

August 9, 2024

Consolidated Financial Results for the Three Months Ended June 30, 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: September 24, 2024
 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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 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	%
Three months ended								
June 30, 2024	9,513	(23.0)	363	22.1	420	558.1	1,374	-
June 30, 2023	12,349	(6.0)	297	(67.9)	63	(93.9)	(86)	-

Note: Comprehensive income For the three months ended June 30, 2024: ¥1,583 million [386.6%]
 For the three months ended June 30, 2023: ¥325 million [(53.6)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended				
June 30, 2024	10.19		-	
June 30, 2023	(0.64)		-	

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						
June 30, 2024	95,023		80,497		83.8	
March 31, 2024	97,871		82,419		83.3	

Reference: Equity
 As of June 30, 2024 : ¥79,607 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				
Fiscal year ending March 31, 2025 (Forecast)		6.67	6.33	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 total 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.

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	3,469	(13.7)	25.72

Note: Revisions to the earnings forecasts 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. 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 77.15 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 June 30, 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 June 30, 2024	5,360,787 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)

Three months ended June 30, 2024	134,845,215 shares
Three months ended June 30, 2023	134,845,461 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 June 30, 2024
Assets		
Current assets		
Cash and deposits	45,710	50,896
Notes and accounts receivable - trade, and contract assets	10,704	5,556
Securities	73	32
TV exhibition rights and Videogram rights	2,368	1,169
Work in process	2,255	3,289
Other inventories	186	207
Other	840	907
Allowance for doubtful accounts	(14)	(4)
Total current assets	62,124	62,055
Non-current assets		
Property, plant and equipment		
Land	11,972	12,019
Other, net	5,583	5,581
Total property, plant and equipment	17,555	17,600
Intangible assets		
Goodwill	1,309	1,267
Customer-related intangible assets	811	785
Other	265	233
Total intangible assets	2,387	2,287
Investments and other assets		
Investment securities	14,577	11,954
Other	1,468	1,364
Allowance for doubtful accounts	(241)	(238)
Total investments and other assets	15,804	13,079
Total non-current assets	35,747	32,967
Total assets	97,871	95,023

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	7,827	5,936
Short-term borrowings	283	226
Income taxes payable	682	1,004
Provision for bonuses	823	383
Other	2,750	4,174
Total current liabilities	12,367	11,724
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	347	336
Retirement benefit liability	1,255	1,052
Other	1,482	1,412
Total non-current liabilities	3,084	2,800
Total liabilities	15,451	14,525
Net assets		
Shareholders' equity		
Share capital	2,487	2,487
Capital surplus	3,588	3,588
Retained earnings	71,637	69,506
Treasury shares	(1,728)	(1,728)
Total shareholders' equity	75,984	73,853
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,705	3,375
Foreign currency translation adjustment	1,598	2,120
Remeasurements of defined benefit plans	284	258
Total accumulated other comprehensive income	5,588	5,754
Non-controlling interests	847	890
Total net assets	82,419	80,497
Total liabilities and net assets	97,871	95,023

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	12,349	9,513
Cost of sales	8,813	6,670
Gross profit	3,536	2,843
Selling, general and administrative expenses	3,238	2,479
Operating profit	297	363
Non-operating income		
Interest income	22	40
Dividend income	95	87
Share of profit of entities accounted for using equity method	-	0
Consulting fee income	27	25
Rental income from buildings	61	106
Other	16	12
Total non-operating income	223	272
Non-operating expenses		
Interest expenses	13	2
Share of loss of entities accounted for using equity method	0	-
Foreign exchange losses	92	25
Rental costs on real estate	23	56
Loss on investments in investment partnerships	314	124
Commission expenses	6	5
Other	5	2
Total non-operating expenses	457	216
Ordinary profit	63	420
Extraordinary income		
Gain on sale of non-current assets	-	9
Gain on sale of shares of subsidiaries and associates	-	4,141
Total extraordinary income	-	4,151
Extraordinary losses		
Loss on valuation of investment securities	-	2,005
Total extraordinary losses	-	2,005
Profit before income taxes	63	2,566
Income taxes	83	1,148
Profit (loss)	(20)	1,417
Profit attributable to non-controlling interests	66	43
Profit (loss) attributable to owners of parent	(86)	1,374

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(20)	1,417
Other comprehensive income		
Valuation difference on available-for-sale securities	324	(330)
Foreign currency translation adjustment	50	522
Remeasurements of defined benefit plans, net of tax	(31)	(26)
Share of other comprehensive income of entities accounted for using equity method	1	-
Total other comprehensive income	345	165
Comprehensive income	325	1,583
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	258	1,540
Comprehensive income attributable to non-controlling interests	66	43