activities	(521)	(2,241)	(1,192)	582	(2,444)	-	-

Source: Company data and WRJ calculations

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2021	FY 12/2022	FY 12/2023	FY 12/2024	FY 12/2025	FY 12/2026	YoY Net Chg.
No. of Shares FY End (thousand shares)	18,962	18,967	18,967	18,967	18,967	-	-
Net Profit / EPS (thousand Shares)	17,392	18,822	18,688	18,803	18,819	-	-
Treasury Shares FY End (thousand shares)	27	131	492	148	149	-	-
Basic Earnings per Share	26.53	99.75	113.17	133.01	45.56	53.14	-
Diluted Earnings per Share	26.53	99.75	113.17	133.01	45.56	-	-
Book Value per Share	885.61	976.29	1,080.22	1,165.46	1,201.11	-	-
Dividend per Share	10.00	10.00	20.00	10.00	10.00	11.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
FY 12/2021	FY 12/2022	FY 12/2023	FY 12/2024	FY 12/2025	FY 12/2026	YoY Net Chg.	
Share Split Factor	1	1	1	1	1	1	-
Basic Earnings per Share	26.53	99.75	113.17	133.01	45.56	53.14	-
Book Value per Share	885.61	976.29	1,080.22	1,165.46	1,201.11	-	-
Dividend per Share	10.00	10.00	20.00	10.00	10.00	11.00	-
Payout Ratio	37.7%	10.0%	17.7%	7.5%	21.9%	20.7%	-

Source: Company data and WRJ calculations

Disclaimer

The information presented in this report has been compiled by Walden Research Japan based on IR Information disclosed by the Company in a neutral and professional manner. IR Information refers to the following sources related to the Company: a) details obtained through our direct interviews with the Company, b) information presented at briefings for institutional investors, c) timely disclosure documents and d) information published on the Company's website.

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