

February 14, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: Tohokushinsha Film Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 2329
 URL: <https://www.tfc.co.jp/>
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 Scheduled date to commence dividend payments: March 17, 2025
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2024	31,532	(13.7)	1,903	31.6	2,354	143.8	1,688	(1.3)
December 31, 2023	36,537	(4.6)	1,446	(43.8)	965	(68.3)	1,709	(6.6)

Note: Comprehensive income For the nine months ended December 31, 2024: ¥ 524 million [(82.0)%]
 For the nine months ended December 31, 2023: ¥ 2,907 million [(18.2)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended				
December 31, 2024	12.52		-	
December 31, 2023	12.68		-	

Note: On July 1, 2024, the Company conducted a share split at a ratio of 3 shares per share of common shares. "Basic earnings per share" and "diluted earnings per share" are calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio	
	Millions of yen		Millions of yen		%	
As of						
December 31, 2024	93,768		77,702		81.9	
March 31, 2024	97,871		82,419		83.3	

Reference: Equity
 As of December 31, 2024: ¥ 76,829 million
 As of March 31, 2024 : ¥ 81,572 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	78.00	78.00
Fiscal year ending March 31, 2025	19.00	6.67	6.33		
Fiscal year ending March 31, 2025 (Forecast)				6.67	

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

2. On July 1, 2024, the Company conducted a share split at a ratio of 3 shares per share of common shares. The figures for the fiscal year ending March 31, 2024 and the end of the first quarter of the fiscal year ending March 31, 2025 represent the actual dividend amount prior to the stock split. The annual dividend forecast is not shown because a simple comparison is not possible due to the implementation of a stock split. The annual dividend without considering the stock split would be 78.01 yen per share, the same level as the previous year.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	46,045	(12.8)	2,163	(19.2)	2,705	22.1	7,524	87.1	55.77

Note: Revisions to the earnings forecasts most recently announced: Yes

Please refer to the "Notice of Transfer of Fixed Assets, Recording of Extraordinary Income, and Revision of Earnings Forecasts" released today (February 14, 2025) for the revision of consolidated earnings forecasts.

2. On July 1, 2024, the Company conducted a share split at a ratio of 3 shares per share of common shares. Net income per share" in the forecast of consolidated financial results takes into account the effect of this stock split. Net income per share" without considering the stock split would be 167.32 yen.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 company (Star Channel Inc.)

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Notes on Changes in Scope of Consolidation or Application of Equity Method)" on page 8 of the attached document.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Notes on accounting procedures specific to preparation of quarterly consolidated financial statements)" on page 8 of the attached materials.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2024	140,206,002 shares
As of March 31, 2024	140,206,002 shares

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

As of December 31, 2024	5,271,963 shares
As of March 31, 2024	5,360,787 shares

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

Nine months ended December 31, 2024	134,896,571 shares
Nine months ended December 31, 2023	134,845,346 shares

Note: On July 1, 2024, the Company conducted a share split at a ratio of 3 shares per share of common shares. "Total number of issued shares at the end of the period," "number of treasury shares at the end of the period," and "average number of shares outstanding during the period" are calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (optional)

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to "1. Operating Results (3) Explanation of Forward-Looking Statements" on page 3 of the attached materials for the assumptions used in forecasting business results and precautions regarding the use of business results forecasts.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	45,710	51,090
Notes and accounts receivable - trade, and contract assets	10,704	6,849
Securities	73	29
TV exhibition rights and Videogram rights	2,368	1,160
Work in process	2,255	3,885
Other inventories	186	187
Other	840	1,101
Allowance for doubtful accounts	(14)	(4)
Total current assets	62,124	64,299
Non-current assets		
Property, plant and equipment		
Land	11,972	11,977
Other, net	5,583	5,107
Total property, plant and equipment	17,555	17,085
Intangible assets		
Goodwill	1,309	1,183
Customer-related intangible assets	811	733
Other	265	167
Total intangible assets	2,387	2,084
Investments and other assets		
Investment securities	14,577	9,252
Other	1,468	1,266
Allowance for doubtful accounts	(241)	(218)
Total investments and other assets	15,804	10,300
Total non-current assets	35,747	29,469
Total assets	97,871	93,768

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	7,827	6,079
Short-term borrowings	283	111
Income taxes payable	682	1,290
Provision for bonuses	823	412
Other	2,750	5,917
Total current liabilities	12,367	13,811
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	347	328
Retirement benefit liability	1,255	917
Other	1,482	1,009
Total non-current liabilities	3,084	2,254
Total liabilities	15,451	16,066
Net assets		
Shareholders' equity		
Share capital	2,487	2,487
Capital surplus	3,588	3,607
Retained earnings	71,637	68,065
Treasury shares	(1,728)	(1,699)
Total shareholders' equity	75,984	72,461
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,705	2,419
Foreign currency translation adjustment	1,598	1,742
Remeasurements of defined benefit plans	284	205
Total accumulated other comprehensive income	5,588	4,368
Non-controlling interests	847	873
Total net assets	82,419	77,702
Total liabilities and net assets	97,871	93,768

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	36,537	31,532
Cost of sales	26,461	22,456
Gross profit	10,076	9,076
Selling, general and administrative expenses	8,629	7,173
Operating profit	1,446	1,903
Non-operating income		
Interest income	82	129
Dividend income	130	131
Share of profit of entities accounted for using equity method	-	40
Consulting fee income	76	85
Rental income from buildings	223	331
Other	55	53
Total non-operating income	568	772
Non-operating expenses		
Interest expenses	19	6
Share of loss of entities accounted for using equity method	57	-
Foreign exchange losses	81	0
Rental costs on real estate	79	173
Loss on investments in investment partnerships	773	126
Commission expenses	23	11
Other	14	2
Total non-operating expenses	1,049	321
Ordinary profit	965	2,354
Extraordinary income		
Gain on sale of non-current assets	1,042	18
Gain on sale of investment securities	-	3,142
Gain on sale of shares of subsidiaries and associates	640	4,141
Total extraordinary income	1,683	7,303
Extraordinary losses		
Impairment losses	-	205
Loss on valuation of investment securities	-	2,042
Loss on sale of shares of subsidiaries and associates	-	3
Loss on withdrawal from business	-	1,078
Extra retirement payments	-	2,539
Expenses related to the proposed Tender Offer	-	122
Total extraordinary losses	-	5,990
Profit before income taxes	2,648	3,666
Income taxes	795	1,921
Profit	1,853	1,744
Profit attributable to non-controlling interests	143	56
Profit attributable to owners of parent	1,709	1,688

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,853	1,744
Other comprehensive income		
Valuation difference on available-for-sale securities	134	(1,285)
Foreign currency translation adjustment	1,001	144
Remeasurements of defined benefit plans, net of tax	(108)	(78)
Share of other comprehensive income of entities accounted for using equity method	25	-
Total other comprehensive income	1,053	(1,219)
Comprehensive income	2,907	524
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,763	468
Comprehensive income attributable to non-controlling interests	143	56