



August 27, 2024

FOR IMMEDIATE RELEASE

Company name: AMUSE INC.
Representative: Masaki Nakanishi,
Representative Director and President
(Securities code: TSE Prime 4301)
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Notice of Reorganization and Company Split

AMUSE INC. (the “Company”) hereby announces that at a meeting of the Board of Directors held on August 27, 2024, it passed a resolution with respect to the reorganization and company split effective October 1, 2024. Details are as follows.

As one of the measures to achieve the Medium-Term Management Plan formulated in 2023, the Company will introduce an in-house company system in the Artist Management Department, its core business, and also spin off the key businesses that it has been working on in recent years into new and existing wholly owned subsidiaries.

Since this is a simplified incorporation-type company split and a simplified absorption-type company split in which the business will be transferred to wholly owned subsidiaries of the Company, certain disclosure items and details are omitted from this release.

1. Overall Overview

- In the Artist Management Business, nine internal companies will be created and corporate divisions will be reorganized.
- The IP Development Business, Film Production Business, Theatrical Production Business, Overseas Live Event Production Business, Alliance Business, and Sports Business will be transferred to the wholly owned subsidiaries to be established through a simplified incorporation-type company split effective October 1, 2024.
- The Merchandise Production Business will be succeeded by wholly owned subsidiary Kifunekobo, Inc. through a simplified absorption-type company split effective October 1, 2024, and the trade name of Kifunekobo, Inc. will be changed to AMUSE PRODUCT WORKS INC.
- The Digital Business and E-Commerce Business will be transferred to Kulture Inc., a wholly owned subsidiary, through a simplified absorption-type company split, effective October 1, 2024.
- The Life Culture Businesses, which has been operating in Saiko, Yamanashi Prefecture and Teshima, Kagawa Prefecture, will establish a preparatory organization within AMUSE INC. with a view to incorporation by 2025.
- The Executive Officer system will be abolished to simplify the organizational hierarchy and improve management efficiency.

2. Summary of the introduction of the in-house company system

(1) Purpose of introducing the in-house company system

By introducing this system to the Artist Management Department, its core business, the Company will strengthen an agile organizational structure to maximize the talents of our diverse artists and take on the challenge of creative activities that will further advance artists' works.

(2) New organizational structure

As shown in Exhibit 1, nine internal companies will be newly established.

(3) Schedule

October 1, 2024

3. Summary of company split (incorporation-type company split and absorption-type company split)

1) Purpose of company split (incorporation-type company split and absorption-type company split)

By transferring recent focus businesses to newly established wholly owned subsidiaries and wholly owned subsidiaries through a company split, the Company will work to increase the efficiency of group management through selecting and concentrating and speed up decision-making. Thus the Company will aim to further improve profitability.

4. Summary of company split (incorporation-type company split)

(1) Schedule

Date of Board of Directors' resolution approving the incorporation-type company split plan	August 27, 2024
Split date (effective date)	October 1, 2024 (planned)

*Since this company split is a simplified incorporation-type company split as stipulated in Article 805 of the Companies Act, it will be conducted without obtaining the approval of the shareholders' meeting.

(2) Method of the company split

This is an incorporation-type company split in which the Company will be the splitting company and the newly established companies will be the succeeding companies, and newly established companies will be wholly owned subsidiaries of the Company.

(3) Details of the allotment in relation to the company split

The newly established companies will issue 200 shares of common stock upon the company split, and all such shares will be allocated and delivered to the Company.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the company split

Not applicable.

(5) Capital stock to increase or decrease as a result of the company split

There will be no increase or decrease in the Company's capital stock as a result of this company split.

(6) Rights and obligations to be succeeded to by the newly established companies

The newly established companies will assume from the Company the assets, obligations, and employment contracts, and other rights and obligations related to the business as set forth in the incorporation-type company split plan dated August 27, 2024.

(7) Prospect of fulfillment of obligations

The Company has determined that there is no problem with the prospects for fulfilling the obligations to be assumed by the newly established companies after the company split.

5. Outline of the parties involved in the company split (incorporation-type company split)

(1) Split company

(1) Name	AMUSE INC.
(2) Business	Artist management, production and sales of films, TV programs, and other video content, production of original theatrical performances, etc.
(3) Established	October 16, 1978
(4) Head office address	Saiko 997, Fujikawaguchiko-machi, Minamitsuru-gun, Yamanashi Prefecture, Japan
(5) Representative	Masaki Nakanishi, Representative Director and President
(6) Share capital	1,587,825,000 yen
(7) Number of shares issued and outstanding	18,623,520 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratios	Osato Co., Ltd. 27.53% The Master Trust Bank of Japan, Ltd. 7.72% PERSHING-DIV.OF DLJ SECS.CORP. 3.06%

	Association of Shareholding Amuse Artists 2.76% Custody Bank of Japan, Ltd. 2.70% Yokichi Osato 2.66% Kuniko Osato 2.58% NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT 1.77% MUFG Bank, Ltd. 1.53% Culture Convenience Club Co., Ltd. 1.40%
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(10) Operating results and financial conditions for the most recent three years (Million yen, except where otherwise noted)

Accounting period	AMUSE INC. (Consolidated)		
	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
Total assets	49,313	58,294	58,904
Total net assets	37,761	37,581	37,500
Net assets per share (yen)	2,017.09	2,075.82	2,019.28
Operating revenue	38,744	52,497	54,813
Operating profit	2,879	3,153	1,367
Ordinary profit	2,800	3,379	1,777
Profit attributable to owners of parent	1,564	1,692	391
Earning per share (yen)	89.74	100.61	23.61

(2) Newly established companies

(1) Name	AMUSE CREATIVE STUDIO INC.
(2) Business	1. IP development and rights management business 2. Planning, production and sales of films, TV programs, and other video content 3. Planning, production and invitation of theatrical performances, events, etc. 4. Planning, production and sales of comics 5. Management business for voice actors, actors, creators, etc.
(3) Established	October 1, 2024
(4) Head office address	5-4-31, Minami-Aoyama, Minato-ku, Tokyo, Japan
(5) Representative	Hiroyuki Araki, President and Representative Director
(6) Share capital	10 million yen
(7) Number of shares issued and outstanding	200 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratios	AMUSE INC. 100%

(1) Name	AMUSE MUSIC ENTERTAINMENT INC.
(2) Business	1. Planning, production and distribution of music 2. Live event production business in Japan and overseas
(3) Established	October 1, 2024
(4) Head office address	5-4-31, Minami-Aoyama, Minato-ku, Tokyo, Japan
(5) Representative	Masaki Nakanishi, Representative Director and President
(6) Share capital	10 million yen
(7) Number of shares issued and outstanding	200 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratios	AMUSE INC. 100%

(1) Name	AMUSE COMMUNICATION DESIGN INC.
(2) Business	1. Corporate solution business 2. Commercials business
(3) Established	October 1, 2024
(4) Head office address	5-4-31, Minami-Aoyama, Minato-ku, Tokyo, Japan
(5) Representative	Kenjiro Kagawa, President and Representative Director

(6) Share capital	10 million yen
(7) Number of shares issued and outstanding	200 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratios	AMUSE INC. 100%

(1) Name	AMUSE SPORTS AGENCY INC.
(2) Business	1. Athlete management and agent business 2. Planning and production of sports events 3. Sports marketing consulting business
(3) Established	October 1, 2024
(4) Head office address	5-4-31, Minami-Aoyama, Minato-ku, Tokyo, Japan
(5) Representative	Junji Sakata, President and Representative Director
(6) Share capital	10 million yen
(7) Number of shares issued and outstanding	200 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratios	AMUSE INC. 100%

6. Outline of the business subject to the company split (incorporation-type company split)

(1) Operating results of divisions to be split

Division Business	Net sales (FY2023) Million yen	Successor company
IP development business Voice-over artist management business	377	AMUSE CREATIVE STUDIO INC.
Business of planning and production of films, TV and other video content	731	AMUSE CREATIVE STUDIO INC.
Theatrical planning and production business	509	AMUSE CREATIVE STUDIO INC.
Overseas live event production business	15	AMUSE MUSIC ENTERTAINMENT INC.
Alliance business	600	AMUSE COMMUNICATION DESIGN INC.
Athlete management business Business of planning and organizing sporting events	161	AMUSE SPORTS AGENCY INC.

(2) Items and book value of assets and liabilities to be split

The assets and liabilities to be split off will be those assets and liabilities related to the business that are specified in the incorporation-type company split plan. The book value will be determined by the end of November 2024, based on the Company's financial statements as of September 30, 2024.

7. Summary of company split (absorption-type split)

(1) Schedule

Date of Board of Directors' resolution approving the absorption-type split	August 27, 2024
Split date (effective date)	October 1, 2024 (planned)

*Because this absorption-type split is a simplified absorption-type split for the Company as stipulated in Article 784, Paragraph 2 of the Companies Act, and a summary split for the successor company as stipulated in Article 796, Paragraph 1 of the same Act, neither of the absorption-type split agreements will be subject to the approval of the Shareholders' Meeting.

(2) Method of absorption-type split

An absorption-type split in which the wholly owned subsidiaries described in the following paragraph will be the successor companies and the Company will be the splitting company.

(3) Details of the allotment in relation to the absorption-type split

Since this is an absorption-type split with wholly owned subsidiaries of the Company, there will be no allotment of shares or other money, etc. as a result of this absorption-type split.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the splitting company

Not applicable.

(5) Increase/decrease in capital stock as a result of the absorption-type split

There will be no increase or decrease in the Company's capital stock as a result of the absorption-type split.

(6) Rights and obligations to be assumed by the successor companies in the absorption-type split

Each successor company in the absorption-type split will assume from the Company the assets, obligations, employment contracts, and other rights and obligations related to the business as set forth in the absorption-type split plan dated August 27, 2024.

(7) Prospect of fulfillment of obligations

The Company has determined that there is no problem with the prospects for the performance of obligations to be assumed by the Company and the successor companies in the absorption-type split on and after the date of occurrence of this absorption-type split.

8. Outline of the parties to the company split (absorption-type split)

(1) Splitting Company

(1) Name	AMUSE INC.		
(2) Business	Artist management, production and sales of films, TV programs, and other video content, production of original theatrical performances, etc.		
(3) Established	October 16, 1978		
(4) Head office address	Saiko 997, Fujikawaguchiko-machi, Minamitsuru-gun, Yamanashi Prefecture, Japan		
(5) Representative	Masaki Nakanishi, Representative Director and President		
(6) Share capital	1,587,825,000 yen		
(7) Number of shares issued and outstanding	18,623,520 shares		
(8) Fiscal year end	March 31		
(9) Major shareholders and shareholding ratios	Osato Co., Ltd. 27.53% The Master Trust Bank of Japan, Ltd. 7.72% PERSHING-DIV.OF DLJ SECS.CORP. 3.06% Association of Shareholding Amuse Artists 2.76% Custody Bank of Japan, Ltd. 2.70% Yokichi Osato 2.66% Kuniko Osato 2.58% NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT 1.77% MUFG Bank, Ltd. 1.53% Culture Convenience Club Co., Ltd. 1.40%		
(10) Operating results and financial conditions for the most recent three years (Million yen, except where otherwise noted)			
	AMUSE INC. (Consolidated)		
Accounting period	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
Total assets	49,313	58,294	58,904
Total net assets	37,761	37,581	37,500
Net assets per share (yen)	2,017.09	2,075.82	2,019.28
Operating revenue	38,744	52,497	54,813
Operating profit	2,879	3,153	1,367

Ordinary profit	2,800	3,379	1,777
Profit attributable to owners of parent	1,564	1,692	391
Earning per share (yen)	89.74	100.61	23.61

(2) Successor companies in absorption-type split

(1) Name	Kifunekobo, Inc.
(2) Business	1. Manufacture and management of goods 2. Apparel business
(3) Established	October 5, 2015
(4) Head office address	18-4 Sakuragaoka-cho, Shibuya-ku, Tokyo
(5) Representative	Hisataka Suzuki, CEO
(6) Share capital	40 million yen
(7) Number of shares issued and outstanding	800 shares
(9) Fiscal year end	March 31
(10) Major shareholders and shareholding ratios	AMUSE INC. 100%
(11) Financial position and operating results for the most recent fiscal year (ended March 31, 2024) (Million yen, except where otherwise noted)	
Total assets	1,210
Net assets	(146)
Net assets per share (yen)	(183,656.43)
Operating revenue	3,776
Operating profit	63
Ordinary profit	57
Profit	50
Earning per share (yen)	62,870.49

*Upon the absorption-type split, the trade name will be changed to AMUSE PRODUCT WORKS INC. as of October 1, 2024.

(1) Name	Kulture Inc.
(2) Business	1. Planning, development and operating digital services 2. IP marketing 3. Management of investment funds for start-up companies
(3) Established	April 27, 2022
(4) Head office address	20-1 Sakuragaoka-cho, Shibuya-ku, Tokyo
(5) Representative	Kosuke Shiraishi, Representative Director
(6) Share capital	100 million yen
(7) Number of shares issued and outstanding	4,000 shares
(8) Fiscal year end	March 31
(10) Major shareholders and shareholding ratios	AMUSE INC. 100%
(11) Financial position and operating results for the most recent fiscal year (ended March 31, 2024) (Million yen, except where otherwise noted)	
Total assets	268
Net assets	207
Net assets per share (yen)	51,965.86
Operating revenue	55
Operating profit	(3)
Ordinary profit	(2)
Profit	(2)
Earning per share (yen)	(557.49)

*Upon the absorption-type split, the head office will be changed to 5-4-31, Minami-Aoyama, Minato-ku, Tokyo, Japan, as of October 1, 2024.

9. Outline of businesses to be split

(1) Operating results of divisions to be split

Division Business	Net sales (FY2023) Million yen	Successor company
Planning, production and sales of goods	2,883	Kifunekobo, Inc.
Digital business	857	Kulture Inc.
E-commerce business	1,393	Kulture Inc.

(2) Items and book value of assets and liabilities to be split

The assets and liabilities to be split off will be those assets and liabilities related to the business that are specified in the absorption-type company split agreement. The book value will be determined by the end of November 2024, based on the Company's financial statements as of September 30, 2024.

10. Impact on consolidated earnings forecast

The new companies and the absorption-type split successor companies are wholly owned subsidiaries of the Company, and the impact of the split on the Company's consolidated financial results will be minimal. However, if the need to revise the financial forecast or any matters to be announced arise in the future, the Company will promptly announce them.

Companies and Managers

Name of Company	Name of Company Manager	Former title
Production 1	Tsuyoshi Kimura	General Manager of Artist Produce Department 1
Production 2	Yuko Numajiri	Executive Officer In charge of Artist Produce Department 1, 2, and 3
Production 3	Hiroshi Sato	Executive Officer In charge of Artist Produce Department 4, 5, 6, and 7
Production 4	Kenischi Shimoi	Executive Officer In charge of Artist Produce Department 8
Production 5	Takahiro Yoda	Executive Officer In charge of Artist Produce Department 12
Production 6	Tatsuhiko Shimizu	General Manager of Artist Produce Department 9
Production 7	Takako Komi	Executive Officer In charge of Artist Produce Department 11 and Theatrical Production Department
Production 8	Satoshi Notomi	Senior Director General Manager of Artist Produce Department 13
Production 9	Yuki Nakamura	General Manager of Artist Produce Department 14

Corporate Departments Managers

Nama of Department	Name of General Manager	Former title
New Artist Development Department	Hitomi Sato	General Manager of Artist Produce Department 6 and Artist Development Department
Advertising Sales Department	Masanori Fukazawa	General Manager of Advertising Sales Department
Fan Community Business Department	Masaya Saito	General Manager of Fan Community Business Department
Customer Experience Promotion Department	Jaeyun Chuong	General Manager of Consumer Service Promotion Department
Rights Planning Department	Tomonari Maie	Executive Officer In charge of Product Management Department
Business Planning Department	Keita Suzuki	Executive Officer In charge of Business Planning Department
Growth Promotion Department	Makio Nakayama	General Manager of Business Strategy Department

Public Relations & Advertising Department	Satoi Masakazu	General Manager of Public Relations & Advertising Department
Human Resources Department	Naoya Nakamura	General Manager of Human Resources Department
Information Management Department	Aritomo Nakamachi	Executive Officer In charge of Public Relations & Advertising Department
Legal Department	Kozo Sasaki	Executive Officer In charge of Legal Department
Accounting & Finance Department	Hiroshi Takahama	General Manager of Administration Department
General Affairs Department	Ryo Yagi	Executive Officer In charge of General Affairs Department and Information Systems Department
IT System Department	Kunio Shimizu	General Manager of Information Systems Department

