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Consolidated Financial Results for the Fiscal Year Ended February 28, 2022 <Under Japanese GAAP>

April 12, 2022

Company name: **TOHO CO., LTD.**
 Listing: Tokyo Stock Exchange/Fukuoka Stock Exchange
 Securities code: 9602
 URL: <https://www.toho.co.jp/>
 Representative: Yoshishige Shimatani
 President
 Inquiries: Harunori Kato
 Senior Executive Officer in charge of Finance & Accounting, Corporate Management Group
 TEL: +81-3-3591-1221
 Scheduled date of annual general meeting of shareholders: May 26, 2022
 Scheduled date to commence dividend payments: May 27, 2022
 Scheduled date to file Annual Securities Report: May 26, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended February 28, 2022 (from March 1, 2021 to February 28, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2022	228,367	19.0	39,948	78.0	42,790	76.9	29,568	101.3
February 28, 2021	191,948	(27.0)	22,447	(57.5)	24,195	(56.1)	14,688	(59.9)

Note: Comprehensive income Fiscal year ended February 28, 2022 ¥32,487 million [81.2%]
 Fiscal year ended February 28, 2021 ¥17,930 million [(41.4)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
February 28, 2022	167.24	–	7.7	8.8	17.5
February 28, 2021	82.54	–	3.9	5.0	11.7

Reference: Share of profit (loss) of entities accounted for using equity method
 Fiscal year ended February 28, 2022 ¥243 million
 Fiscal year ended February 28, 2021 ¥168 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2022	502,532	409,181	78.7	2,241.23
February 28, 2021	473,804	389,011	79.3	2,115.44

Reference: Equity
 As of February 28, 2022 ¥395,722 million
 As of February 28, 2021 ¥375,820 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2022	53,460	(36,030)	(12,482)	92,341
February 28, 2021	12,512	(27,226)	(17,220)	85,827

2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 28, 2021	–	17.50	–	17.50	35.00	6,229	42.4	1.7
Fiscal year ended February 28, 2022	–	17.50	–	27.50	45.00	7,960	26.9	2.1
Fiscal year ending February 28, 2023 (forecast)	–	20.00	–	20.00	40.00		24.8	

Breakdown of year-end dividends Fiscal year ended February 28, 2022 Special dividend – ¥10.00

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2023 (from March 1, 2022 to February 28, 2023)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2023	232,000	–	38,000	–	41,000	–	28,500	–	161.20

Note: Please note that the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. will be adopted from the beginning of the fiscal year ending February 28, 2023, and the consolidated earnings forecasts reflect the adoption of the accounting standard. As such, year-on-year percentage changes are not provided.

*** Notes**

- (1) Changes in significant subsidiaries during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
- b. Changes in accounting policies due to other reasons: None
- c. Changes in accounting estimates: None
- d. Restatement: None

(3) Number of issued shares (common shares)

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

As of February 28, 2022	186,490,633 shares
As of February 28, 2021	186,490,633 shares

b. Number of treasury shares at the end of the period

As of February 28, 2022	9,925,592 shares
As of February 28, 2021	8,834,605 shares

c. Average number of shares during the period

Fiscal year ended February 28, 2022	176,797,902 shares
Fiscal year ended February 28, 2021	177,951,279 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 28, 2022 (from March 1, 2021 to February 28, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2022	120,831	15.3	29,936	48.1	33,212	34.1	24,903	37.8
February 28, 2021	104,793	(14.2)	20,216	(34.4)	24,772	(29.6)	18,066	(28.2)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
February 28, 2022	140.56	—
February 28, 2021	101.34	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2022	428,631	293,125	68.4	1,655.37
February 28, 2021	398,293	278,320	69.9	1,563.77

Reference: Equity

As of February 28, 2022

¥293,125 million

As of February 28, 2021

¥278,320 million

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters
 1. The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company. Actual results may differ significantly from these forecasts due to various factors. For the assumptions underlying the earnings forecasts and notes on their use, please refer to “1. Overview of Operating Results, etc., (4) Future outlook” on page 5 of the accompanying materials.
 2. The supplementary document on financial results is disclosed on the same day as the financial results, and it is made available on the Company’s website. Please direct inquiries regarding the supplementary document on financial results to the Company’s Public Relations & Investor Relations, General Affairs Department (+81-3-3591-1303).

Attached Material

1. Overview of Operating Results, etc.	2
(1) Overview of operating results for the fiscal year under review.....	2
(2) Overview of financial position for the fiscal year under review	4
(3) Overview of cash flows for the fiscal year under review	5
(4) Future outlook.....	5
2. Basic Policy on Selection of Accounting Standards.....	9
3. Consolidated Financial Statements and Significant Notes Thereto.....	10
(1) Consolidated balance sheet	10
(2) Consolidated statement of income and consolidated statement of comprehensive income.....	12
(3) Consolidated statement of changes in equity	14
(4) Consolidated statement of cash flows	16
(5) Notes to consolidated financial statements	18
(Notes on going concern assumption).....	18
(Segment information).....	18
(Per share information).....	21
(Significant subsequent events)	21

1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year under review

During the fiscal year under review, the outlook for the Japanese economy remained uncertain because of some weakness in economic recovery, despite gradual easing of the difficult situation caused by the novel coronavirus disease (COVID-19).

In the movie industry, box office receipts for 2021 totaled ¥161,893 million, showing a recovery but increasing only by 13.0% from the previous year, which was significantly affected by COVID-19 with the simultaneous closure of theaters nationwide.

Under these conditions, due to the declaration of states of emergency, the Group carried out measures such as temporary closures/shortened operating hours at movie theaters, commercial facilities, etc.; restrictions on sales for admission; and the suspension of theatre performances as well as the suspension of ticket sales for some performances. On the other hand, blockbuster releases distributed by TOHO such as “Jujutsu Kaisen: Zero” and works under the TOHO animation label contributed to financial results. Furthermore, even after lifting of state of emergency, the Company continued business, while taking appropriate measures to prevent infection. As a result, the Company recorded operating revenue of ¥228,367 million (up 19.0% year on year), operating profit of ¥39,948 million (up 78.0% year on year), ordinary profit of ¥42,790 million (up 76.9% year on year), and profit attributable to owners of parent of ¥29,568 million (up 101.3% year on year). Extraordinary income was recorded as “Subsidy income” for subsidies for employment adjustment received due to special measures because of the impact of COVID-19, subsidies from the Japanese and local governments, etc. Extraordinary losses were recorded as “Loss caused by temporary closures” for personnel expenses, rent expenses, depreciation, etc. during the temporary closures of theaters, commercial facilities, etc. and production expenses, etc. pertaining to suspended theatre performances.

The operating results by segment are as follows.

Cinema business

In the Production and Distribution business, “Jujutsu Kaisen: Zero,” “EVANGELION:3.0+1.0 THRICE UPON A TIME,” “Detective Conan: The Scarlet Bullet,” “Belle,” “Masquerade Night” and “My Hero Academia: World Heroes’ Mission” were blockbusters for TOHO CO., LTD. out of the collaborative productions and distributed works. “Monster Hunter” was collaboratively distributed by Towa Pictures Co., Ltd., and “Fast & Furious 9,” “No Time to Die,” etc. were distributed by Toho-Towa Co., Ltd. As a result, operating revenue in the Production and Distribution business was ¥40,439 million (up 1.5% year on year) and operating profit was ¥11,507 million (up 77.6% year on year).

Combining the Production and Distribution department and the International business department of TOHO CO., LTD., revenue was ¥47,475 million (down 3.9% year on year) before intracompany transfers deduction (¥4,316 million, up 42.7% year on year). This consists of domestic distribution revenue of ¥35,893 million (down 9.9% year on year), income from a film work that belongs to the producer of ¥1,792 million (up 185.9% year on year), international sales income of ¥3,706 million (up 84.1% year on year), TV program sales revenue of ¥869 million (down 36.3% year on year), videogram revenue of ¥530 million (down 53.5% year on year) and revenue from the Internet and other distribution of ¥4,684 million (up 5.5% year on year). Furthermore, revenue from the Planning and Production department was ¥1,608 million (up 69.2% year on year) before intracompany transfers deduction (¥842 million, up 59.6% year on year).

In the Movie Theater Chain business, TOHO Cinemas Co., Ltd. carried out measures such as closures and shortened business hours in Tokyo, Osaka, etc., and restrictions on sales for admission due to the declaration of state of emergency, and the situation continued to be difficult even after lifting of state of emergency due to the release of works being postponed and response to requests for shortened business hours from local governments to prevent the rebound of COVID-19. However, it saw an increase in revenue due to the above distributed works being blockbusters in addition to theater closures, etc. not lasting as long compared with the previous fiscal year. As a result, the number of movie theater customers in the fiscal year under review increased by 18.5% year on year to 30,008,000.

Operating revenue in the Movie Theater Chain business was ¥57,673 million (up 24.7% year on year) and operating profit was ¥1,678 million (operating loss of ¥1,100 million in the previous fiscal year).

With regard to theater changes in the fiscal year under review, TOHO Cinemas Co., Ltd. opened “TOHO Cinemas Sevenpark Amami” (10 screens) in Matsubara-shi, Osaka on November 17. As a result, the number of screens managed by the corporate group increased by 10 to 712 throughout Japan (including 56 collaboratively managed screens).

In the Production and Licensing business, sales of works under the animation label, TOHO animation, performed favorably in each business. In the Home Entertainment business, the TV animation “Umamusume: Pretty Derby Season 2” saw favorable sales, and the TV animation “JUJUTSU KAISEN” and “TOUKEN RANBU the Stage,” and the movie “Godzilla vs. Kong” as well as others were made available. Revenue in the Animation Production business increased as a result of royalty from various platform such as royalty from merchandising rights through investing into the production of the TV animation “JUJUTSU KAISEN,” “My Hero Academia,” “Godzilla Singular Point,” “Haikyuu!,” etc. as well as the movies “My Hero Academia: World Heroes’ Mission” and “Jujutsu Kaisen: Zero.” In the Publishing and Merchandising business, sales of souvenir programs and character goods grew for the movies “Detective Conan: The Scarlet Bullet,” “My Hero Academia: World Heroes’ Mission” and “Jujutsu Kaisen: Zero,” and the TV animation “JUJUTSU KAISEN.” TOHO Studios Co., Ltd. operated smoothly as a result of integrating the Production and Studio businesses. Although TOHO EIZO BIJUTSU Co., Ltd. and Toho Butai Co., Ltd. saw some signs of recovery in relation to stage production and art production for movies, TV and commercials, etc. as well as production services for display items in theme parks, the situation continued to be difficult. As a result, operating revenue in the Production and Licensing business was ¥46,667 million (up 55.0% year on year) and operating profit was ¥11,708 million (up 135.4% year on year).

In the Production and Licensing business department of TOHO CO., LTD., revenue was ¥44,211 million (up 60.2% year on year) before intracompany transfers deduction (¥8,690 million, up 90.8% year on year). This consists of Home Entertainment business revenue of ¥11,396 million (up 38.4% year on year), Publishing and Merchandising business revenue of ¥4,789 million (up 8.8% year on year), Animation Production business revenue of ¥26,154 million (up 103.2% year on year), Live-action Film Production business revenue of ¥966 million (down 32.9% year on year), Alternative Content business revenue of ¥572 million (down 10.2% year on year) and other income of ¥331 million (up ¥331 million year on year).

As a result, in the overall Cinema business, operating revenue was ¥144,781 million (up 24.6% year on year) and operating profit was ¥24,894 million (up 140.5% year on year).

Theatrical business

In the Theatrical business, the Company suspended performances and ticket sales and refunded tickets due to the declaration of the states of emergency. Even after lifting of state of emergency, performances were carried out, while infection prevention measures were implemented. “Endless Shock -Eternal-,” “MOZART!,” “Les Misérables,” “Crest of the Royal Family,” “DREAM BOYS,” “Knights’ Tale,” “My Fair Lady,” “ABC Za Legend of Johnny’s 2021 at Imperial Theatre,” “JOHNNYS’ Island THE NEW WORLD,” “The Man Who Laughs” and “Spirited Away” were performed at TOHO CO., LTD.’s Imperial Theatre. “GHOST,” “You’re a Good Man, Charlie Brown,” “CLUB SEVEN ZERO III,” “SHOW BOY,” “Little Shop of Horrors,” “VOICARION XIII - Her Majesty’s Room -,” “Grease,” “The Glass Menagerie,” “The Little Prince,” “SLAPSTICKS,” “Piaf,” etc., were performed at Theatre Creation, and other external theatrical works took place throughout Japan. Furthermore, “Mademoiselle Mozart” was performed at Brillia HALL. As a result, revenue increased significantly due to an increase in the number of performances year on year. At Toho Entertainment Co., Ltd., affiliated actors worked favorably on commercial performances, etc. As a result, operating revenue in the Theatrical business was ¥15,157 million (up 90.7% year on year) and operating profit was ¥2,472 million (operating loss of ¥1,066 million in the previous fiscal year).

In the Theatrical business department of TOHO CO., LTD., revenue was ¥13,011 million (up 109.0% year on year) before intracompany transfers deduction (¥193 million, up 7.8% year on year). This consists of production and exhibition revenue of ¥10,020 million (up 89.7% year on year), external

theatrical work revenue of ¥2,708 million (up 250.8% year on year) and other income of ¥282 million (up 64.9% year on year).

Real Estate business

The Lease of Land and Buildings business continued to be in a difficult situation due to factors such as changes in the office market and the closure of commercial facilities. The vacancy rate of real estate for leasing held by the corporate group was 0.3%, but revenue decreased due to factors such as temporary tenants changing out. Operating revenue in the Lease of Land and Buildings business was ¥27,155 million (down 2.7% year on year) and operating profit was ¥11,733 million (down 4.8% year on year). TOHO CO., LTD. merged Bankatsu tochi kigyo Co., Ltd., one of its subsidiaries, effective on November 1, 2021.

With regard to unrealized gains on non-current assets of the corporate group, TOHO's equity of the valuation difference after considering the tax effect of recognizing the assessed value of non-current assets in the property tax ledger on January 1, 2021 as market price is approximately ¥346,100 million. (The disclosure of these unrealized gains is not based on the "Accounting Standard for Disclosures about Fair Value of Investment and Rental Property (ASBJ Statement No. 30) Etc.," but continues to be carried out voluntarily, separately from this standard from the perspective of enhancing information disclosure.)

In the Land and Building Leasing department of TOHO CO., LTD., revenue was ¥29,238 million (down 1.2% year on year) before intracompany transfers deduction (¥785 million, down 3.4% year on year).

In the Road business, amid strong public investment into areas such as infrastructure development due to aging, Subaru Enterprise Co., Ltd. and its subsidiaries worked to increase new orders and expand orders for existing projects through proactive sales activities by using design proposals, etc. While the situation continued to be unpredictable due to rising labor costs and equipment prices, Subaru Enterprise Co., Ltd. and its subsidiaries maintained stable construction systems to promptly respond to emergency work and strived to improve profits. As a result, operating revenue in the Road business was ¥28,977 million (up 5.5% year on year) and operating profit was ¥4,207 million (up 3.9% year on year).

In the Building Maintenance business, TOHO BUILDING MANAGEMENT Co., Ltd. and Toho Facilities Co., Ltd. worked to secure new orders and reduce expenses. As a result, operating revenue was ¥9,699 million (down 0.5% year on year) and operating profit was ¥715 million (up 4.6% year on year).

As a result of the above, operating revenue in the overall Real Estate business was ¥65,832 million (up 1.1% year on year) and operating profit was ¥16,657 million (down 2.4% year on year).

Other business

The Amusement business and the Restaurant and Sports Facilities business performed favorably due to the increase of customers at Toho Kyoei Kigyo Co., Ltd.'s Toho Chofu Sports Park. TOHO RETAIL CO., LTD.'s restaurants, theater concession stands, etc. closed temporarily and shops closed due to the continuing difficult situation regarding demand for eating out. As a result, operating revenue in the Other business was ¥2,596 million (down 3.1% year on year) and operating loss was ¥90 million (operating loss of ¥320 million in the previous fiscal year).

(2) Overview of financial position for the fiscal year under review

With regard to financial position as of the end of the fiscal year under review, total assets increased by ¥28,727 million from the end of the previous fiscal year to ¥502,532 million. This was mainly due to increases of ¥5,999 million in short-term loans receivable with resale agreement, ¥13,818 million in land and ¥8,490 million in investment securities.

Liabilities increased by ¥8,558 million from the end of the previous fiscal year to ¥93,351 million. This was mainly due to increases of ¥7,493 million in income taxes payable and ¥1,329 million in accrued expenses despite a decrease of ¥764 million in accounts payable - other.

Net assets increased by ¥20,169 million from the end of the previous fiscal year to ¥409,181 million. This was mainly due to an increase of ¥23,362 million in retained earnings due to the recording of ¥29,568 million in profit attributable to owners of parent and ¥6,205 million in dividends of surplus as well as an increase of ¥4,940 million in treasury shares due to acquisition, etc. by tender offer for treasury shares.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents (“cash”) on a consolidated basis at the end of the fiscal year under review increased ¥6,513 million from the end of the previous fiscal year to ¥92,341 million.

(Cash flows from operating activities)

Net cash provided by operating activities increased ¥40,948 million year on year to ¥53,460 million for the fiscal year under review, mainly due to ¥44,481 million of profit before income taxes, ¥8,951 million of depreciation, ¥2,350 million of increase in accrued consumption taxes and ¥2,355 million of income taxes refund despite an increase of ¥2,452 million in trade receivables and ¥6,512 million of income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities increased ¥8,804 million year on year to ¥36,030 million for the fiscal year under review, mainly due to ¥65,315 million of purchase of securities, ¥26,942 million of purchase of property, plant and equipment and ¥15,830 million of purchase of investment securities, despite ¥71,700 million of proceeds from sale of securities.

(Cash flows from financing activities)

Net cash used in financing activities decreased ¥4,737 million year on year to ¥12,482 million for the fiscal year under review, mainly due to ¥5,790 million of purchase of treasury shares and ¥6,208 million of dividends paid.

(4) Future outlook

(Forecast for the fiscal year ending February 28, 2023)

The Group is expected to feel the impact of various factors such as the COVID-19 infection situation and the rise in raw material prices due to circumstances in Ukraine and other factors. There are considerable uncertainties in future market and consumer trends, which may affect the Group’s financial position, operating results, and cash flows. Please note that the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. will be adopted from the beginning of the fiscal year ending February 28, 2023, and the consolidated earnings forecasts reflect the adoption of the accounting standard. As such, year-on-year percentage changes are not provided.

In addition, the Company has formulated the “The TOHO VISION 2032 TOHO Group Management Corporate Strategy,” which was announced on April 12, 2022, to strive for sustainable growth and improvement of corporate value over the medium- to long-term.

Cinema business

TOHO CO., LTD., Toho-Towa Co., Ltd., etc. will collaboratively produce and distribute the following popular works. Because of this, the Company expects operating revenue of ¥36,400 million in the Production and Distribution business.

TOHO CO., LTD.'s collaborative productions/distributed works	
Doraemon the movie: Nobita's Little Star Wars 2021	KAPPEI
Mr.Osomatsu	Detective Conan: The Bride of Halloween
Crayon Shinchan the Movie: The Tornado Legend of Ninja Mononoke	Radiation House The Movie
SHIN ULTRAMAN	Official Film of the Olympic Games Tokyo 2020: SIDE A
The Hound of the Baskervilles: Sherlock The Movie	Official Film of the Olympic Games Tokyo 2020: SIDE B
Kingdom2 (Tentative title)	GHOSTBOOK (Tentative title)
Even If This Love Disappears Tonight	Akira and Akira (Tentative title)
A HUNDRED FLOWERS	Silent Parade
The Lines that Define Me (Tentative title)	Suzume no Tojimari (Tentative title)
Fragments of The Last Will	Living
Works contracted for distribution by Toho-Towa Co., Ltd., etc.	
Sing 2	Ambulance
Marry Me	Top Gun: Maverick (Towa Pictures Co., Ltd.)
The Lost City (Towa Pictures Co., Ltd.)	The Black Phone
Minions: The Rise of Gru	Jurassic World: Dominion
Sonic the Hedgehog 2 (Towa Pictures Co., Ltd.)	The Bad Guys

Note: There is a possibility that changes, such as the postponement of releases, will occur for unreleased works. Please confirm the most recent information on the Company's website.

In the Movie Theater Chain business, TOHO Cinemas Co., Ltd. and others are planning to release popular works, primarily those listed above. The Company expects operating revenue of ¥73,500 million in the Movie Theater Chain business. With regard to changes planned at theaters for the next fiscal year, "TOHO Cinemas LaLaport Fukuoka" (9 screens) is planned to open in Hakata-ku, Fukuoka City on April 25, 2022, which will bring the Company to a 9 screen increase throughout Japan for a total of 721 screens (including 56 collaboratively managed screens).

In the Production and Licensing business, the Company will commence TOHO animation's 10th anniversary project and roll out various initiatives, including in the Home Entertainment business and TV animation with a wide lineup such as "JUJUTSU KAISEN," "My Hero Academia," "SPY x FAMILY" and "Teasing Master Takagi-san." The Publishing and Merchandising business plans to offer a wide range of souvenir programs and character goods for works distributed by the Company, such as "Detective Conan: The Bride of Halloween" and "Suzume no Tojimari (Tentative title)." Furthermore, it will work to further increase royalty from merchandising rights, etc. for the "TOHO Monster Series," which includes "Godzilla." TOHO Studios Co., Ltd. will work to secure orders for movie, TV and commercial production, etc. by integrating the Production and Studio businesses. TOHO EIZO BIJUTSU Co., Ltd. and Toho Butai Co., Ltd. will work on construction management and cost management while working to obtain new customers in order to secure art production works for movies and TV, event construction, etc., and actively carry out sales activities. Based on the above, the Company expects operating revenue of ¥37,100 million in the Production and Licensing business.

As a result, in the overall Cinema business, the Company expects operating revenue of ¥147,000 million.

Theatrical business

In the Theatrical business, various initiatives will be carried out, such as the first stage performance and live streaming of "Spirited Away" as a work commemorating the 90th anniversary of TOHO's

founding. The Company is planning to carry out the following performances at TOHO CO., LTD.'s Imperial Theatre, Theatre Creation and others. Other than this, the Company will expand "Spirited Away," "Elisabeth" and other performances as external theatrical works throughout Japan. Furthermore, Toho Entertainment Co., Ltd. will proactively develop sales activities for affiliated actors' activities in commercials, TV, movie, etc. As a result, the Company expects operating revenue of ¥18,000 million in the Theatrical business.

Imperial Theatre	
(March) Spirited Away	(April - May) Endless Shock -Eternal-
(June) Guys and Dolls	(July - August) Miss Saigon
(October - November) Elisabeth	(February) Kingdom
Theatre Creation	
(March) Piaf	(March - April) Next to Normal
(April) VOICARION XIV ~ The Spoon ~	(May) The 39 Steps
(May) My Story, My Song ~ and YOU ~	(June) CROSS ROAD
(July) Only 1, NOT No.1	(August) Q & A
(September) Thoroughly Modern Millie	(October - November) The Fantasticks
Other theatres	
(March) La Cage Aux Foilles (Nissay Theatre)*	(March - May) Mary Poppins (TOKYU THEATRE Orb)*
(May) Your Lie in April (Nissay Theatre)*	(Autumn) Jersey Boys (Nissay Theatre)*
(November - December) Sister Act (TOKYU THEATRE Orb)	

Note: Titles with an asterisk are collaboratively produced productions. There is a possibility that changes, such as the postponement of releases, will occur. Please confirm the most recent information on the Company's website.

Real Estate business

Under the difficult situation, which includes the decrease of office demand, in the Lease of Land and Buildings business, TOHO CO., LTD.'s Corporate Real Estate department will aim to effectively utilize real estate held in Japan through corporate proposals for equipment repair and redevelopment from a long-term perspective while improving financial results by striving for comprehensive responses for and mutual understanding with tenants. As a result, the Company expects operating revenue of ¥27,900 million in the Lease of Land and Buildings business.

In the Road business, Subaru Enterprise Co., Ltd. and its subsidiaries will work to expand orders by carrying out proactive sales activities based on thorough cost management. The Company expects operating revenue of ¥27,700 million in the Road business.

In the Building Maintenance business, TOHO BUILDING MANAGEMENT Co., Ltd. and Toho Facilities Co., Ltd. will work to reduce expenses and secure new orders under this difficult business environment with ongoing price competition. As a result, the Company expects operating revenue of ¥10,300 million in the Building Maintenance business.

Due to the above, in the overall Real Estate business, the Company expects operating revenue of ¥65,900 million.

Other business

The Amusement business and the Merchandise Sales business will proactively develop sales measures, etc. for Toho Kyoei Kigyo Co., Ltd.'s Toho Chofu Sports Park. Furthermore, the Retailing and Retail Services business for TOHO RETAIL CO., LTD.'s theater concession stands, etc. will carry out sales activities taking into consideration profitability, etc.

As a result, the Company expects operating revenue of ¥1,100 million in the Other business.

Planned capital expenditures for the next fiscal year include ordinary repair work (repair work within the scope of depreciation (¥9,000 million budget)), the completion of “Toho Hibiya Promenade Building,” the opening of “TOHO Cinemas LaLaport Fukuoka” and other work. These capital expenditures are expected to be made within the budget of ¥20,500 million. However, the Company will flexibly carry out additional investments for the purchase of new properties and acquisition of equipment.

As a result, the Company is expected to record operating revenue of ¥232,000 million in the fiscal year ending February 28, 2023, operating profit of ¥38,000 million, ordinary profit of ¥41,000 million, and profit attributable to owners of parent of ¥28,500 million.

2. Basic Policy on Selection of Accounting Standards

The Group has adopted the generally accepted accounting principles in Japan (Japanese GAAP). The Company will take into consideration the circumstances in Japan and overseas for appropriate adoption of the International Financial Reporting Standards (IFRS).

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of February 28, 2021	As of February 28, 2022
Assets		
Current assets		
Cash and deposits	37,530	37,750
Notes and accounts receivable - trade	20,345	22,852
Investments in leases	17,684	16,852
Securities	39,094	40,607
Inventories	8,906	8,417
Short-term loans receivable with resale agreement	47,999	53,999
Other	12,508	7,461
Allowance for doubtful accounts	(42)	(74)
Total current assets	184,028	187,866
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	79,482	80,050
Machinery, equipment and vehicles, net	5,848	6,034
Tools, furniture and fixtures, net	2,556	2,879
Land	61,620	75,438
Leased assets, net	11	8
Construction in progress	2,106	5,453
Total property, plant and equipment	151,626	169,865
Intangible assets		
Leasehold interests in land	1,191	1,191
Goodwill	3,458	2,745
Leased assets	9	6
Other	1,406	1,443
Total intangible assets	6,066	5,386
Investments and other assets		
Investment securities	113,400	121,891
Long-term loans receivable	152	133
Distressed receivables	220	5
Deferred tax assets	2,727	2,379
Retirement benefit asset	138	318
Guarantee deposits	13,465	13,027
Other	2,284	1,736
Allowance for doubtful accounts	(306)	(78)
Total investments and other assets	132,083	139,413
Total non-current assets	289,776	314,665
Total assets	473,804	502,532

(Millions of yen)

	As of February 28, 2021	As of February 28, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	18,397	19,305
Short-term borrowings	116	60
Lease obligations	15	15
Accounts payable - other	3,888	3,123
Accrued expenses	2,807	4,136
Income taxes payable	2,258	9,751
Provision for bonuses	907	972
Provision for bonuses for directors (and other officers)	23	41
Provision for PCB disposal	181	129
Asset retirement obligations	68	-
Other	10,807	9,994
Total current liabilities	39,473	47,531
Non-current liabilities		
Lease obligations	44	29
Deferred tax liabilities	11,762	11,633
Retirement benefit liability	3,489	3,636
Provision for retirement benefits for directors (and other officers)	155	140
Provision for PCB disposal	236	236
Asset retirement obligations	6,858	6,994
Long-term guarantee deposits	22,600	22,991
Other	172	157
Total non-current liabilities	45,319	45,819
Total liabilities	84,792	93,351
Net assets		
Shareholders' equity		
Share capital	10,355	10,355
Capital surplus	14,087	14,122
Retained earnings	357,068	380,430
Treasury shares	(23,771)	(28,712)
Total shareholders' equity	357,740	376,197
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,290	19,854
Revaluation reserve for land	800	800
Foreign currency translation adjustment	(952)	(121)
Remeasurements of defined benefit plans	(1,059)	(1,008)
Total accumulated other comprehensive income	18,079	19,525
Non-controlling interests	13,191	13,458
Total net assets	389,011	409,181
Total liabilities and net assets	473,804	502,532

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Operating revenue	191,948	228,367
Operating costs	123,485	133,527
Gross profit	68,462	94,840
Selling, general and administrative expenses		
Personnel expenses	18,239	20,014
Advertising expenses	2,168	5,408
Provision for bonuses	654	706
Retirement benefit expenses	931	944
Provision for retirement benefits for directors (and other officers)	20	26
Depreciation	3,404	3,521
Rent expenses on land and buildings	6,665	7,652
Other	13,929	16,617
Total selling, general and administrative expenses	46,014	54,891
Operating profit	22,447	39,948
Non-operating income		
Interest income	84	56
Dividend income	1,524	1,479
Share of profit of entities accounted for using equity method	168	243
Foreign exchange gains	-	858
Other	229	273
Total non-operating income	2,007	2,911
Non-operating expenses		
Interest expenses	33	24
Commission for purchase of treasury shares	-	22
Foreign exchange losses	179	-
Other	47	22
Total non-operating expenses	260	69
Ordinary profit	24,195	42,790
Extraordinary income		
Gain on sale of non-current assets	684	5
Gain on sale of investment securities	626	-
Received settlement fee	380	-
Subsidy income	952	3,869
Total extraordinary income	2,643	3,875
Extraordinary losses		
Impairment losses	654	425
Demolition cost of fixed asset	-	1,186
Loss on tax purpose reduction entry of non-current assets	153	-
Loss on valuation of investment securities	81	23
Loss caused by temporary closures	2,211	548
Total extraordinary losses	3,100	2,184
Profit before income taxes	23,738	44,481
Income taxes - current	8,082	13,489
Income taxes - deferred	(345)	(46)
Total income taxes	7,737	13,443
Profit	16,001	31,038
Profit attributable to non-controlling interests	1,312	1,470
Profit attributable to owners of parent	14,688	29,568

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Profit	16,001	31,038
Other comprehensive income		
Valuation difference on available-for-sale securities	2,448	572
Foreign currency translation adjustment	(695)	830
Remeasurements of defined benefit plans, net of tax	191	51
Share of other comprehensive income of entities accounted for using equity method	(15)	(5)
Total other comprehensive income	1,929	1,449
Comprehensive income	17,930	32,487
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,638	31,014
Comprehensive income attributable to non-controlling interests	1,292	1,473

(3) Consolidated statement of changes in equity

Fiscal year ended February 28, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,355	14,087	352,171	(16,902)	359,711
Changes during period					
Dividends of surplus			(9,863)		(9,863)
Profit attributable to owners of parent			14,688		14,688
Purchase of treasury shares				(6,868)	(6,868)
Increase by merger			72		72
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	0	4,896	(6,868)	(1,971)
Balance at end of period	10,355	14,087	357,068	(23,771)	357,740

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	16,837	800	(257)	(1,250)	16,129	12,370	388,212
Changes during period							
Dividends of surplus					-		(9,863)
Profit attributable to owners of parent					-		14,688
Purchase of treasury shares					-		(6,868)
Increase by merger					-		72
Change in ownership interest of parent due to transactions with non-controlling interests					-		0
Change in treasury shares arising from change in equity in entities accounted for using equity method					-		(0)
Net changes in items other than shareholders' equity	2,453	-	(695)	191	1,949	820	2,770
Total changes during period	2,453	-	(695)	191	1,949	820	799
Balance at end of period	19,290	800	(952)	(1,059)	18,079	13,191	389,011

Fiscal year ended February 28, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,355	14,087	357,068	(23,771)	357,740
Changes during period					
Dividends of surplus			(6,205)		(6,205)
Profit attributable to owners of parent			29,568		29,568
Purchase of treasury shares				(5,760)	(5,760)
Disposal of treasury shares		14		819	833
Change in ownership interest of parent due to transactions with non-controlling interests		20			20
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Net changes in items other than shareholders' equity					—
Total changes during period	—	34	23,362	(4,940)	18,456
Balance at end of period	10,355	14,122	380,430	(28,712)	376,197

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19,290	800	(952)	(1,059)	18,079	13,191	389,011
Changes during period							
Dividends of surplus					—		(6,205)
Profit attributable to owners of parent					—		29,568
Purchase of treasury shares					—		(5,760)
Disposal of treasury shares					—		833
Change in ownership interest of parent due to transactions with non-controlling interests					—		20
Change in treasury shares arising from change in equity in entities accounted for using equity method					—		(0)
Net changes in items other than shareholders' equity	563	—	830	51	1,445	267	1,713
Total changes during period	563	—	830	51	1,445	267	20,169
Balance at end of period	19,854	800	(121)	(1,008)	19,525	13,458	409,181

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Cash flows from operating activities		
Profit before income taxes	23,738	44,481
Depreciation	8,797	8,951
Impairment losses	654	425
Increase (decrease) in allowance for doubtful accounts	(133)	(196)
Increase (decrease) in provision for PCB disposal	59	(52)
Increase (decrease) in retirement benefit liability	(252)	102
Decrease (increase) in retirement benefit asset	203	(62)
Interest and dividend income	(1,609)	(1,536)
Interest expenses	33	24
Share of loss (profit) of entities accounted for using equity method	(168)	(243)
Loss (gain) on sale of non-current assets	(687)	(6)
Loss on retirement of non-current assets	48	216
Loss (gain) on sale of investment securities	(626)	-
Loss (gain) on valuation of investment securities	81	23
Decrease (increase) in trade receivables	4,771	(2,452)
Decrease (increase) in inventories	1,439	575
Increase (decrease) in trade payables	(2,679)	891
Decrease (increase) in guarantee deposits	48	459
Increase (decrease) in accrued consumption taxes	(3,181)	2,350
Increase (decrease) in guarantee deposits received	(668)	341
Other	(544)	1,666
Subtotal	29,324	55,958
Interest and dividends received	2,097	1,707
Interest paid	(32)	(49)
Income taxes paid	(18,902)	(6,512)
Income taxes refund	25	2,355
Net cash provided by (used in) operating activities	12,512	53,460
Cash flows from investing activities		
Purchase of securities	(41,395)	(65,315)
Proceeds from sale of securities	52,100	71,700
Purchase of property, plant and equipment	(9,517)	(26,942)
Proceeds from sale of property, plant and equipment	784	175
Purchase of investment securities	(26,993)	(15,830)
Proceeds from sale of investment securities	921	295
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(92)
Loan advances	(5)	(91)
Proceeds from collection of loans receivable	64	68
Investments in money held in trust	(2,600)	(2,600)
Proceeds from cancellation of money held in trust	-	3,400
Payments into time deposits	-	(0)
Proceeds from withdrawal of time deposits	12	2
Other	(596)	(797)
Net cash provided by (used in) investing activities	(27,226)	(36,030)

(Millions of yen)

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1)	(55)
Proceeds from long-term borrowings	15	-
Repayments of long-term borrowings	(15)	-
Purchase of treasury shares	(6,872)	(5,790)
Dividends paid	(9,860)	(6,208)
Dividends paid to non-controlling interests	(464)	(406)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(6)	(4)
Repayments of lease obligations	(15)	(15)
Net cash provided by (used in) financing activities	(17,220)	(12,482)
Effect of exchange rate change on cash and cash equivalents	(683)	1,566
Net increase (decrease) in cash and cash equivalents	(32,618)	6,513
Cash and cash equivalents at beginning of period	118,445	85,827
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	0	-
Cash and cash equivalents at end of period	85,827	92,341

(5) Notes to consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Segment information)

[Segment information]

1. Description of reportable segments

The reportable segments of the Group are those units for which separate financial information is available, and which are regularly examined by the Board of Directors concerning decisions on the allocation of management resources and for assessing business performance.

The Group is comprised of segments based on products and services, with the three reportable segments of the “Cinema business,” the “Theatrical business” and the “Real Estate business.”

The “Cinema business” is engaged in the production, distribution and screening of movies as well as the production and sales of video software, TV programs, commercial films, etc. The “Theatrical business” is engaged in the production, exhibition and sales of theatrical works and the talent agency business. The “Real Estate business” is engaged in the leasing, maintenance and management of real estate, maintenance, cleaning and repair work of roads, and contract management services for highway facilities.

2. Calculation methods for net sales, profit (loss), assets, liabilities and other items by reportable segment

The accounting methods for the business segments reported are generally the same as those adopted in preparing consolidated financial statements. Profit by reportable segment is based on operating profit. Intersegment sales and transfers are based on prevailing market prices.

3. Disclosure of net sales, profit (loss), assets, liabilities and other items by reportable segment
Fiscal year ended February 28, 2021 (March 1, 2020 to February 28, 2021)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Cinema business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	116,197	7,948	65,124	189,270	2,678	191,948	—	191,948
Intersegment sales or transfers	1,652	19	4,529	6,200	42	6,242	(6,242)	—
Total	117,849	7,968	69,653	195,470	2,720	198,191	(6,242)	191,948
Segment profit (loss)	10,351	(1,066)	17,062	26,347	(320)	26,026	(3,579)	22,447
Segment assets	82,066	8,123	191,857	282,047	769	282,816	190,987	473,804
Other items								
Depreciation	3,014	197	5,320	8,531	69	8,601	196	8,797
Impairment losses	93	—	324	418	236	654	—	654
Amortization of goodwill	471	—	241	712	—	712	—	712
Balance of unamortized goodwill	942	—	2,515	3,458	—	3,458	—	3,458
Increase in property, plant and equipment and intangible assets	3,535	38	6,322	9,896	45	9,942	154	10,097

(Notes) 1. The “Other” category is a business segment that is not included in the reportable segments and includes businesses that operate restaurants and sports facilities.

2. The ¥3,579 million deducted from segment profit (loss) as adjustment consists of an addition of ¥1 million in intersegment transaction elimination, and a deduction of ¥3,580 million in corporate expenses that cannot be allocated to any reportable segment. Corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.

The ¥190,987 million added to segment assets as adjustment consists of a deduction of ¥16,859 million in intersegment transaction elimination, and an addition of ¥207,846 million in corporate assets that cannot be allocated to any reportable segment. The main items of corporate assets are the Company’s surplus funds (cash and deposits, securities and short-term loans receivable with resale agreement) as well as long-term investment funds (investment securities).

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

Fiscal year ended February 28, 2022 (March 1, 2021 to February 28, 2022)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated financial statements (Note 3)
	Cinema business	Theatrical business	Real Estate business	Total				
Net sales								
Sales to external customers	144,781	15,157	65,832	225,771	2,596	228,367	–	228,367
Intersegment sales or transfers	2,444	26	5,176	7,647	49	7,696	(7,696)	–
Total	147,225	15,184	71,008	233,418	2,645	236,064	(7,696)	228,367
Segment profit (loss)	24,894	2,472	16,657	44,023	(90)	43,932	(3,984)	39,948
Segment assets	81,067	8,371	210,336	299,776	718	300,494	202,037	502,532
Other items								
Depreciation	3,172	179	5,392	8,744	38	8,783	167	8,951
Impairment losses	366	–	49	416	9	425	–	425
Amortization of goodwill	471	–	395	866	–	866	–	866
Balance of unamortized goodwill	471	–	2,273	2,745	–	2,745	–	2,745
Increase in property, plant and equipment and intangible assets	4,408	47	23,535	27,991	11	28,002	250	28,252

(Notes) 1. The “Other” category is a business segment that is not included in the reportable segments and includes businesses that operate restaurants and sports facilities.

2. The ¥3,984 million deducted from segment profit (loss) as adjustment consists of an addition of ¥3 million in intersegment transaction elimination, and a deduction of ¥3,987 million in corporate expenses that cannot be allocated to any reportable segment. Corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.

The ¥202,037 million added to segment assets as adjustment consists of a deduction of ¥17,408 million in intersegment transaction elimination, and an addition of ¥219,445 million in corporate assets that cannot be allocated to any reportable segment. The main items of corporate assets are the Company’s surplus funds (cash and deposits, securities and short-term loans receivable with resale agreement) as well as long-term investment funds (investment securities).

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

(Per share information)

	(Yen)	
	As of February 28, 2021	As of February 28, 2022
Net assets per share	2,115.44	2,241.23

	(Yen)	
	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Basic earnings per share	82.54	167.24

(Notes) 1. Diluted earnings per share is not presented because there are no dilutive shares.

2. The basis for calculation of basic earnings per share is as follows:

	Fiscal year ended February 28, 2021	Fiscal year ended February 28, 2022
Profit attributable to owners of parent (millions of yen)	14,688	29,568
Main components of amount not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent related to common stock (millions of yen)	14,688	29,568
Average number of shares of common stock during period (shares)	177,951,279	176,797,902

3. The basis for calculation of net assets per share is as follows:

	As of February 28, 2021	As of February 28, 2022
Total net assets (millions of yen)	389,011	409,181
Amount to be deducted from total net assets (millions of yen)	13,191	13,458
(of which, non-controlling interests (millions of yen))	13,191	13,458
Net assets related to common stock at end of period (millions of yen)	375,820	395,722
Number of shares of common stock at end of period used in the calculation of net assets per share (shares)	177,656,028	176,565,041

(Significant subsequent events)

Not applicable.