TBS GROUP INTEGRATED REPORT 2026



TBS

Corporate Philosophy

The TBS Group's business purpose and reason for existence.
It forms the basis of all business activities.

The TBS Group aims to deliver timeless content and services to the world, respecting diverse values and striving to make a positive contribution to society.

Brand Promise

A promise to our customers and an aspiration for the future that each and every TBS Group employee holds close to their hearts.

To create entertaining and
inspiring experiences that move hearts and minds.

From each moment, a better tomorrow.

From TBS

Brand Message

Both the Corporate Philosophy and Brand Promise are condensed into a single phrase, whose purpose is to communicate with customers and society.

Moments in motion.

This message embodies our commitment to providing content and services that set inspiring, exciting, and joyful moments in motion, defining the cultural moment and making a positive contribution to society.

In the fall of 2023, the TBS Group formulated its brand message "Moments in motion." as a new phrase to communicate with customers. This message, which encapsulates the TBS Corporate Philosophy and Brand Promise, will be at the core of various content and services as we work to further enhance the Group's presence.

Contents

Introduction

Corporate Philosophy and Brand Statement 01
Table of Contents/Editorial Policy 02
Growth Trajectory 03

Strategy

Message from the President

Message from the President 05
Message from the President of TBS TELEVISION, INC. 11

TBS Group at a Glance

At a Glance 14
Materiality 15
Value Creation Model 16

Medium-Term Business Plan 2026

Progress toward the Business Targets 17
Message from the CFO 18

Growth Strategies

Message from the CGO 22
Global Strategy 26
New IP Strategy 27
EduTainment Strategy 29

Strategies for Business

Media and Content Business 30
Lifestyle Business 37
Real Estate and Other Businesses 41

Sustainability

Business Foundation

Sustainability Management Policy 42
Message from the CHRO 44
Message from the CSO 45
Compliance 46
Human Rights 47
Human, Intellectual and Manufactured Capital 49
Environment and SDGs 58

Governance

Corporate Governance

Corporate Governance Structure 63
Dialogue Between the Chairman and Outside Directors 65
Officers and Board of Directors 69
Cross-Shareholdings and Response to Takeover Proposals for Company Shares 74
Risk Management 75
Dialogue with Shareholders/Investors 78

Performance and Corporate Information

Financial Data from Past 10 Years 79
Non-Financial Data 80
Company and Investor Information 81

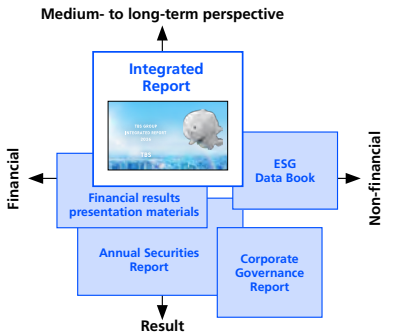
Editorial Policy

The TBS Group set forth that it will "pursue and provide Content IPs producing Timeless Value" in Medium-Term Business Plan 2026 (hereinafter MTBP2026) to achieve VISION 2030, and is committed to value creation and sustainable growth.

The purpose of this report is to help a wide range of stakeholders, including shareholders and investors, gain a comprehensive understanding of TBS's "strategy," "sustainability," and "governance."

Based on feedback on the previous year's report received through our ongoing dialogue with our stakeholders, we prioritized readability, streamlined the content, and reduced the number of pages. We have also made greater use of external links to make the content more concise, while strengthening the linkage between financial and non-financial information. Furthermore, leveraging our expertise as a content company, we created videos for content that cannot be fully covered in this report and provided links to them, aiming to better meet the needs of our stakeholders. We hope this report helps our shareholders, investors, and all other stakeholders gain a better understanding of the TBS Group.

Corporate Information Landscape



Related websites

Investor relations
https://www.tbsholdings.co.jp/ir/

Sustainability website
https://www.tbsholdings.co.jp/sustainability/

ESG Data Book
https://www.tbsholdings.co.jp/sustainability/ESGdatabook.html

Corporate Governance Report
https://www.tbsholdings.co.jp/about/governance/

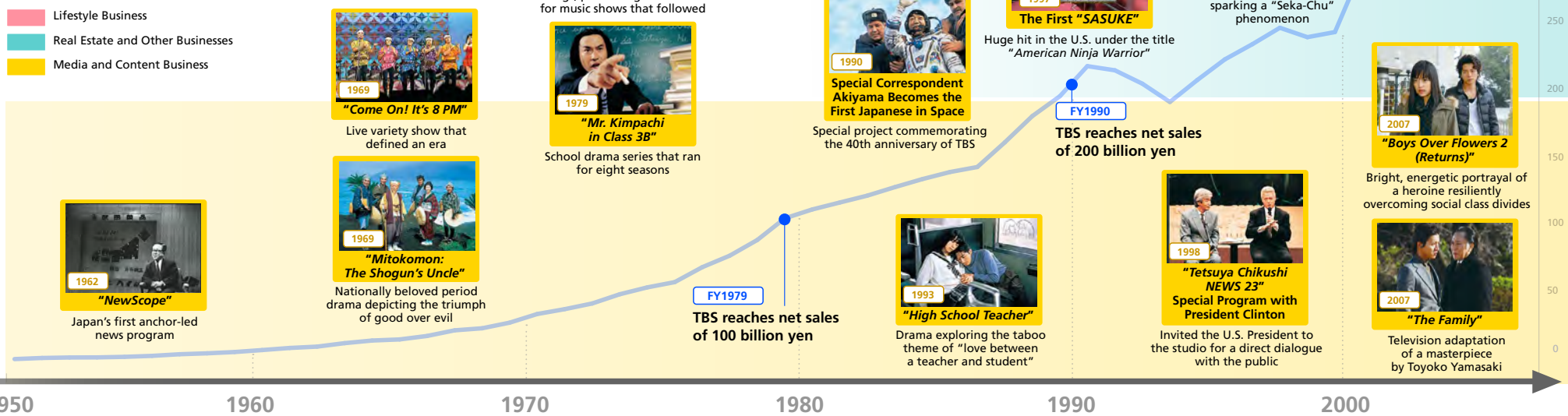
Reference guidelines

In compiling the report, we referred to the International Financial Reporting Standards Foundation's International Integrated Reporting Framework, the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0, the Task Force on Climate-Related Financial Disclosures (TCFD), and other guidelines.

*While the report covers the TBS Group from April 2025 to March 2026 in principle, events before and after this period are also included to provide important context and current information.

Growth Trajectory 1951–2007

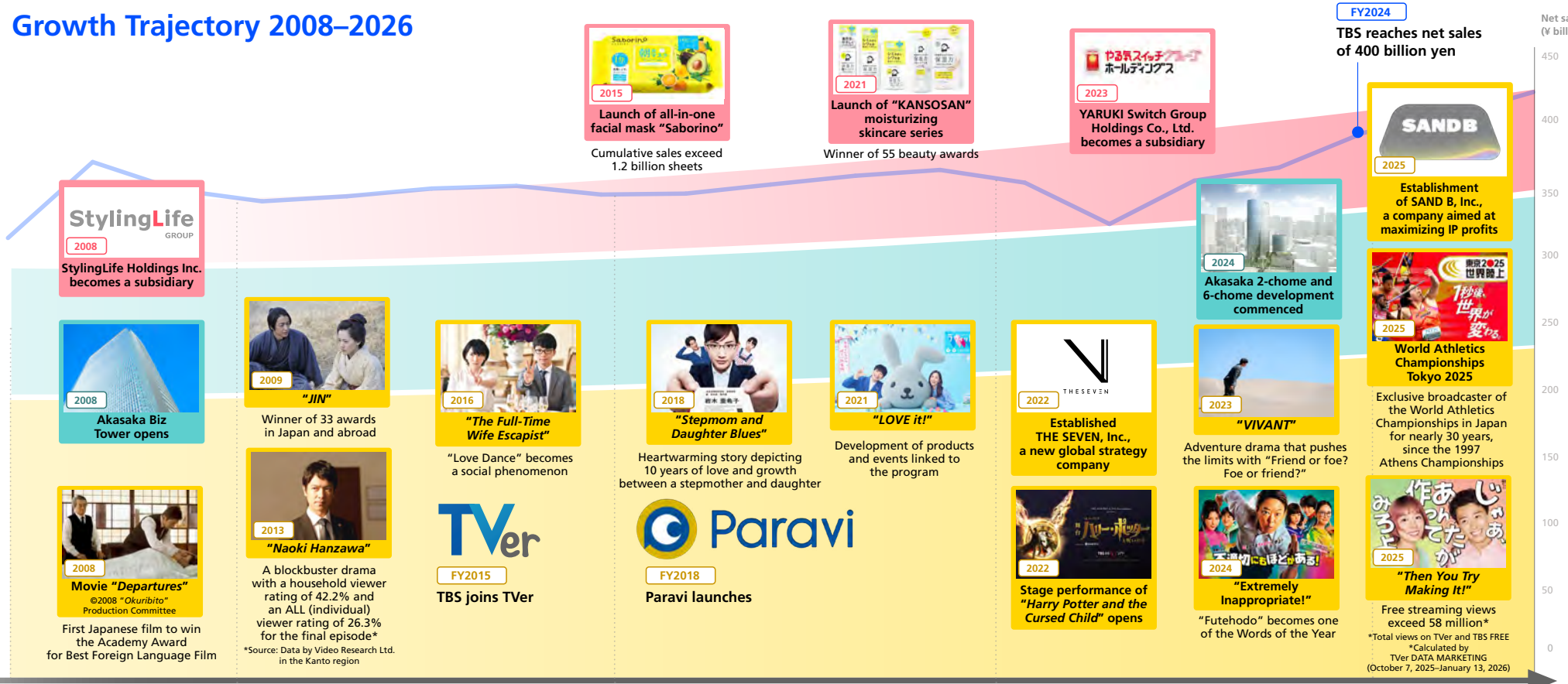
TBS launched radio broadcasting in 1951 and TV broadcasting in 1955. It transitioned to a certified broadcasting holding company in 2009 with its core business in broadcasting, but also expanded into fields such as lifestyle, real estate and other businesses.
By creating, expanding, and delivering powerful content, we continue to take on the challenge of bringing inspiring moments across various fields and contributing to the well-being of Japan.



Key Events

1951 Radio broadcasting launches | 1955 TV broadcasting launches | 1960 Listed on the Tokyo Stock Exchange | 1981 Construction of Midoriyama Studio City is completed
1987 24-hour broadcasting begins | 1994 Construction of TBS Broadcast Center is completed | 1998 CS News broadcasting launches | 2000 BS broadcasting launches

Growth Trajectory 2008–2026



2008 StylingLife Holdings Inc. becomes a subsidiary

2008 Akasaka Biz Tower opens

2008 Movie *"Departures"*
©2008 *"Okuribito"* Production Committee
First Japanese film to win the Academy Award for Best Foreign Language Film

2009 *"JIN"*
Winner of 33 awards in Japan and abroad

2013 *"Naoki Hanzawa"*
A blockbuster drama with a household viewer rating of 42.2% and an ALL (individual) viewer rating of 26.3% for the final episode*
*Source: Data by Video Research Ltd. in the Kanto region

2015 Launch of all-in-one facial mask "Saborino"
Cumulative sales exceed 1.2 billion sheets

2016 *"The Full-Time Wife Escapist"*
"Love Dance" becomes a social phenomenon

FY2015 TVer
TBS joins TVer

2018 *"Stepmom and Daughter Blues"*
Heartwarming story depicting 10 years of love and growth between a stepmother and daughter

FY2018 Paravi
Paravi launches

2021 Launch of "KANSOSAN" moisturizing skincare series
Winner of 55 beauty awards

2021 *"LOVE it!"*
Development of products and events linked to the program

2022 Established THE SEVEN, Inc., a new global strategy company

2022 Stage performance of *"Harry Potter and the Cursed Child"* opens

2023 YARUKI Switch Group Holdings Co., Ltd. becomes a subsidiary

2023 *"VIVANT"*
Adventure drama that pushes the limits with "Friend or foe? Foe or friend?"

2024 Akasaka 2-chome and 6-chome development commenced

2024 "Extremely Inappropriate!"
"Futehodo" becomes one of the Words of the Year

FY2024 TBS reaches net sales of 400 billion yen

2025 Establishment of SAND B, Inc., a company aimed at maximizing IP profits

2025 World Athletics Championships Tokyo 2025
Exclusive broadcaster of the World Athletics Championships in Japan for nearly 30 years, since the 1997 Athens Championships

2025 *"Then You Try Making It!"*
Free streaming views exceed 58 million*
*Total views on TVer and TBS FREE
*Calculated by TVer DATA MARKETING (October 7, 2025–January 13, 2026)

Key Events

2008 Akasaka Biz Tower opens | 2008 StylingLife Holdings Inc. becomes a subsidiary | 2009 TBS becomes a certified broadcasting holding company | 2015 TBS joins TVer | 2018 Paravi launches
2022 TBS NEWS DIG Powered by JNN launches with 28 JNN stations | 2023 Merger of Paravi and U-NEXT | 2023 YARUKI Switch Group Holdings Co., Ltd. becomes a subsidiary
2024 Akasaka 2-chome and 6-chome development commenced



At TBS Midoriyama Studio, one of Japan's largest content creation facilities

Top Message

Ryujiro Abe

President, Representative Director and CEO,
TBS HOLDINGS, INC.

Continuing to ask what it means to be human in the age of AI

In last year's Integrated Report, I expressed my determination to once again strive toward "JAPAN as No. 1." This does not mean seeking to bring Japan—once the world's second-largest economy—back to the top in terms of economic size. The "JAPAN as No. 1" that I envision is a nation where every individual can feel a sense of happiness, respect one another, and live with hope for the future—one that is recognized by the world as a "leading country in well-being." If the TBS Group can contribute to making this vision a reality even in a small way, there is no mission we could be more proud to undertake.

At the same time, if we turn our eyes to reality, horrific wars continue, social divisions are becoming increasingly acute, and uncertainty is growing day by day. Japan also faces numerous challenges, including population decline, a falling birthrate and an aging population, and rising prices. However, I am not pessimistic about the future of this country. Japan has a culture that captivates people around the world. It has technologies that we can present to the world with pride. And above all, there is a spirit of caring for others, supporting one another, and living in harmony with one another. No matter how much the times may change, I believe this value will never be lost.

And now, we stand at a historic turning point as significant as, or perhaps even more significant than, the Industrial Revolution and the Internet Revolution. The AI Revolution. AI will change the way we work. It will reshape industries. It will even transform the very fabric of society. In broadcasting, AI-generated voices have already begun reading the news. Before long, we may even see AI artists indistinguishable from humans captivating people around the world.

These changes will progress at a pace beyond our imagination. Yet I feel that a much greater change is already underway—one that goes beyond technological innovation. We have entered an era in which we are once again confronted with the question, "What does it mean to be human?" I believe this question lies at the very heart of the AI Revolution.

Accumulating knowledge. Organizing information. Improving efficiency. AI will likely take on many of these capabilities. That is precisely why the roles that only humans can fulfill will become more important than ever: caring for others, moving people's hearts, creating value that no one has ever seen before, building trust with people who hold different values, and forging a future together. Human value is not measured by the amount of knowledge we possess. It is the power to create new hope through human connection.

Since its founding, the TBS Group has consistently focused on people. Our news coverage serves to protect people's lives and livelihoods. Our dramas and variety shows deliver smiles and tears, courage and hope. Our sports programs exist to show people pushing their limits and to share the beauty of their efforts. What we have refined over seventy-five years is not merely the craft of producing programs. It is the ability to understand people's joy, empathize with their sorrow, and believe in their courage to embrace challenges. This is the very foundation of the TBS Group and our most valuable asset. The more AI advances, the more valuable this ability will become. I am convinced of this.

AI will greatly expand human capabilities. But it cannot create happiness on its own. Happiness comes from trust between people, from compassion, and from the courage to take on challenges. It leads to hope for the future. That is why we do not fear AI. We will make full use of it. Yet AI will never be our end goal. Our ultimate goal remains human happiness. I believe that technology should be a means of making people happy.

I do not seek to grow the TBS Group as a mere broadcasting company. Our goal is to become a corporate group that moves people's hearts, creates new value for society, and contributes to the well-being of people and society. Because we live in an era in which AI is transforming our future, I believe it is people who will create that future. This conviction is at the core of my management philosophy and the starting point of every strategy we pursue.

Embracing change, shaping the future

I believe the essence of the AI Revolution lies not in technological advancement itself, but in the arrival of an era in which the very value of being human is being reexamined. So what kind of company should the TBS Group be in such an era? My answer is clear: we must become a company that drives change ourselves, rather than simply adapting to it. Of course, I do not believe that the value of the broadcasting business will be lost. Terrestrial broadcasting is an indispensable public infrastructure that protects lives in times of disaster and connects society in times of peace. That mission will never change.

At the same time, the way people consume content has changed dramatically. Viewers no longer adjust their schedules to watch broadcast programs; instead, they choose what they want to watch, when they want to watch it. The advertising market is also at a major turning point. Advances in AI are beginning to transform the very nature of marketing. In the face of such changes, companies that remain anchored in past successes have no future. Do not fear change. Rather, take the lead in driving change. I believe this is the responsibility now demanded of corporate leaders. That is why I no longer see the TBS Group simply as a "broadcasting company."

Our true strength lies neither in our broadcasting facilities nor in our broadcasting licenses. It lies in our ability to deeply understand people and create new experiences and inspiration. This ability we have built over the past 75 years can be applied to much more than broadcasting. We can deliver our content to the world. We can develop new IP. We can expand our content into education. We can even transform cities into stages for new experiences. I believe in these possibilities. That is why I approach every business in the TBS Group from a "content" perspective.

Content does not simply mean broadcast programs. Education is content. Events are content. Urban development and lifestyle services are also content if they deliver new experiences and value to people. The essence remains the same: understanding people, understanding society, and creating new value. I am convinced that this "content-driven management" will pave the way to the future of the TBS Group.

The future does not simply happen. Nor is it something we are given if we simply wait for it. It is something we choose and create ourselves. That is why I am not afraid of change. I will turn this historic turning point—the AI Revolution—into a starting point for new growth. To achieve this, I have made the decision to boldly redirect our management resources toward the future.

Taking on the world. Developing new IP. And nurturing leaders of tomorrow. These are the three pillars for the TBS Group's future growth. Let me elaborate on these initiatives.

Three growth engines, one future

Where should we concentrate our limited management resources? This is the very essence of management. That is why we must look to the future and clearly determine where to invest and where to take on challenges.

I will concentrate the Group's management resources on three growth engines that will support the Group's sustainable growth.

Global, content IP, and EduTainment

At first glance, these may appear to be three different businesses. However, they are all connected by a single thread. Taking on the world. Developing IP that people around the world will love. And nurturing leaders of tomorrow. Together, they form a single strategy born out of the TBS Group's mission to "move people's hearts and enrich people's lives and society."

Shifting to a management approach with the world as our market

I believe there are limits to a management approach based solely on the Japanese market. To achieve sustainable growth in Japan as its population continues to decline, we must shift to a management approach with the world as our market. However, this does not simply mean selling content produced in Japan overseas. To truly establish our presence in the world, we need a framework for creating content with top creators from around the world and developing IP that will be loved by global fans for a long time.

As a first step, we entered into a strategic partnership with U.S.-based Legendary Entertainment. We are also steadily expanding our initiatives through collaboration with South Korea's CJ ENM Co., Ltd., international co-productions through THE SEVEN, INC., and the creation of new content designed for global streaming.

Today, content originating from Japan can reach over 190 countries and regions through global platforms like Netflix. We are not simply delivering Japanese content to the world. We are taking on the challenge of creating IP in Japan that the world wants. We are now fully committed to this challenge.

Elevating anime to the "Next Core Industry"

Since taking office as President, one of the areas I have pursued with the strongest determination is anime. I believe anime is a culture and IP itself. It is shared by people around the world across borders and generations, and continues to generate value for decades.

This year, I visited Anime Expo in Los Angeles and experienced its tremendous energy firsthand. Fans of Japanese anime from around the world gathered there, connecting across borders through anime. Seeing this reaffirmed my conviction that anime has more potential as a culture that Japan can proudly share with the world. That is why I have no hesitation in investing in this field. We established SAND B, Inc. and are strengthening collaboration with creators and production studios both within and outside the Group. Welcoming Xenotoon into the Group is also part of this effort. Our goal is not a single hit title. It is to build a system for continuously creating IP that will be loved around the world. We aim to evolve from a company that simply produces content into a company that continuously creates IP. That is where we will build our competitive strength.

Making learning more enjoyable

The third pillar is EduTainment. I do not see it as a new business. I regard it as an investment in Japan's future. Because we live in an era in which AI continues to evolve, the ability to "feel," "think," and "create" will become more important than simply "memorizing knowledge." Education that fosters these abilities is what society will need in the years ahead.

The TBS Group has continued to create content that captivates people. Our EduTainment is about applying that strength to education. Our efforts have already moved beyond concept to implementation through initiatives such as "AI for School," a project selected by the Ministry of Education, Culture, Sports, Science and Technology, collaboration with NTT, one of Japan's leading companies, and our partnership with YARUKI Switch Group. Our goal is not simply to provide a new educational service, but to create a society where children can genuinely feel that "learning is fun." This endeavor is also helping shape the future of Japan.



Special Dialogue with Tetsuko Kuroyanagi



"Asobi! Manabi! × CREATIVE KIDS CAMP": Abe interacting with children who will shape the future

What lies beyond our three challenges

Global, content IP, and EduTainment. These are not independent businesses. Taking on the world means expanding the value of Japan. Developing IP means nurturing culture that will be carried forward into the future. Engaging in education means fostering the people who will shape the future. All of these are rooted in my management philosophy of believing in people and creating the future.

We are not simply creating content. We are shaping the future. Taking on the world, creating new IP, and transforming the way children learn are all challenges aimed at shaping a richer future for Japan. My goal is to transform the Group from a "company that moves people's hearts" into a "company that moves the future." We will continue to drive this transformation forward with determination.

Trust is the capital underpinning our corporate value

A company cannot grow on aspirations alone. Nor can it build the future solely by taking on challenges. I believe corporate value is generated only when we combine the ability to envision the future with the discipline to steadily turn that vision into reality. That is why I regard dialogue with the capital markets as one of the most critical management responsibilities. As a corporate leader, I take the market's current valuation of the TBS Group very seriously.

We have content with global reach, a diverse business foundation, and creativity cultivated over many years. Yet I do not believe that their full potential is reflected in our corporate value. That is why we will actively engage with the market. Is our strategy truly connected to the future? Are our growth investments generating value that exceeds the cost of capital? Are our initiatives translating into results? Our ROIC*-based capital policy embodies this approach.

ROIC is not simply a financial metric. Where should we deploy our limited management resources? What value will that investment generate five or ten years from now? ROIC is a "management discipline" for reassessing every management decision from both the perspective of investing in the future and of capital efficiency.

This summer, I visited London and engaged in candid discussions with institutional investors from around the world. What I heard were not words of encouragement, but tough questions born of high expectations. Their message was clear: "We support the strategy of transforming the company from a broadcaster. However, we can only make investment decisions once growth investments translate into earnings and their results are demonstrated in numbers." "The more an investment is aimed at the future, the more clearly you should show how the funds will be used and what returns they are expected to generate, together with clear targets."

These words made a deep impression on me. The world believes in the potential of the TBS Group. Yet, for now, all we can offer in response to those expectations is a promise of what lies ahead. What the capital markets are looking for is not simply a compelling narrative, but the "results" to back it up. Only when those results materialize as earnings and are reflected in the numbers will expectations turn into unwavering trust. That is why we will not rely on words alone to communicate our strategy. Our commitment to the capital markets is to continue to demonstrate, through tangible results and numbers, that the future we envision is becoming a reality.

At the same time, corporate value is not determined by financial capital alone. A corporate culture that nurtures people. A culture that empowers people to take on challenges. Creators who take on the world. Creativity that generates new value. Relationships of trust with society. These intangible assets are the very sources of long-term corporate value. That is why I will spare no investment in people. I will never stop investing in creativity. And I will not hesitate to invest in the future. Attracting talented people and empowering them to take on challenges. Remaining a company trusted by society. Upholding highly transparent governance. The accumulation of these efforts underpins our medium- to long-term corporate value.

I believe management is the "work of building trust." We must remain a company trusted by all our stakeholders—our shareholders and investors, viewers, listeners, users, business partners, local communities, and each and every employee who will shape the future with us. The trust we build over time becomes corporate value and gives us the strength to take on new challenges. And we will continue to present those results to the capital markets with integrity. That is the management commitment we make to our shareholders and investors.

*ROIC: Return on Invested Capital. A metric indicating how much profit is generated from the capital invested in business activities.

A place where creativity emerges: Transforming Akasaka into "AKASAKA," a global hub for creativity

Great content is never the product of a single talent. People with different perspectives come together, inspire one another, and generate new ideas. Over time, these interactions have produced works and cultures that have shaped society. That is why I believe creating an environment where creativity can flourish is one of the key responsibilities of management.

For more than 70 years, the TBS Group has been based in Akasaka, creating countless programs and new cultures. I am not satisfied with simply continuing to develop this town as a "neighborhood with a broadcasting station." I want to transform it into a creative hub where talent gathers from around the world, new challenges begin, and new cultures take root. Driven by this vision, we are advancing the "Akasaka Entertainment

City" project. At its core, this project is not about real estate development. It is about creating a stage where people who will shape the future can meet, take on challenges, and co-create.

No matter how advanced AI becomes, the starting point of creativity will not change. AI can organize knowledge and share information. But it cannot create the kind of encounters in which people happen to meet, unexpected conversations spark entirely new ideas, and the future is set in motion right there. Innovation is born from serendipitous encounters. This is the reason I invest in "place."

The AKASAKA I envision will bring together diverse people: creators with global ambitions; talent from fields such as video, music, anime, and games who will shape the culture of tomorrow; startups taking on AI and technology; researchers and businesses striving to create new value in education; and entertainment companies from around the world. People with different talents will come together, and new challenges will emerge from everyday interactions. That is the kind of town I want to create in Akasaka.

Our goal is to create a town where new content is constantly being created. A place where creators from around the world think, "If I'm looking for my next challenge, I'll go to AKASAKA." A place where young talent feels, "This is where I can spread my wings and take on the world." A place where new companies can expect, "This is where we can meet partners to create the future together." We want to nurture such an ecosystem of creativity in this town.

And what emerges from this town will be more than entertainment. Education, technology, co-creation with the local community, and new businesses will bring different challenges together, allowing them to take shape as new cultures. I do not see this project as merely an urban development project. I see it as a challenge to build a "platform for creation" that continuously delivers new value from Japan to the world.

When people meet others who have similar aspirations, they can envision a future they could never have imagined alone. When different experiences and values intersect, unexpected ideas are born, challenges begin, and eventually grow into innovations that change the world. Creativity does not come from talent alone. It begins when people meet, inspire one another, build trust, and co-create value for the future.

That is why I invest in this town. I am not investing in buildings. I am investing in people. I am investing in human encounters. I am investing in creativity. I am investing in the future. I envision new talent being born here, new IP being nurtured here, and new cultures beginning here—each one enriching Japan and reaching the world. I believe in that future. The future is born from places where people meet. I want to create that place: AKASAKA.

Our joyful challenges: It is always people who create the future

I have shared my thoughts on the era of the AI Revolution, the decisions we have made for the future, our three growth strategies, our commitment to the capital markets, and AKASAKA as a stage for creativity. But there is one final message I want to convey.

No matter how brilliant a strategy we develop or how bold our investments are, I believe that it is always people who create the future. A company's competitiveness does not lie in its facilities, capital, or AI. It lies in its people.

I believe that the more than 8,000 colleagues working at the TBS Group are our greatest asset. Each individual uses their ingenuity, takes on challenges, and strives to move people's hearts in their respective fields. The collective efforts of our people have built the TBS Group we are today. And I am convinced that this very strength will be the driving force that paves the way to our future.

At this year's welcoming ceremony for new employees, I prepared a special moment. Senior employees began singing a song to welcome the new employees, who eventually joined in. Soon, everyone in the venue was singing as one. It was an unscripted moment—one that had not been planned. I had a wish for that "unexpected" moment.

Once we enter the workforce, few things go exactly according to plan. When people face something unexpected, they are put to the test. Do they stop and give up? Or do they put their heads together, join forces, and turn the unexpected into new value? I want our people to choose the latter. And I want them to enjoy taking on challenges. That is what I call a "Joyful challenge."

I do not expect our employees to be perfect. What I ask of them is the courage to take on challenges. Challenges inevitably involve failure. But without taking on challenges, we can never create new value.

I do not want to build a company that does not tolerate mistakes. I want to create a company that continues to take on challenges. A culture that celebrates challenges rather than blaming people when things do not go as planned. A culture in which we celebrate one another's successes, recognize each other's efforts, and support one another in taking on the next challenge. I believe this culture is the TBS Group's greatest competitive strength and the driving force that will forge our future.

I do not believe that "happiness" is something given to us by someone else. When we are able to help someone, when we overcome difficulties together with our colleagues, or when we feel that we have gone a little beyond who we were yesterday,

we find happiness in the challenges we take on. That is why I believe that taking on challenges makes our lives richer. And those challenges, in turn, enrich society and ultimately make Japan's future richer. "Joyful challenges" are endeavors that enable us to grow as individuals while contributing to society.

AI will undoubtedly continue to evolve at a breathtaking pace. Society will also continue to change at a speed beyond our imagination. Yet I believe there is one thing that will never change: people give one another courage. People encourage one another. People help one another grow. And people bring happiness to one another.

Last year, I expressed my determination to once again strive toward "JAPAN as No. 1." That determination has only grown stronger. The "JAPAN as No. 1" I envision is not about competing solely in terms of economic prosperity. It is a country where each individual can feel a sense of happiness, respect one another, and hold hope for the future, while society supports those who take on challenges.

The TBS Group can move people's hearts through the power of entertainment. We can expand people's potential through education. We can enhance the value of Japan by taking on the world. I believe in that power. I believe in Japan's future. And above all, I believe in those who take on challenges with us.

The future is not something to wait for. Nor is it something granted by someone else. The future is something people create. That is why I believe in people. I believe in my colleagues. I believe in Japan. And I believe in the power to move people's hearts. With this conviction in our hearts, the TBS Group will continue to create new value for the world.

The future begins with people.
We believe in people. We create the future.
Together, we will continue to take
on "Joyful Challenges."

Watch the video



Sixty-six new members, all smiles after singing together at the TBS Group's new employee welcoming ceremony



Masamine Ryuho

Vice President and Representative Director, TBS HOLDINGS, INC.
President and Representative Director, TBS TELEVISION, INC.

Strengthening and Expanding the Media Value of Television

A wave spreading from the National Stadium to the world: The power of television

In September 2025, a thunderous roar reverberated throughout the Japan National Stadium. At the "World Athletics Championships Tokyo 25," the world's top athletes gathered to compete at the highest level. To bring the excitement of those intense competitions to as many people as possible, the TBS Group mobilized all its resources. The previous World Athletics Championships took place in August 2023 in the historic city of Budapest, Hungary. In Europe, where track and field is hugely popular, the stadium was packed to its full capacity of over 30,000 spectators. The passionate crowd cheered on the athletes, and when Haruka Kitaguchi came from behind with her final throw to win the women's javelin gold medal, we were filled with a strong determination to create an event that would surpass the Budapest Championships.

To achieve this at the World Athletics Championships Tokyo 25, we set three goals:

1. Fill the National Stadium to capacity throughout all nine days of competition.
2. Turn the "World Athletics Championships Tokyo 25" into a social phenomenon and maximize the use of its content.
3. Deliver an overwhelming sense of satisfaction to viewers and spectators.

Our aim was not simply to broadcast the event, but to make TBS the catalyst for a social phenomenon and showcase Japan's energy to the world.

Setting these goals was one thing. Achieving them was another. The National Stadium is a huge venue with a 70,000-seat capacity—far larger than the venue in Budapest. For two years, members from various departments across the company, not just those in the TV Sports Division responsible for broadcast production, met every week to discuss two questions: "How can we fill this stadium?" and "What can we do to turn this into a social phenomenon?" Our first priority was to build momentum for the Championships. Led by our Design Center, we created a sophisticated key visual built around purple. Based on this visual, we worked with elementary school students in Minato City to create the official mascot "Riku One." Meanwhile, many of the people involved in our variety shows, and news and information programs introduced the appeal of the Championships and the individual events in their own words. This cross-departmental "Team TBS" showcased the appeal of track and field on many popular programs, building viewers' desire to watch the Championships. This unified effort became a driving force behind filling the National Stadium to capacity, drawing a cumulative total of 620,000 spectators over the nine days. As athletes raced around the track, the packed stands shook with excitement as waves of spectators rose to cheer them on. In response, the athletes pushed beyond their limits, delivering extraordinary performances. The stadium was filled with an extraordinary sense of excitement. Furthermore, through our JNN Network partners, a cumulative total of nearly 80 million viewers nationwide watched the Championships through our broadcasts. It was a moment when our vision of "moving the hearts of viewers across Japan through the power of television" became a reality.

The electrifying atmosphere in the stadium and the energy that spread across Japan through our broadcasts were clearly fueled by our efforts and the power of television. At that moment, I became convinced once again that "television still has the power to captivate people on this scale and move society." I also became convinced that by believing in the media value of television and continuing to expand it, we can contribute even more to society. With this strong conviction, I renewed my determination to drive this business forward.

→P33

Results of the LTV4-59 strategy and the growing adoption of a "Timeless Value" mindset: Spark interest through broadcasting, driving profit through diversification

The Medium-Term Business Plan 2026, formulated as the second phase of TBS Holdings' VISION 2030, is now in its final fiscal year. As we have worked to achieve the goals of this Medium-Term Business Plan, one thing has become clear: we are a corporate group whose growth is centered on content. Across the Group, we have continued to take on challenges beyond television broadcasting. In particular, the growth of our Lifestyle Business has been remarkable. Building new businesses and scaling them—the thinking behind VISION 2030 has undoubtedly taken root across the Group. At the same time, we came to realize firsthand that the power of the content we create, such as video productions and events, can contribute to the expansion of businesses such as education and distribution.



To achieve this, our starting point is to enhance the content that is well received by viewers through our broadcasts—in other words, to "strengthen television." Two years ago, we set a goal of increasing our viewer ratings among viewers aged 4 to 59 (LTV4-59). Our strategy has been to win the approval of the generations who will shape Japan's future and then earn the approval of older generations as well. In FY2025, we were the only broadcaster in the Kanto region to achieve an increase in viewer ratings among this target demographic. Furthermore, we successfully increased our individual viewer ratings across all viewers, including those in this target segment.

I believe our strategy of building and increasing our LTV4-59 viewer ratings is beginning to bear fruit. We set "strengthening television" as our initial goal because it is the foundation of the content creation we have inherited from our predecessors.

However, moving forward, simply keeping content within the realm of broadcasting is no longer sufficient. Building directly on the momentum of the World Athletics Championships Tokyo 25, we created the anime film "*100 Meters*," which delicately portrays the inner struggles and emotions of track and field athletes. We were able to deliver new content to the many track and field fans who had enjoyed the World Athletics Championships—this time through the medium of an anime film—and achieve strong box-office results. Similarly, the drama series *"Then You Try Making It!"* also achieved great success through broadcasting, but achieved an even more remarkable milestone on TVer, attracting a record-breaking number of views and setting a new all-time record for TBS. The choice between "broadcasting or streaming" is already a thing of the past. "Create a buzz through broadcasting, amplify that momentum through streaming, and deliver it to the world." This digital strategy has enabled us to reach a broader audience, including younger audiences. Our highly acclaimed "Sunday Theater" produced hit after hit in FY2025, including "*The Royal Family*" and "*Reboot*." In addition, works that expanded from the Sunday 9 PM broadcast slot to the big screen—such as "*TOKYO MER: Mobile Emergency Room—Nankai Mission*" and "*The LAST MAN*"—achieved major box-office success.



The Success of "*100 Meters*": Taking Anime to Global Audiences

A single high-quality IP (intellectual property) can leap from the television screen to the big screen and ultimately into a real-world experience. This "content diversification" has become a strong pillar supporting our non-broadcasting revenue. Now more than ever, I believe we must further accelerate our transformation from being a broadcaster into a comprehensive content group that expands the value of content in every direction. Our program producers are becoming increasingly conscious not only of producing daily television programs, but also of expanding content across multiple formats and platforms. These efforts are generating results that are opening the door to new opportunities. The Timeless Value mindset we are pursuing is increasingly extending beyond the boundaries of broadcasting timeframes and national borders.

Taking on the world

Beyond this content creation lies our challenge of going global. We have announced partnerships with production companies in Hollywood and South Korea and are strengthening our efforts to broaden our network of partners for expanding our content overseas. We are taking on the challenge of creating original content for international audiences. Our greatest strength lies in producing drama series and films, but that is not all we can do.

Anime is Japan's strongest content on the global stage. We will now step up our efforts to increase the number of anime broadcast slots and create new IP with global appeal.

At the same time, we are strengthening our efforts to expand the content we have created to global audiences. We have already been developing variety-show formats such as "*SASUKE*" and "*Takeshi's Castle*" for global distribution, and we intend to expand these efforts further. With "*KASSO*," a new content concept featuring skateboarding, we have begun taking on the global market as a new content offering following in the footsteps of "*SASUKE*." We are pursuing global opportunities not only through video, but also through events and merchandise. We are also expanding the overseas sales of our streaming content, and the scale of our business is growing year after year. TBS has been a member of EGTA since the 2010s, making it the only Asian media company among its members. EGTA is an international industry association for television and radio advertising, made up primarily of European broadcasters. Through our membership, we are able to exchange knowledge and insights, conduct industry research and analysis, and contribute to the development of the television industry. We are also expanding our business relationships with European advertising agencies by leveraging the opportunities offered by streaming advertising.

The trust of society that supports these challenges

Our challenges will continue to expand in scope. But to pursue these challenges, we must reinforce the foundation on which we stand. That foundation is the trust we have built over more than 70 years as a news organization. Because we live in an era flooded with fake news, the accuracy of the information reported by TBS News must serve as a beacon for society. We must face the realities of society with integrity and sincerity, and deliver the information people need. This commitment forms the bedrock of the trust we have built. We never lose sight of the fact that this asset of "trust" is what enables us to take on bold challenges in the world of entertainment.

To deliver this "trust," we launched the news sites "TBS NEWS DIG" and "TBS CROSS DIG with Bloomberg." In addition to delivering information through television broadcasting, we continue taking on new challenges in how we deliver news, with the aim of providing users with accurate news as quickly as possible.

A future built on mutual respect

Ultimately, it is people who drive these challenges forward—the people who work within the TBS Group and the external partners who support us.

During my university years, I was a member of the rowing club. Rowing is often called the ultimate team sport. Four or eight rowers must move as one, rowing in perfect unison and keeping a precise rhythm; otherwise, the boat cannot reach its full speed. Through rowing, I took to heart the phrase, "One boat, one crew." If even one of the eight rowers rows to a different rhythm, the boat immediately loses speed. Everyone must focus on the same goal, listen closely to the sound of their teammates' oars cutting through the water, and find the same rhythm. Only then can the boat accelerate at remarkable speed.

The TBS Group is, in essence, a single boat. Our content creators, content strategy team, technology team, sales team, and program promotion team, as well as our colleagues at TBS SPARKLE, INC., TBS GLOWDIA, INC., and TBS ACT, INC. who support our content creation, are all part of this boat. They are also joined by members working behind the scenes and colleagues in the Lifestyle Business. There is no single protagonist in this Group. Above all, I want everyone to deeply respect one another's expertise and row together with a shared sense of purpose. The only way to overcome the governance and human rights challenges we face today is through this "mutual respect." My greatest mission is to create the Japan's most creative workplace in Japan, where everyone respects one another and can pursue the "best moments" with a smile.

In closing, in FY2026, the TBS Group will lead Japan's entertainment industry as a company that delivers the "best moments" to people around the world and helps shape the world of tomorrow.

To all our stakeholders, Our boat is now accelerating at an unprecedented speed. The first step is to move forward. As we move ahead, the landscape before us begins to change. We will continue to take on challenges and contribute to building a better society. We invite you to see the view that awaits us beyond these challenges.



TBS Group at a Glance

The TBS Group operates a broad range of businesses, from broadcasting and streaming to content creation, entertainment and real estate.

Lifestyle Business (8 companies)

General merchandise retail, beauty & wellness, intellectual training and education

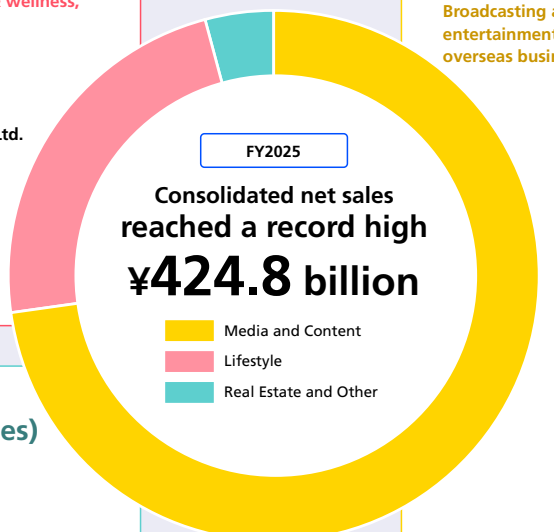
StylingLife Holdings Inc.
CP Cosmetics Inc.
BECAUSE CO., LTD.
YARUKI Switch Group Holdings Co., Ltd.
4 other companies

Operating Profit ¥2.8 billion

Real Estate and Other Businesses (6 companies)

TBS TELEVISION, INC.
TBS Kikaku Co., Ltd.
Midoriyama Studio City, Inc.
Akasaka Heat Supply Co., Ltd.
TBS Sunwork, Inc.
TBS HEXA, INC.

Operating Profit ¥7.2 billion



Consolidated operating profit ¥24.7 billion

Media and Content Business (19 companies)

Broadcasting and streaming, content creation, entertainment and events, technology and art, overseas business, etc.

TBS TELEVISION, INC.
TBS RADIO, INC.
BS-TBS, INC.
TBS SPARKLE, INC.
TBS GLOWDIA, INC.
TBS ACT, INC.
CS-TBS, INC.
NICHION, INC.
TBS Media Research Institute, Inc.
TC Entertainment Inc.
Seven Arcs Co., Ltd.
Manga Box Co., Ltd.
THE SEVEN, INC.
WACUL, INC.
100 Inc.
TOKYO BROADCASTING SYSTEM INTERNATIONAL, INC.
Bellon Entertainment Inc.
THE SEVEN US, INC.
TOKYO BROADCASTING SYSTEM KOREA, INC.

Operating Profit ¥14.6 billion

LTV4-59 viewer ratings
FY2025 (ages 4–59)

Higher viewer ratings than the previous year during the following time slots

Golden 3.9%
Prime 3.7%
All day 1.9%

March 31, 2025–March 29, 2026 weekly basis. Data by Video Research Ltd. in the Kanto region

Streaming business
FY2025 performance (year on year)

Streaming advertising revenue remained strong, by solid performance in the number of drama and variety shows streams on TVer.

Streaming advertising revenue
+18.8%

Paid subscription streaming revenue
-16.8%

StylingLife Group
FY2025 performance

Net sales ¥69.6 billion
Operating Profit ¥4.3 billion

Operating profit set a new record high for the fourth consecutive year.

YARUKI Switch Group
FY2025 performance

Net sales ¥26.0 billion
Operating Profit ¥2.3 billion
(International Financial Reporting Standards applied)

Net sales increased due to an increase in the number of classrooms and students.

Real estate managed by the TBS Group

TBS Broadcast Center/
Akasaka Biz Tower/
Akasaka The Residence/
TBS Akasaka ACT Theater/
THE HEXAGON/
Midoriyama Studio City, Inc., etc.

Akasaka 2-chome and 6-chome Development Plan

March 2024
New construction commenced.
April 2025
Opening of "Canopy by Hilton Tokyo Akasaka," operated by Hilton, officially confirmed.
Construction is progressing mostly on schedule toward completion in FY2028.

TBS Group total number of employees

8,518 (As of March 31, 2026)

*Please refer to the "TBS HIGHLIGHTS" for details on individual content.
https://www.tbsholdings.co.jp/en/about/tbshighlights.html

TBS Six Materialities (key issues)

In 2024, upon the formulation of the TBS Group MTBP 2026, we reexamined the measures related to the materialities (key issues) that the TBS Group must address.
To pursue and provide timeless value in content IP, we will operate our businesses based on material issues that span strategy, sustainability, and governance, aiming to achieve the TBS Group VISION 2030 and enhance our corporate value sustainably.

Creating original content loved around the world

- Enhance planning and development, marketing, and other abilities with the Creative Engine FUNNEL Model for content IPs enhancement
- Invest in EDGE strategy to elevate content IPs to timeless value
- Recruit human resources and build a distribution network for a strong first year of global business

Delivering wonderful "moments" to everyone we work with

- Recruit 300 mid-career employees in "expand" areas by FY2026
- Expand human resources development program and improve internal environment for developing world-class "ambidextrous creators"
- Reform HR system for success "Bet on passion, pay for performance"

Innovating work through the development and utilization of technology

- Work on open innovation to achieve multi-layering of human resources through partnerships in technology and design
- Provide venues to experience new value offered by developed technologies and designs. Bring technologies and services to society to increase competitiveness

Delivering wonderful "moments" to all the lives on earth

- Achieve a group-wide renewable energy ratio of 100% by FY2026 (CO_2 emissions 50% lower than 2022)
- Calculate Scope 3 emissions for six core companies + SLH. Create a roadmap for carbon neutrality by 2050

Fulfilling our social mission as a media group

- Use all platforms to disseminate information for the protection of life
- Establish an Investigative Journalism Department for self-led coverage of hidden issues
- Collaborate with members of the JNN Network to sustain and strengthen our nationwide news network

Strengthening governance as a responsible company

- Perform human rights due diligence to prevent and reduce negative impacts on human rights in the supply chain
- Effective redress in the event of violations of human rights
- Raise employees' awareness of human rights as content disseminators

Timeline of materiality consideration

Nov 2021	Sustainability Committee began considering materialities
Dec 2021	Verified various indicators in financial and non-financial areas
Feb 2022	Created a list of potential business and ESG areas
Feb 2022	Materialities verified and discussed by TBS Television's full-time Board of Directors
Mar 2022	Materialities selected and identified by (then) President Sasaki
Apr 2022	Reviewed by TBS Holdings' Board of Standing Directors
Apr 2022	Reviewed and approved by TBS Holdings' Board of Directors
May 2022	TBS's materialities were identified and announced
May 2024	In formulating the new medium-term business plan, measures were reexamined and then approved by the Board of Directors of TBS Holdings

TBS Group Value Creation Model

Brand Promise **From each moment, a better tomorrow.**

Input

- Human resources that "create" Human resources that "expand"
- An extensive portfolio of IP
- Cutting-edge production technologies and facilities
- Global partnerships
- Stable financial base

Business Model

Joyful challenges

Creating value through the "create–expand" cycle

Create

Expand

- Media and Content
- Lifestyle
- Real Estate and Other

Maximizing value through the interaction of three business segments

Materiality

- Creating original content loved around the world
- Delivering wonderful "moments" to everyone we work with
- Innovating work through the development and utilization of technology
- Delivering wonderful "moments" to all the lives on earth
- Fulfilling our social mission as a media group
- Strengthening governance as a responsible company

Output

Wonderful "moments"

Media and Content

News, drama, anime, films, events, and more that inspire people and influence society

Lifestyle

Products and services that enhance individuality and comfort
Education that empowers each individual to shine

Real Estate and Other

Cities that continue to evolve

Operating Profit
FY2026 target ¥23.0 billion
FY2030 target ¥38.5 billion

Outcome

A better tomorrow

A society filled with well-being

A society where each individual can feel a sense of happiness, respect one another, hold hope for the future, while society supports those who take on challenges

Increasing corporate value



Upward Revision of the Medium-Term Business Plan

Achieved the targets for operating profit, operating profit margin, and ROIC one year ahead of schedule

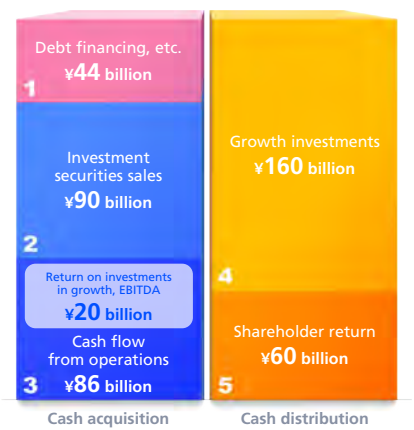
Unit: billion yen

Initial plan	FY2024	FY2025	FY2026
Revenue	400	425	450
Operating Profit	16.5	21.5	24.0
Operating profit margin	4.13%	5.06%	5.33%
ROIC	2.8%	3.2%	3.3%

Result	FY2024	FY2025
Revenue	406.7	424.8
Operating Profit	19.4	24.7
Operating profit margin	4.79%	5.83%
ROIC	3.1%	3.8%

Updated
P18

Achieved the targets for the sale of investment securities and shareholder returns one year ahead of schedule



2. Actual investment securities sales

¥93.4 billion

5. Actual shareholder return

¥54.2 billion

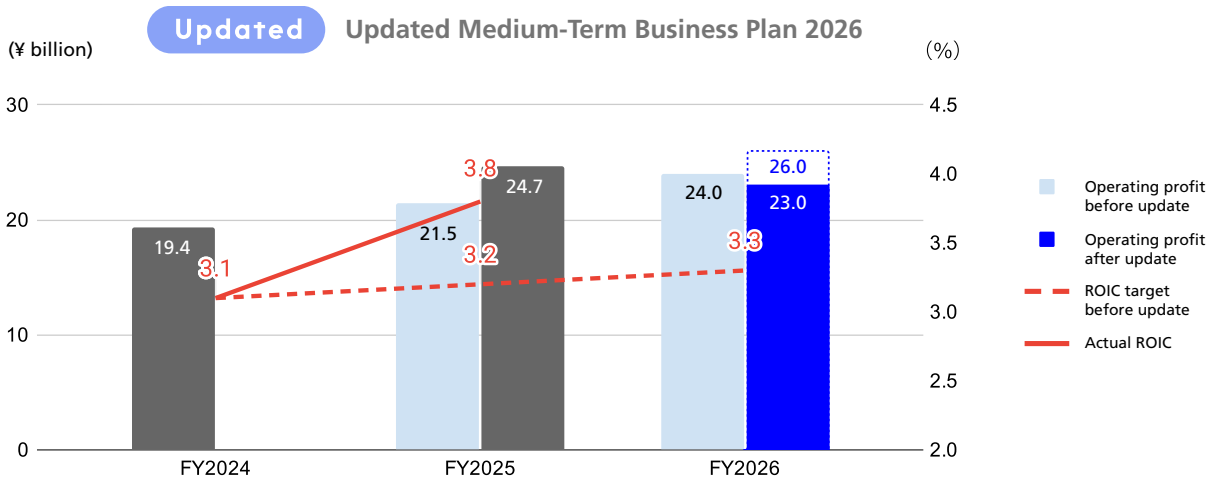
(Dividends: ¥20.4 billion; Acquisition of treasury shares: ¥33.8 billion)

*Figures are the combined totals for FY2024 and FY2025.

Updated
P20

Optimizing Capital Efficiency and Growth Strategy Investments to Increase Corporate Value





Early achievement of Medium-Term Business Plan 2026 targets and updates for further growth

The "TBS Group MTBP 2026," the second phase of the "TBS Group VISION 2030," was formulated based on our belief that a virtuous cycle of expanding cash flow from operations through the execution of our growth strategies will lead to higher corporate value over the medium to long term, greater returns to our stakeholders, and an appropriate share price. For the final year of MTBP2026, we initially set consolidated net sales of ¥450.0 billion and consolidated operating profit of ¥24.0 billion as financial targets. However, in FY2025, the second year of the plan, thanks to the support of our stakeholders including everyone working across the TBS Group, we achieved consolidated operating profit of ¥24.7 billion, surpassing our final-year operating profit target one year ahead of schedule.

In November 2025, when we revised our operating profit forecast upward to ¥24.0 billion, we began discussing whether to update MTBP2026 for FY2026 or formulate a new MTBP. As part of those discussions, the KPI we considered most important was ROIC (Return on Invested Capital), which we introduced under MTBP2026 to promote a business strategy focused on capital efficiency. For the next Medium-Term Business Plan, we need to review our segment structure based on the fundamental principle of ROIC—managing profitability at the business-unit level. However, we concluded that our preparations were not sufficient to disclose a new plan one year ahead of schedule. We therefore decided to update MTBP 2026. That said, as detailed below, our intention in the updated MTBP2026 is to bring forward, wherever possible, those actions planned for the next MTBP as part of our response to the capital markets.

Two reforms underway to advance ROIC management

In FY2025, ROIC stood at 3.8%, making steady progress toward our FY2030 target of 5%. The main driver was growth in operating profit, led by strong advertising revenue at TBS Television. This was also supported by a review of invested capital, including the optimization of the timing of construction payments related to the "Akasaka 2-chome and 6-chome Redevelopment Plan." In addition, the slight delay in executing growth strategy investments from our initial assumptions also had a positive impact. For FY2026, however, we are giving top priority to growth strategy investments, and therefore expect ROIC to remain at approximately the FY2025 level.

Looking ahead to the next MTBP, we focused on two main policies in the updated MTBP2026.

First, while our previous MTBP focused primarily on indicators related to the income statement, we aim to undertake a comprehensive reform of the balance sheet in order to advance ROIC management.

Starting with the asset side, for current assets, we will analyze working capital turnover by business to drive efficiency. For non-current assets, we plan to accelerate growth by reshaping our portfolio through "selection and concentration."

At the same time, we view this update, in preparation for the next MTBP, as a phase in which we begin to improve the right-hand side of the balance sheet—that is, the financing side.

By setting an appropriate WACC (Weighted Average Cost of Capital) for each segment based on its ROIC, we will shift toward more active use of debt financing, where appropriate. With regard to net assets, particularly shareholders' equity, our foremost objective is to exercise disciplined capital control with a clear understanding of the current situation, including the market value appreciation of our cross-shareholdings.

The second policy is to increase the granularity of ROIC management at the segment level.

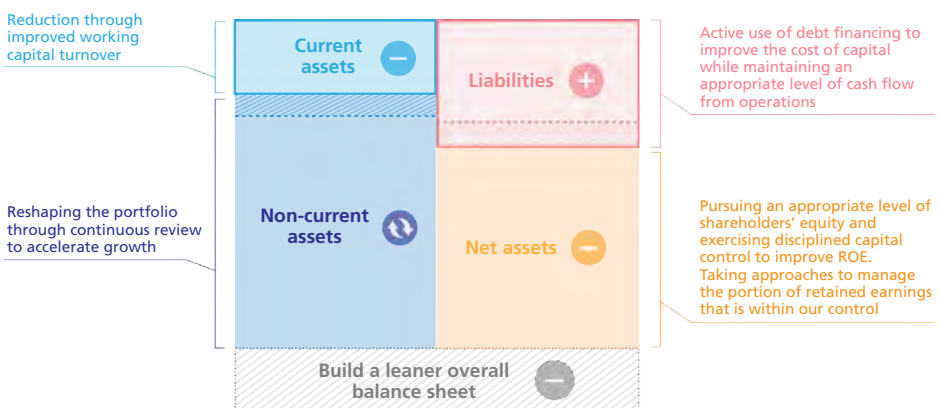
As noted above, in the next MTBP, we will disclose ROIC, WACC, and the ROIC spread for each segment, thereby clarifying the path toward achieving our Group-wide target of 5% ROIC by FY2030.

As part of this initiative, effective April 1, 2026, TBS Broadcast Center was transferred from TBS TELEVISION, INC. to TBS HOLDINGS, INC.

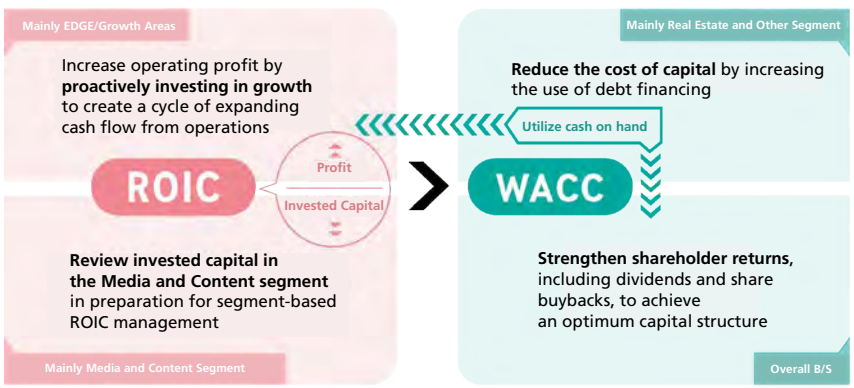
Previously, the majority of the Broadcast Center was the asset of the Media and Content business. Following the transfer, it will be managed as invested capital of the Real Estate and Other businesses. The Media and Content business will establish revenue targets based on bearing an appropriate amount of rent, while the Real Estate and Other businesses will establish revenue targets based on its invested capital. This will clarify each segment's target management.



Comprehensive Balance Sheet Reform



Toward Disclosure of ROIC Spreads by Segment



Updated capital allocation

Based on these policies, we have updated our capital allocation in preparation for the next MTBP, which will begin in FY2027. In terms of cash inflow, we will increase debt financing from ¥44.0 billion to ¥84.0 billion in order to use leverage to optimize the WACC of the new segments, including the Akasaka 2-chome and 6-chome Development Plan. With regard to sales of investment securities, we have raised our minimum commitment from ¥110.0 billion to ¥135.0 billion to ensure that the proceeds are appropriately reallocated to growth strategy investments and used for shareholder returns. We have revised our forecast for cash flow from operations downward due in part to the higher tax burden resulting from the increased sales of investment securities and the front-loaded spending associated with the new business model for our LTV initiatives aimed at diversifying our revenue sources. Nevertheless, we expect to maintain ¥20.0 billion in EBITDA from returns, supported by returns on our growth investments. On the cash allocation side, growth strategy investments, which remain our highest priority, are unchanged at ¥160.0 billion. However, if opportunities arise that will contribute to strengthening our content IP planning and production capabilities or advancing the EDGE strategy, among other objectives, we may make additional investments and may also increase funding through sales of investment securities. In addition, we have newly allocated ¥15.0 billion for large-scale capital expenditures aimed at modernizing our broadcasting facilities.

We have increased our shareholder returns from the initial target of ¥60.0 billion under MTBP2026 to approximately ¥105.0 billion. Specifically, we have raised the year-end dividend for FY2025 from ¥38 to ¥49 per share. For FY2026, we plan to increase the annual dividend by ¥16 to ¥100 per share and buy back shares worth ¥36.0 billion. We decided to increase shareholder returns proactively in light of the achievement of MTBP2026 profit targets ahead of schedule, higher-than-expected accumulation of cash and cash equivalents, and the low "initial ROIC" of growth strategy investments in areas such as content IP. This represents a front-loaded action toward our next MTBP.

Over the medium to long term, our fundamental premise is to create a cycle in which growth strategy investments generate future excess earnings, leading to expanded cash flow from operations and, ultimately, enhanced corporate value and returns to our stakeholders. However, in the next MTBP, we need to take a somewhat different perspective in light of the current state of our balance sheet and other factors. In other words, after determining the amount of capital necessary to generate earnings through our growth strategies, we will seek to redefine the appropriate level of shareholders' equity through "disciplined capital control." Based on this approach, we will explore a shareholder return policy.

However, at the announcement of our Q1 financial results on August 6, we lowered our FY2026 operating profit forecast from ¥26.0 billion to ¥23.0 billion, taking into account the softening advertising market amid uncertainty in the global economy, including the situation in the Middle East. Even under these circumstances, we will work to secure profits by exploring new revenue sources and implementing rigorous cost control. At the same time, we will conduct an even more thorough review of invested capital in our efforts to achieve our ROIC target.

Updated

Cash acquisition

1 In anticipation of segment-based ROIC management beginning with the next MTBP, we **initiated a review of invested capital by segment** in order to manage WACC appropriately. We have thoroughly reviewed the financing for the Akasaka 2-chome and 6-chome Development Plan and **increased debt financing from ¥44.0 billion to ¥84.0 billion**.

2 Based on our sales of investment securities over the two-year period and through the date of the earnings announcement, we have **further increased the forecast sales** during the MTBP2026 period **to ¥135.0 billion**. We will continue to **respond flexibly based on the progress of our growth investments**.

3 While working to expand cash flow from operations through strong business performance and returns on growth investments, we have revised the forecast downward to ¥61.0 billion due to factors including the higher tax burden resulting from increased sales of cross-shareholdings and a temporary increase in working capital associated with higher sales.



Cash distribution

4

Investments to acquire and expand content IP
- Established SAND B, Inc.
- Made K contents Inc. a subsidiary
- Made WACUL, INC. a subsidiary

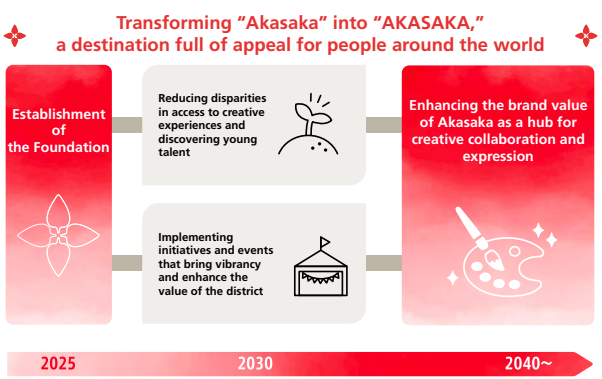
Advancing the Global Business in its first year
- Invested in Legendary Entertainment
- Established a joint venture with CJ ENM Co., Ltd. and U-NEXT

Expanding the Lifestyle Business
- StylingLife Holdings Inc. became a wholly owned subsidiary
- Developed and expanded the EduTainment Business, and more
- Executed growth investments totaling **¥71.4 billion**

5 We are actively working to enhance shareholder returns through improved corporate value. Having achieved part of the MTBP2026 targets ahead of schedule in FY2025, we have **increased total shareholder returns to ¥105.0 billion over the three-year period**.

Establishment of a foundation as a core pillar of the Akasaka Entertainment City Project

We established the "Akasaka Creative Foundation" as one of the core pillars of the Akasaka Entertainment City Project, which aims to transform Akasaka into a hub and source of entertainment and creativity where people can experience the "best moments." The foundation's directors include representatives of companies with ties to Akasaka, while its councilors include Ikuko Akasaka, the first geisha to receive the Order of the Rising Sun, Gold and Silver Rays; Hiroko Kuniya, a Trustee of Tokyo University of the Arts; and Hiroshi Suzuki, Professor at the Graduate School of Public Policy, The University of Tokyo. The board of directors began meeting in October 2025 to discuss what kinds of activities can contribute to the development of creativity. In January 2026, the foundation launched its official website and called for applications for its FY2025 grant programs. Following review by the selection committee, four projects were selected and implemented. These projects represent a steady step toward building Akasaka into a creative platform where tradition and the future converge. Applications for the FY2026 grant programs have already opened, and we will continue to publish updates on the foundation's activities on its website as they become available.



Our policy on responding to takeover proposals for company shares

On May 14, we disclosed our decision to renew for one year our "Policy on Responding to Takeover Proposals for Company Shares," which is intended to make our Policy known to potential acquirer groups in advance. As a certified broadcasting holding company, TBS Holdings maintains the Policy based on the belief that a certain degree of independence is required to preserve both the public nature of a broadcaster and the neutrality of a news organization. However, we do not view possible acquisitions of a controlling stake negatively. At the same time, as abusive activism is recognized as a material issue of high priority in the capital markets, we must be prepared to counter large-scale acquisitions aimed at pursuing short-term profits that could impede our strategy to grow into a content group and undermine our corporate value. We therefore concluded that, at this point, maintaining the Policy remains a necessary and appropriate measure. In accordance with the Corporate Governance Code, and to enhance fairness and ensure objectivity, we have also changed the composition of the Special Committee for Appraising Corporate Value so that it consists solely of outside directors.

We do not intend to maintain the Policy on Responding to Takeover Proposals for Company Shares indefinitely. We believe that enhancing corporate value and raising the share price through the "Updated MTBP2026" and the next MTBP will maximize the interests of our stakeholders and serve as the most effective response to abusive activism. We will continue to carefully review the Policy at meetings of the Board of Directors and other appropriate forums, and will take prompt action when we determine that it is no longer necessary.



The next MTBP is currently being formulated to serve as a turning point in addressing the issues raised by the capital markets. By setting out the future direction of the TBS Group under VISION 2030 and beyond, we aim to ensure that not only our shareholders but all stakeholders have a better understanding of the group we aspire to become and, ultimately, that this is appropriately reflected in our share price.

Growth Strategies

Message from the CGO

Global Strategy

New IP Strategy

EduTainment Strategy

Creating original content loved around the world

Becoming a Globally Acclaimed Entertainment Group



With our growth strategy in full swing, we are ready to take a major leap forward

In our growth strategy areas, we are actively pursuing growth investments to leverage our content IP and accelerate the growth of EDGE. The key areas of our growth strategies are "Global," "IP," and "EduTainment."

Since declaring 2024 the "first year of our global business," TBS has accelerated its overseas expansion and is beginning to see steady results. THE SEVEN, INC., our content strategy company focused on global markets, is launching a series of major titles from FY2026 onward to expand its lineup. We are expecting net sales of ¥6.3 billion in FY2026 and ¥8.1 billion in FY2027. In April, it signed a joint development agreement with The Walt Disney Company (Japan) Ltd. This is the first time Disney has entered into a long-term, ongoing content development agreement with a Japanese production company. TBS will continue creating innovative content from Japan that captivates global audiences.

In October 2025, we also established THE SEVEN US, INC. in North America, creating a platform for expanding our network and exploring investment opportunities. With THE SEVEN US, INC. playing a central role, we are advancing the development of content for global audiences.

In North America, we invested approximately ¥24.0 billion in Legendary Entertainment, one of Hollywood's premier film production companies, and entered into a strategic partnership in January for the planning and development of screen content based on Japanese IP. Legendary has produced a number of internationally acclaimed titles, including "*Dune,*" "*Minecraft,*" and the MonsterVerse series, including "*Godzilla.*" It also has a deep respect for Japanese IP and culture, having worked on "*POKÉMON Detective Pikachu*" and "*Street Fighter,*" among others, and possesses the ability to develop them into entertainment that can be enjoyed by global audiences. Its film division has generated cumulative worldwide box office revenues of more than $21 billion, with 27 films having opened at No. 1 at the U.S. box office. It is one of the world's leading production studios, with numerous titles earning top honors at major award ceremonies, including the Academy Awards, Emmy Awards, and Golden Globe Awards. TBS, THE SEVEN, and Legendary are now actively holding content planning and development meetings, and discussions on specific IP are gaining momentum. Legendary will be an important and highly valuable partner as TBS expands its business in Hollywood. We are eager to create global hit content with Legendary as soon as possible and then reinvest in that content.

In Asia, TBS, CJ ENM, one of South Korea's leading entertainment companies, and U-NEXT HOLDINGS have established a joint venture called "StudioMonowa." CJ ENM is home to Studio Dragon and CJ Studios, known for continuously producing global hit titles. The purpose of StudioMonowa, however, extends beyond production; it is designed to drive our transformation into an integrated IP business that seamlessly manages everything from production to secondary exploitation.

By combining TBS's planning and creative direction capabilities,

CJ ENM's world-class production expertise, and U-NEXT's expertise in digital platforms, we aim to establish a business model that generates sustainable, long-term revenue from the content IP we create and to produce global hits originating in Asia. In Europe, we began collaborating with Banijay Entertainment, one of the world's largest production groups, in October 2025 to expand "*SASUKE*" internationally. We also held the two-day "KASSO FEST SKATE&SOUND" in California, U.S., in March, focusing on merchandising, including apparel and other products.

In the fields of anime, characters, and IP, we are focusing on creating new IP, with SAND B, Inc. playing a central role. SAND B is using its ¥30.0 billion investment budget to identify and develop promising IP. It has invested in the anime IP "Konna Ko Iru Kana," which airs on NHK's "With Mother." It has also welcomed next-generation studio Xenotoon into the Group. Xenotoon houses a 3D animation studio led by Mr. Gensho Yasuda, an animator with over 6.3 million social media followers in total. Backed by its cutting-edge technology and marketing capabilities, Xenotoon holds numerous IPs that are popular overseas. We will accelerate our animation business, focusing not only on identifying and developing new IP but also on acquiring mega-IP.

In the EduTainment business, we will accelerate the development of services centered on "*visual content and AI.*" "*AI for School,*" which was selected for a demonstration project by the Ministry of Education, Culture, Sports, Science and Technology, provides a highly reliable learning environment using news content. Through the "e6 project," a joint project with NTT, we are developing original IP, while also exploring the commercialization of an "AI Theme Park" to create new forms of learning that combine digital and physical experiences.

As described above, TBS is creating IP across a wide range of fields and is now ready to make a major leap onto the global stage. Just as Japan's national soccer team, "SAMURAI BLUE," has grown stronger by competing against the best teams overseas, TBS will collaborate with leading global companies to evolve into a strong, globally recognized entertainment group.

SPECIAL INTERVIEW

TBS × LEGENDARY



At the headquarters of Legendary Entertainment in Los Angeles, U.S.

"TBS is a truly unique company"

Nakatani: Could you tell us why you decided to partner with TBS?

Grode: When we were considering how to further get into the Japanese market, we were looking for a partner that was deeply rooted and widely respected in the entertainment business in Japan, and would also allow us the flexibility to operate without being tied to any particular company. And above all, what mattered most to us was finding a partner that respects IP, its rights and creative process, just as we do at Legendary. In our first conversation, we realized that TBS was a unique company that satisfied all of these criteria.



CGO's Visit to Legendary Entertainment: A look Inside the Secret Room and a Candid Conversation

Nakatani: When I first met you while you were visiting Japan on vacation and talked to you about the EDGE strategy, you spoke highly of TBS, saying, "TBS has many talented creators and strong creative capabilities." Then you asked me, "Do you really want to go global?"

Grode: Yes. We are very excited to be working with everyone at TBS and THE SEVEN. TBS has a great portfolio of titles such as "*Alice in Borderland.*" We are looking forward to further developing and expanding those universes together. I am truly proud of this partnership because leading creators who are creating some of the most exciting IP in Japan see us as a trusted partner because we are working with TBS.
Now, let me ask you a question. What attracted you to Legendary?

Nakatani: We were looking for a partner we could team up with in the U.S. and globally. We spent about six months at TBS exploring various possibilities, and during that process, we became convinced that Legendary was by far the strongest choice. Legendary has everything we were looking for: brilliant creative planning capabilities, IP, and the trust it has built in Hollywood. On top of that, it has a deep reverence for Japanese IP and an exceptional strategic ability to turn Japanese IP into global hits. That was what we valued most. We strongly felt that, with such a wonderful partner, our creativity could flourish even further and that we could create something truly special together. The teams working on the partnership are now actively discussing various opportunities, and we are

sincerely grateful for the thoughtful attention you are giving to a wide range of Japanese IP.

The Importance of being a "cultural translator"

Nakatani: What is it about Japanese IP that you see so much potential in and find so interesting?

Grode: That is a great question. We look at what lies behind the story. There are all kinds of manga, anime, films, television programs, and books around the world. But what really excites us is when we can delve deeply into what lies behind a story and understand the emotions behind it. That is because universal themes exist there.
When you look at the vast library of Japanese IP and all the energy in Japan's creative economy, there is such a deep, rich tradition of storytelling. I believe that is why Japanese works resonate with people around the world.



Nakatani: You have described us as a "cultural translator." What do you think makes the role of a cultural translator so important?

Grode: Being a cultural translator is actually a very delicate and difficult role. Because we must always have the utmost respect for the creators of the IP. Finding the right balance in how much change we make to the IP to make it resonate with audiences around the world without losing its essence is incredibly delicate. We are, after all, outsiders. That is why TBS's ability to translate what is needed to cross cultural boundaries and communicate it to us in a way that is both commercial and creative is one of the crucial components of this partnership.
We believe that the creators who brought a work to life know their work better than we ever could. That is why we invite creators into our offices and work on projects with them so closely and intensely that we sometimes forget to sleep or eat. That is how we are able to achieve great results. Having TBS join us in that process, we now have a trusted partner who can serve as a bridge between us and the creators. TBS helps us understand how IP should be represented and where the boundaries lie—what can be crossed and what must be protected—when taking it to the world.
Having TBS join us in the process helps us better understand not only the surface-level visuals of a film, but also the story behind it. Then, with TBS's help, we can "culturally translate" the films we create in Hollywood based on Japanese IP back into Japan in a way that deeply resonates with Japanese audiences. Don't you think that creates a very cool and beautiful cycle?



Nakatani: The creators across the TBS Group are also very excited to work with Legendary. In your view, what can we do to step up to the global stage and create global hits?

Grode: It starts with finding the right creators, reading deeply into what they have created, and finding universal themes that resonate with people around the world. From there, you "translate" that material into a story that can reach a broader global audience. That sounds very easy to do, but it is incredibly difficult. For example, the emotional anchor of "*Dune*" is the story of a boy and girl who are in love but cannot be together. In a way, it is similar to "*Romeo and Juliet,*" isn't it? Finding that essence and deeply understanding what the characters and their journey are—that allows us to create films that are loved around the world.

Nakatani: Legendary has produced numerous global blockbusters, including "*Dune,*" "*Minecraft,*" and "*Godzilla.*" What do you think are the essential elements of a global hit?

Grode: If there were a perfect formula or recipe, we would use it every time. Unfortunately, there is no such perfect recipe. But everything starts with the story. If you have characters that people can genuinely connect with emotionally, and if you can clearly understand what motivates those characters, the film begins to tell their story in a compelling way within that setting.

We are all in!

Nakatani: This October, "*Street Fighter,*" produced by Legendary, will be released worldwide, and full-scale promotion for the film will begin in Japan.



Grode: We are very excited about this film. This film also carries a universal theme—a story about two brothers struggling to repair their relationship. It is a great piece of IP born in Japan and a great game that has been loved across generations. It will be a compelling story filled with exciting visuals.
I view this as a wonderful case study of the partnership between TBS and Legendary beyond simply creating new content from scratch.

Nakatani: Do you have a future vision or goals for what you would like us to accomplish together through our partnership?

Grode: What we want to do is discover the creative talent in Japan that is creating great stories and building compelling characters, and then figure out together how to bring those stories to audiences around the world. We do not yet know whether that will take the form of anime or film. What excites us is discovering unknown artists, uncovering IP with great stories, and finding the best web comics and manga.
There are no "right answers" or "wrong answers" in the creative process. It is all about an exchange of creative expression and different perspectives, and everyone at the table has a valuable voice. We want to gather as much insight as possible and arrive at the answer that feels right.
Beyond sourcing Japanese IP, what do you hope to achieve as we work together to create global franchises?

Nakatani: At TBS, we want to focus on project development to bring as many IP properties from Japan and the TBS Group as possible to the world as global hits. We also have many highly talented creators within the Group. Thanks to your generosity, Josh, we are currently arranging opportunities for our creators to receive training on Legendary's production sets. By having our creators experience the actual production environment, we



strongly hope to bring the quality of our productions closer to global standards and help them reach a world-class level.

Grode: That's fantastic. Thank you. We are all in! We will support you all the way!

Nakatani: We are all in! Thank you.

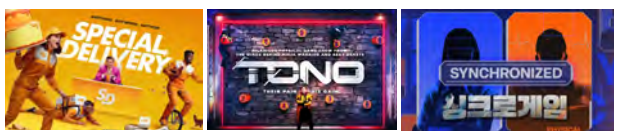
Global expansion of TBS content through collaboration with overseas partner companies

TBS has established "Inspiring Global Love for Japan through Timeless Moments" as its global business purpose. To maximize the value of its IP, TBS highly values collaborating with local partners who possess the deepest understanding of their respective regions. By incorporating their deep market knowledge, we continuously sow "seeds" of business, steadily increasing success cases and continuing proactive investment.

Europe Accelerating the global expansion of "SASUKE" with Banijay Entertainment

In October 2025, TBS licensed the format distribution rights for "SASUKE/Ninja Warrior" worldwide, excluding North America and Asia, to Banijay Entertainment, accelerating its further global expansion.

We are collaborating with the world-largest class global distributors such as Fremantle and All3Media to jointly develop world-class variety show formats.



Works jointly developed with Fremantle, All3Media, and CJ ENM, from left to right. Global sales launched via MIP LONDON in 2026.

Asia From Asia to the world, in partnership with South Korea's CJ ENM.

TBS is partnering with CJ ENM. to promote the development of global content originating from East Asia. TBS dramas have been globally distributed on HBO Max through collaboration with U-NEXT. In addition, in April 2026, TBS, CJ ENM, and U-NEXT jointly established StudioMonowa. We are simultaneously strengthening our production and distribution networks to accelerate monetization.

Under a strategic partnership with Vietnam Television (VTV), the production of a Vietnamese version of "SASUKE" has also been greenlit, further strengthening our expansion into the fast-growing Southeast Asian market.

North America Strategic partnership with Legendary

In January 2026, centering on THE SEVEN US, INC., THE SEVEN's North American base, TBS entered into a strategic partnership with Legendary Entertainment to jointly plan and develop content based on Japanese IP, promoting global content development. Additionally, a new modern pentathlon event inspired by "SASUKE/Ninja Warrior" will debut at the 2028 Los Angeles Olympics. In conjunction with this, we signed a licensing agreement with the Union Internationale de Pentathlon Moderne (UIPM) in March 2026 and held a press event in June.



"SASUKE/Ninja Warrior" press event



Partnership with Legendary

THE SEVEN, INC. Bringing Japanese-produced content to the world

"BAKA's Identity"



"BAKA's Identity"
Won the Best Actor Award
at the 30th Busan International Film Festival.
©2025 BAKA's Identity Film Partners

"Alice in Borderland" Season 3 (Production cooperation)



© Haro Aso, Shogakukan / ROBOT
Ranked 1st globally (Non-English) and reached the Top 10 in 87 countries and regions worldwide.
(Results immediately following distribution)

Established THE SEVEN, an overseas strategy studio, in 2022. We have been driving the production and streaming of content designed for a global audience in collaboration with platforms such as Netflix and Disney+, and have produced films and dramas. We are now transitioning into a phase focused on securing profitability. Net sales are projected to exceed 6.3 billion yen in FY2026 and 8.1 billion yen in FY2027.

Phase 1	Phase 2	Phase 3
Brand building	Collaboration with overseas partners Developing a new business model	A global hit based on owned IP

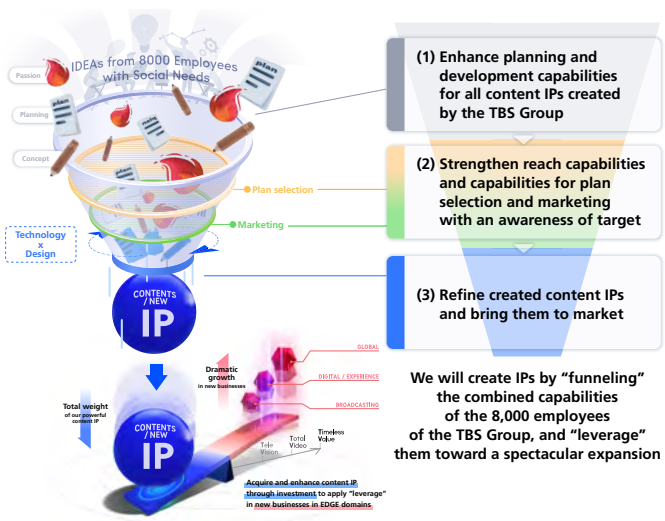
Creating and acquiring IP to bring wonderful “moments” to the world

In the IP business, the key is owning “original IP” that enables free, rapid, and flexible development. To that end, TBS is pursuing two strategies: “Creating new IP from scratch” and “acquiring companies that possess established IP.”

IP creation

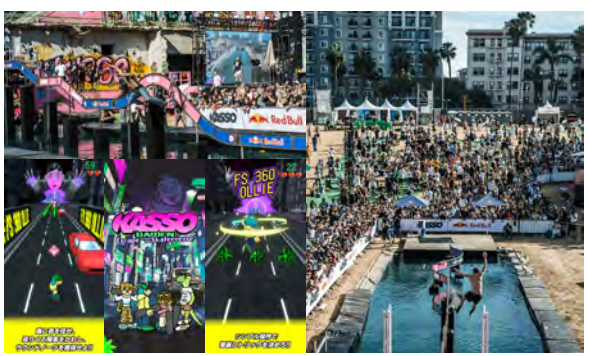
Maximizing value through IP creation and leveraging via the Creative Engine FUNNEL Model

In its “TBS Group Medium-Term Business Plan 2026,” TBS calls for further enhancement of creative power through the “pursuit of Timeless Value in content IP FUNNEL Model,” as well as the acceleration of the “EDGE” (Expand Digital Global Experience) expansion strategy based on “leveraging.” The Creative Engine FUNNEL Model is a model designed to refine IP by enhancing planning and development abilities across all its content IPs created by TBS, thereby enhancing marketing ability tailored to specific target audiences. By leveraging high-quality IPs generated from this funnel model in accordance with the EDGE strategy, we will drive dramatic growth in new businesses and maximize the value of the IP.

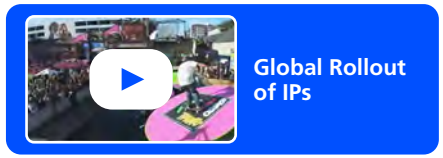


“KASSO FEST SKATE&SOUND TBS’s first event organized in North America

“KASSO,” a skateboard version of “SASUKE,” has been aired on an irregular basis since March 2025. To grow this into a global street brand, a two-day event titled “KASSO FEST SKATE&SOUND” was held in Long Beach, California, in March 2026. This is the first time TBS organized an event in North America. In addition to an apparel line, the KASSO brand is being developed across a full 360-degree spectrum, including the release of the game “KASSO GAIDEN: Escape from the Skaterverse” for Android and iOS in February 2026.



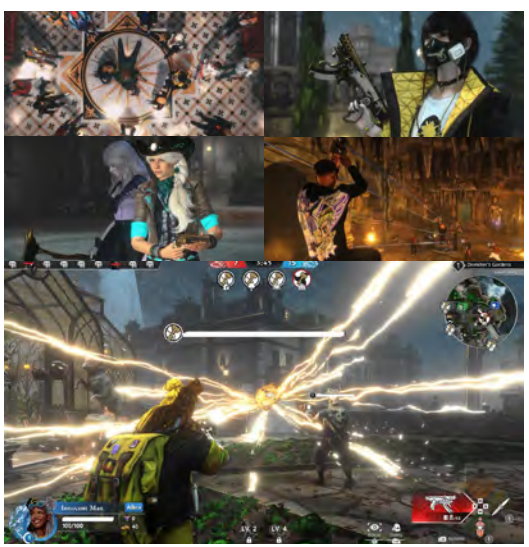
©Daniel CABRAL



Release of “KILLER INN” jointly developed with SQUARE ENIX



In February 2026, we launched the Early Access version of KILLER INN, a new original game jointly developed with SQUARE ENIX, on Steam. This game is attracting attention from players both in Japan and abroad as a Player-versus-Player game based on the concept of a “high-speed mystery battle resolved through force.” Moving forward, in preparation for the official launch, we will incorporate user feedback and further enhance quality, aiming to improve the user experience and the brand value of the IP.



Acquisition of IPs

“Kikipuppup” steadily growing throughout YouTube markets across various language regions

“Kikipuppup,” a new family-oriented anime series, is jointly developed by TBS and South Korea’s The Pinkfong Company. Since launching on YouTube in October 2025, a period of just under a year, the channels have continued to grow steadily across various language regions, surpassing 750,000 subscribers for the English version, 86,000 for the Japanese version, 69,000 for the Korean version, and 27,000 for the Spanish version (figures as of August 2026).



©The Pinkfong Company

BMSG 3rd Boys Group “STARGLOW” debut

“STARGLOW,” the third boy band from BMSG, made its debut in January 2026, emerging from the audition project “THE LAST PIECE,” which was broadcast on TBS and streamed on YouTube from July to September 2025. With their debut song “Star Wish” reaching number one on the Oricon Singles Weekly Charts and their selection as the only Japanese act for the UK’s “The NME 100: Essential Emerging Artists For 2026” list, they are poised for success both at home and abroad.

STARGLOW



©BMSG

Hi-Fi Un!corn Embarking on a live tour across five Asian cities

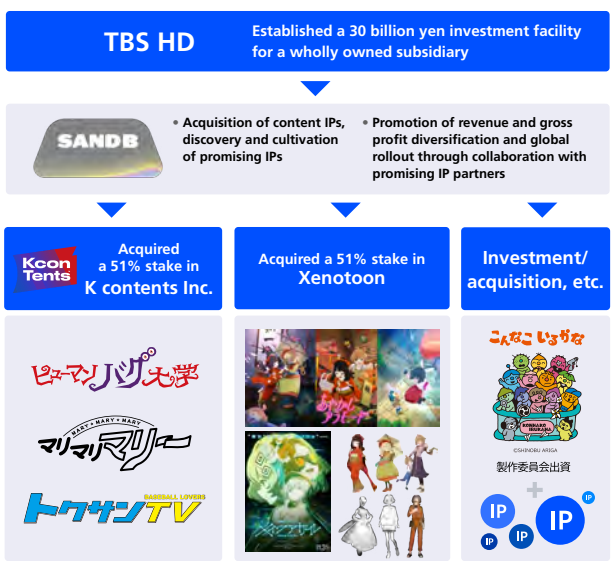
The major-label debut album “FIRST MOVE” was released in March 2026. Furthermore, Hi-Fi Un!corn held their third Asia tour, “Hi-Fi Un!corn 2026 ASIA LIVEHOUSE TOUR -FIRST MOVE-,” across five Asian cities (Osaka, Tokyo, Taipei, Hong Kong, and Seoul) from April to June 2026. Hi-Fi Un!corn is expanding its fandom in Asia.



©FNC ENTERTAINMENT JAPAN INC.

Acquisition of Xenotoon as a Group company by SAND B Inc.

On May 15, 2026, SAND B Inc. utilized an investment facility totaling 30 billion yen to acquire a 51% controlling stake in Xenotoon, a company led by Koichi Kawase. Xenotoon is a decentralized, SNS-first and creator-first anime studio that owns assets including a 3DCG animation studio led by Gensho Yasuda, an animation creator with over 6.3 million total SNS followers. Leveraging technologies such as WEB3, AI, and XR, the company is taking on the challenges of democratizing anime fundraising, production, and distribution. Moving forward, SAND B Inc. will accelerate the TBS Group’s anime business, aiming to discover and cultivate new IPs as well as acquire mega-IPs.



©K contents Inc./HUMAN BUG UNIVERSITY and MARY MARY MARY ©Tokusan TV

©Gensho Yasuda/Xenotoon, Make a Girl Project

“AI for School” and “e6 project” launched in earnest with an eye toward commercialization

Leveraging our content creation expertise cultivated through broadcasting, we fuse education and entertainment to make learning fun for children.
Building on our credibility as a news organization, we will develop learning tools and new IPs, aiming for future monetization in the EduTainment field.



EduTainment Projects in Progress

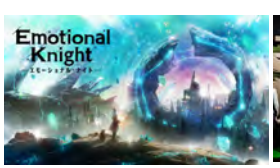
“AI for School” project

In July 2025, the project was selected for the Ministry of Education, Culture, Sports, Science and Technology’s “Demonstration Research Project on Generative AI Specialized in the Education Sector to Solve Educational Challenges and Enhance Learning.” Demonstration experiments were conducted across 13 elementary and junior high schools in five prefectures until February 2026, confirming improvements in motivation and comprehension for approximately 90% of the students. Highly praised in such demonstration experiments and EDIX, the largest exhibition in the educational industry, “AI for School” is a learning support tool that connects news and school education using generative AI. Using proprietary AI, the educational value of news content was analyzed for “TBS NEWS DIG Powered by JNN,” a service distributed by the 28 JNN member stations (that encompasses approximately 400,000 articles). By offering content tailored to each individual’s interests, we aim to realize a new form of learning that shifts away from knowledge-centric education and instead sparks the intrinsic motivation for autonomous learning. In FY2026, we will introduce the system at partner schools and, working in collaboration with educators, conduct full-scale development aimed at optimization, with plans for a full-scale rollout to elementary and junior high schools during FY2027.

“e6 project”

TBS and NTT launched the “e6 project” on February 10, 2026, a joint initiative to create next-generation EduTainment that fosters the ability of children to “make their own decisions” in a society where generative AI is becoming increasingly widespread. We are advancing on two fronts: the development of the completely original IP “Emotional Knight” and the commercialization of an “AI Theme Park,” a permanent facility where visitors can experience its worldview firsthand. At the “AKASAKA Play! Learn! Festa” held in March at TBS Akasaka Sacas Plaza and Akasaka BLITZ Studio, a large booth was set up where attendees could try out the game “Emotional Knight.” In August, we established “e6, LLC.” We aim to introduce into society, in the form of entertainment, “foundational experiences” where children, while engrossed in play, can choose “what they love” and “what they want to do.”

	FY2027: Year 1	FY2028: Year 2	FY2029: Year 3	FY2030: Year 4	FY2031: Year 5
AI for School	• Free implementation for elementary and junior high schools	• Expansion of elementary and junior high schools • Partnerships with other companies	• Implementation for high schools	• Addition of new services	
Elementary schools	AI for School STEP1				
Junior high schools					
High schools		AI for School STEP2			
Cram schools/ Prep schools			AI for School STEP3		
Universities					



“Emotional Knight”


Rolled out Proof of Concept (PoC) for three types of content at the Akasaka BLITZ Studio March this year



Media and Content Business

Creating "Timeless Value" through synergies between businesses

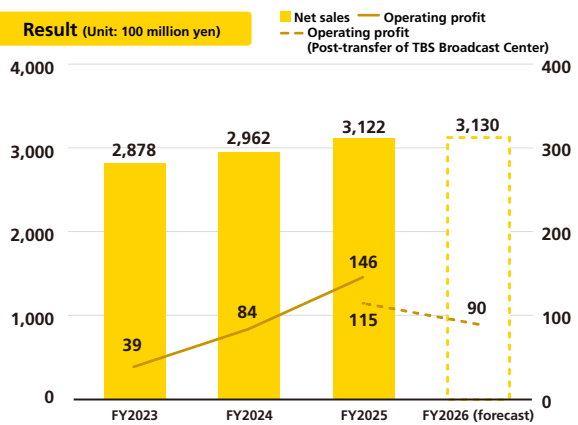
Constituent companies Total of 19 companies

Six core companies

TBS TELEVISION
TBS RADIO
BS-TBS
TBS SPARKLE
TBS GLOWDIA
TBS ACT

CS-TBS, INC./NICHION, INC./TBS Media Research Institute, Inc./TC Entertainment, Inc./ Seven Arcs Co., Ltd./Manga Box Co., Ltd./THE SEVEN, INC./WACUL, INC./100 Inc./ TBS INTERNATIONAL, INC./Bellon Entertainment Inc./THE SEVEN US, INC./ TBS KOREA, INC.

Result (Unit: 100 million yen)



Market environment recognition

Item	Measures
Dependence on advertising income from terrestrial television broadcasting, the state of global affairs, and domestic economic fluctuations	Flexible time sales not bound by conventional methods Price pass-through responding to soaring personnel expenses and fuel costs
Intensifying competition among media and for content acquisition	Strengthening collaboration with U-NEXT Content provision to TVer, Netflix, etc. Promoting content investment through SAND B Inc.
Labor shortages and skyrocketing personnel expenses, particularly in the anime industry sector	Building and strengthening a seamless value chain spanning planning, production, and rights revenue
Intensification of global competition	Collaboration with Legendary Entertainment Strengthening the sales of planning platforms such as SASUKE/Ninja Warrior
Soaring capital expenditure and equipment renewal costs	Switching from dedicated equipment to general-purpose equipment
Leveraging IT and countermeasures against cyberattacks	Utilization of TBS ID and AI narration Strengthening measures through an incident response team specializing in the development of security policies, regulations, and guidelines.

*Please refer to the "TBS OFFICIAL BOOK" for details on individual content.
https://www.tbsholdings.co.jp/about/officialbook.html

Leveraged content with Timeless Value

As population decline and the drop in Persons Using Television (PUT) become inevitable trends, we anticipate facing a challenging phase where maintaining the performance level of the traditional terrestrial broadcasting business will be difficult. TBS is strengthening its existing businesses, and building on that foundation, is diversifying and expanding its revenue streams.

Strengthening Existing Businesses x Expansion Strategies = Creation of Timeless Value

TBS is expanding its existing businesses by driving powerful content IP creation and strengthening sales capabilities as twin engines of growth. By leveraging this foundation to break through traditional terrestrial boundaries and expand our distribution “exits,” we are diversifying our revenue streams. Through this, we generate Timeless Value of content that transcends eras, borders, and media, continuously expanding the possibilities of television.

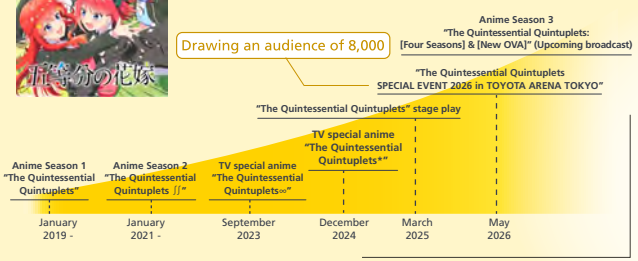
Transcending time

The TV drama “Boys Over Flowers” first aired in October 2005, but it recorded over 4 million views on TVer during the single month of April 2026.





Additionally, since the first season of “The Quintessential Quintuplets” aired in 2019, we have continuously produced films and special anime. A fan event was held in May 2026 that drew an audience of 8,000 people. We are also planning the broadcast of a new special anime.



Transcending media

Following its terrestrial broadcast in July 2021, “TOKYO MER” expanded through a special drama into two theatrical feature films, with both cinematic releases achieving massive box office success. Five years have passed since the drama’s broadcast, yet it maintains high popularity while seeing viewership on platforms like TVer surge in tandem with theatrical releases, creating a powerful synergistic effect.
Spin-off events originating from terrestrial broadcasts such as “Love it!” and “CDTV Live! Live!” are also performing well. Pop-up cafés for “Rilakkuma” and “Candy Caries,” short animations conceived from the planning stage with merchandise sales in mind, have also generated significant buzz.

Business Model



Drama∞Film∞Streaming



©TBS

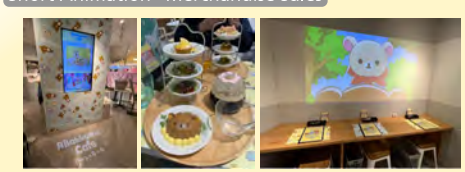
Programs∞Events



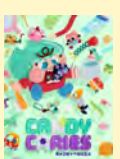




Short Animation∞Merchandise Sales



©S/TR



©Tomoki Misato /WIT STUDIO/Tooth Fairies

Transcending borders



©TS/S, TP



©Aidairo/SQUARE ENIX, HANAKOKUN2 Project

Produced as a streaming anime, “Takopi’s Original Sin” earned high acclaim, including nominations for international awards, and the theatrical release of the film “Takopi’s Original Sin: Thank You, See You Tomorrow” has now been confirmed.
“Toilet-Bound Hanako-Kun” series boasts strong popularity, particularly in North America, driving robust performance in both program distribution and merchandise sales.

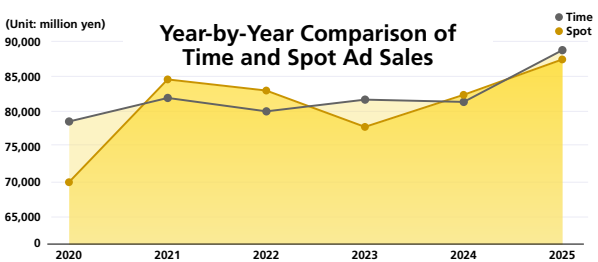
Achieving record-breaking sales at the "World Athletics Championships Tokyo 25," alongside an evolution toward next-generation TV advertising operations

In the terrestrial broadcasting advertising business, we executed strategic sales initiatives, such as achieving record-breaking sales for a single broadcaster's project with the "World Athletics Championships Tokyo 25." We are also striving to pass on rising production costs, driven by inflation, to our prices and are continuing our efforts to achieve appropriate increases in unit rates. Simultaneously, by incorporating new advertising technologies and enabling rapid, flexible responses to sponsor needs that were previously impossible with traditional terrestrial commercials, we are redefining the value of terrestrial advertising and driving the creation of new business opportunities.

Significant growth seen in both time and spot advertising in FY2025

In FY2025, both time and spot ad sales exceeded the previous year's figures, marking a year that confirmed resilient demand for television advertising. Spot ad sales reached 106.1% year-on-year, surpassing the area average (103.4%), thanks to the implementation of flexible and strategic sales initiatives in response to changing market conditions. Time ad sales also remained stable, supported by popular programs in the Golden (7 p.m.-10 p.m.) and Prime time slots (7 p.m.-11 p.m.) such as "Banana Sand" and "The World Unknown to Matsuko," while the "World Athletics Championships Tokyo 25" drove sales growth. Special programming during the year-end and New Year holidays also contributed, resulting in time ad sales finishing at 109.1% year-on-year, which once again made us keenly aware of advertisers' high expectations for television advertising.

However, terrestrial television ad sales for FY2026 are facing heightened uncertainty, particularly in the strong spot ad market conditions, as many advertisers are impacted by the situation in the Middle East. While remaining agile in response to these challenging environmental changes, we aim to maximize the value of our strong regular programs and major one-off events such as the "20th Asian Games Aichi-Nagoya 2026" in time ad sales, thereby pursuing solid sales strategies and securing steady revenues.



Addressing rising production costs and appropriate price passthrough

As the graph shows, terrestrial advertising sales (both time and spot) are on a recovery trend from the slump caused by the COVID-19 pandemic and on a stable trajectory.

On the other hand, "rising production costs," driven by recent inflation and the necessity of ensuring high-quality content creation and stable, error-free broadcasting facilities, represent a major challenge facing the entire broadcasting industry. To absorb these increased costs and safeguard the supply chain, we are also striving to implement "appropriate price pass-through." Specifically, backed by strong viewer ratings centered on TBS's proprietary LTV4-59 (Individual Viewers Ages 4–59) metric, we carefully explain the value of our programs to advertisers and have gained their understanding. In addition, by combining flexible sales methods such as spot packaged plan sales, we are steadily improving the overall profitability of our terrestrial advertising.

Results of the LTV4-59 Strategy

* Figures in [ ] indicate year-on-year change Unit: %

	All day	Golden	Prime time	Non-prime time
TBS	1.9 (+0.1) ↑	3.9 (+0.3) ↑	3.7 (+0.2) ↑	1.3 (0.0)
PUT	10.2 (-0.4) ↓	19.1 (-0.5) ↓	18 (-0.6) ↓	8 (-0.4) ↓

2025/3/31 - 2026/3/29 weekly basis

Data by Video Research Ltd. in the Kanto region





Towards next-generation television advertising operations

To dramatically enhance the convenience and flexibility of television advertising, we are promoting "operational sophistication" utilizing technology.

As the centerpiece of these efforts, in October 2025, we launched the "Lead-Time Zero Service," which enables spot commercial materials to be changed up to "20 minutes" before the start of the broadcast program. Conventionally, the submission of commercial materials was required up to four business days prior to broadcast, but the development of this system has enabled seamless, last-minute material replacement. This development has enabled operations that directly maximize advertising effectiveness, such as sorting and airing commercial materials based on the day's weather, temperature, and trends, as well as instantly switching to AC materials in emergencies (ensuring brand safety). Furthermore, we have concluded a basic agreement with Nippon Television Network Corporation toward establishing "Ad Reach MAX" as an industry-wide platform. Looking ahead to a rollout in the spring of 2027, we are advancing the online trading of commercial slots to build a next-generation television advertising model that is "easy to buy, easy to place, and highly accountable."

TBS LEAD TIME ZERO

Ad Reach MAX

A success story in establishing Timeless Value: “World Athletics Championships Tokyo 25”

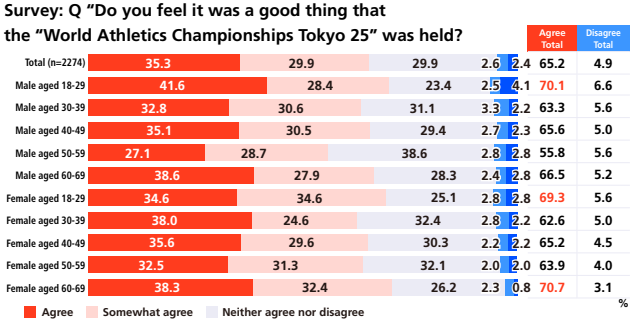
For the “World Athletics Championships Tokyo 25,” TBS set forth missions aimed at “fostering the rich hearts of the people and contributing to well-being” and “enhancing and infinitely expanding the value of the TBS brand.” Through internal collaboration and partnerships with other companies, this has achieved “Timeless Value” that keeps the enthusiasm of the championships from remaining a passing phenomenon. It also made a significant contribution to increasing TBS’s corporate value.

Nine days that the entire nation witnessed and that moved hearts

The World Athletics Championships returned to Tokyo for the first time in 34 years (held from September 13 to 21).

The number of spectators reached 619,000, the highest in the history of Japanese track and field events. TBS TELEVISION, INC. secured the number-one spot among all networks in the Golden (7 p.m.-10 p.m.) and Prime time slots (7 p.m.-11 p.m.) viewer ratings for nine consecutive days, recording a viewer reach of 79.77 million (Data by Video Research Ltd.). Furthermore, to meet viewer demand to watch all events, we implemented simultaneous four-channel live streaming on TVer. It recorded over 7.6 million views. A post-event survey showed a 65.2% favorable response regarding the hosting of the championships in Tokyo, garnering high support particularly among the 18–29 young age group, with 70.1% among males and 69.3% among females. Furthermore, 85.1% of respondents answered “satisfied” regarding television viewing satisfaction.

Survey: Q “Do you feel it was a good thing that the “World Athletics Championships Tokyo 25” was held?



Dentsu Inc.’s Sports Future Research Institute, “Survey on Spectator Behavior and Media Exposure for the ‘World Athletics Championships Tokyo 25’”

Multi-use beyond broadcasting





“TBS SPORTS FES”
Held from September 12 to 20 at the Shinjuku Sumitomo Building Sankaku Hiroba. Food, beverage, and experiential booths featuring sports, variety, and information programs were set up, alongside corporate sponsorship booths by Asahi Breweries, Ajinomoto, and TOYOTA. More than 80,000 visitors attended the event.

“BATA BATA PAINT”
Jointly developed an experiential game with Litpla Inc. where player-colored original characters run across a digital course. Rolled out nationwide across locations such as Marunouchi and the Expo 2025 Osaka, Kansai, Japan.

“Art Project”
TBS, ASICS, SEIKO, and Honda collaborated on the initiative. Murals of prominent athletes featured in the championships were displayed at five locations, including Akasaka, Ginza, and Harajuku.

Animated feature film “100 Meters”
The film with the theme of “100-meter sprint” that recorded an audience of 540,000 and box-office revenue exceeding 800 million yen (as of May 2026). Received an Award of Excellence for Animation Picture of the Year at the 49th Japan Academy Film Prize. The sprinter’s running form in the film realistically replicate the form of Nobuharu Asahara.





©Uoto, Kodansha/
“100 Meters” Production Committee

東京2025世界陸上





“Development of the official championships core graphics” and “creation of the championships mascot”
Produced a unified visual design across posters, venue decorations, and merchandise, alongside the creation of the official mascot, “Riku One.” Served as a model case for the “creation of new businesses in the branding design domain” set forth in the Medium-Term Business Plan.

“Baton Project”
Positioning the championships as an event that “delivers dreams to children,” batons were donated to all 1,383 elementary schools and school for special needs education across Tokyo. Hosted social contribution activities, including track-and-field clinics.



“International broadcast production and global streaming for the marathon and race walk events”
Commissioned by the event organizer, World Athletics, to produce the international broadcast. The broadcast distributed to 231 countries and regions worldwide. The footage received high praise from the World Athletics, showcasing “TBS’s exceptional broadcast production capabilities” to the global audience.



TBS mobilized its entire organization to generate buzz by creating special segments for variety shows in the Golden (7 p.m.-10 p.m.) and Prime time slots (7 p.m.-11 p.m.) and news and information programs such as “THE TIME,” “Hiruobi,” “News Studio,” and “news23.” Contributed to raising awareness of the championships and achieving high viewer ratings for the program.



Increasing the value of the TBS brand

Generated buzz through a company-wide TBS effort

Becoming the most-chosen broadcaster in streaming, and expanding to the world

In FY 2025, TBS achieved a “triple crown” on TVer and TBS FREE, as a result of its efforts to maximize content value and leverage synergies between its broadcasting and digital businesses. Leveraging world-class production capabilities, we are also expanding our global strategy.

Achieved a “triple crown” across free streaming services

In FY2025, TBS achieved a “triple crown” by ranking first among commercial broadcasters across all three primary metrics, total views, unique browser (UB) count, and total viewing hours, on the official commercial TV streaming service “TVer” and its proprietary streaming service “TBS FREE.”

In FY2025, in addition to the continued success of powerful killer content such as “Any Theory Goes” and “Then You Try Making It!,” we also strategically streamed past hit titles. Boasting an overwhelming content portfolio of over 1,100 programs and a total of more than 13,000 episodes. This built a “content loop” that drives user retention and navigation across TBS’s diverse content portfolio, resulting in record-breaking highs for both total views and total viewing hours in the company’s history.

TBS achieves a triple crown in free streaming, ranking 1st among commercial broadcasters in total views



Performance of key KPIs on digital platforms

- Total views: Approximately 1.09 billion
  (Ranked 1st among commercial broadcasters/all-time high)
- Total viewing hours: Approximately 500 million hours
  (Ranked 1st among commercial broadcasters /all-time high)
- Unique browser (UB) count: Approximately 49 million UBs
  (Ranked 1st among commercial broadcasters)

Beyond broadcasting, toward the world

Under its “VISION 2030” management policy, the TBS Group sets forth a transformation into a “Global Content Group” that transcends the framework of broadcasting and commands competitiveness in the global market. FY2025 served as a year to embody “EDGE,” its core strategy, by accelerating the acquisition of powerful external IPs, the establishment of world-class production systems, and strategic partnerships with global partners.

Furthermore, positioning streaming as our highest-priority distribution strategy (streaming-first), we promote a flexible and multifaceted rollout independent of any specific platform, aiming to maximize IP value.

In this way, TBS elevates stories originating in Japan into global IPs, upholding and embodying its brand strategy’s purpose: “Inspiring Global Love for Japan through Timeless Moments.”

Strategic partnership between TBS, U-NEXT, and THE SEVEN

Starting with its broadcast on TBS, the large-scale Japanese sword action drama “Chiruran: Shinsengumi Requiem” established a “global standard” production framework through a partnership with U-NEXT that envisions not only domestic streaming but also a North American and global rollout via platforms such as the U.S. streaming service HBO Max. This resulted in ranking in the Top 10 on HBO Max across a total of 47 countries (as of June 15).



“Chiruran: Shinsengumi Requiem”
©Hashimoto Eiji, Umemura Shinya/Core Mix
©THE SEVEN

Ongoing co-production with NETFLIX

Produced by THE SEVEN, Season 3 of “Alice in Borderland” was released worldwide exclusively on NETFLIX and ranked 1st globally in the non-English series category, maintaining a strong relationship with the mega-platform to target global hits for Japanese IPs.



Streaming “Alice in Borderland” Seasons 1–3 exclusively on NETFLIX
©Haro Aso, Shogakukan/ROBOT
“Alice in Borderland” Season 3

Strategic partnership with The Walt Disney Company (Japan) Ltd.

In April 2026, we signed a co-development agreement aimed at global rollout via Disney+. By combining THE SEVEN’s creative capabilities with Disney’s storytelling expertise, we are working to develop global IPs that resonate with audiences worldwide from the earliest conceptual stages.

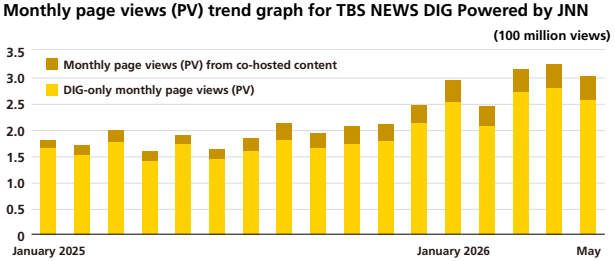
Fulfilling our "Social Mission" as a news organization

Entrusted with a portion of the "airwaves," which are public property, TBS has a "social mission" both as a commercial enterprise and as a news organization. We will continue to maintain the trust we have earned over the years while flexibly adapting to the wave of digitalization, achieving broader, more accurate, and swifter information delivery, and remaining a news organization that meets the expectations of our viewers in a manner suited to the times.

The spirit of the Broadcasting Act and adaptation to digitalization

Marking 80 years since the end of World War II, television broadcasting, having journeyed alongside the Broadcasting Act, which champions "contribution to the development of a healthy democracy," has responded to the public's right to know by flexibly transforming its shape to match the times. TBS began radio broadcasting in 1951 and television broadcasting in 1955. Expanding from terrestrial-only broadcasting, we have increased our channels to include BS and CS broadcasting. In 2022, together with 28 JNN stations, we launched the news site "TBS NEWS DIG Powered by JNN" and have been focusing on digital distribution to deliver accurate information and videos as quickly as possible. TBS NEWS DIG boasts top-tier performance among domestic news organizations, including newspapers, surpassing 300 million monthly page views and growing its YouTube subscriber base to 3.28 million. Including TBS CROSS DIG with Bloomberg, launched in partnership with Bloomberg in 2024, we continue to achieve steady growth in the field of digital journalism by leveraging the human and material resources dedicated to terrestrial broadcasting.

Monthly page views (PV) trend graph for TBS NEWS DIG Powered by JNN





Reporting on each political party's policies through both terrestrial broadcasting and NEWS DIG



Broadcasting the party leaders' debate on "news23"

The foundation of democracy: Exploring election reporting

Election reporting is one of the themes that has historically been pointed out as a challenge in comparisons between television broadcasting and digital journalism. Television election reporting, subject to various laws and regulations including the Broadcasting Act, has at times tended to prioritize "quantitative fairness" to ensure that each political party is treated as equitably as possible. Meanwhile, on the internet and social media, free expression, including personal opinions and political arguments, spread widely, leading to arguments that traditional media outlets like television and newspapers are no longer necessary. In collaboration with JNN stations, TBS launched the "Before Election Day" campaign coverage starting with the House of Councillors election in July 2025, integrating television reporting such as terrestrial broadcasts with digital journalism on platforms like NEWS DIG. Furthermore, during the House of Representatives election in February 2026, we placed an even greater emphasis on "qualitative fairness," expanding our coverage beyond TBS news programs to include information programs and JNN stations, while also increasing the "volume" of preliminary reporting. We also broadcast content designed to aid voter decision-making by demonstrating the differences in each party's arguments regarding specific policies of high viewer interest, such as the consumption tax and foreign national issues. NEWS DIG not only distributes content broadcast on terrestrial television but also creates its own unique content by leveraging the strengths of digital journalism, such as uploading the full, uncut speeches given by party leaders immediately following the official announcement of the election.

Protecting the lives and property of the people: The evolution of disaster reporting

In December 2025, triggered by an intensity 6-upper earthquake in Aomori, the "Off the Coast of Hokkaido and Sanriku Subsequent Earthquake Advisory" was issued for the first time. Following the "Nankai Trough Earthquake Extra Information" in 2024, two earthquakes occurred in succession that prompted the government to urge the public to prepare for seismic activity. While TBS had conducted drills responding to the "Nankai Trough Earthquake Extra Information" with JNN stations in western Japan, it had also advanced preparations for the "Off the Coast of Hokkaido and Sanriku Subsequent Earthquake Advisory" with stations in the Tohoku region. This enabled the network to broadcast comprehensive special programming from the moment the earthquake occurred well into the late night when the first subsequent earthquake advisory was issued.

Amid an increase in natural disasters, ranging from earthquakes and torrential rain to heavy snowfall and forest fires, JNN continues to operate "Team J," a cooperative system where reporters and camera crews are dispatched from non-affected stations across the network to provide comprehensive disaster coverage. Through these efforts, we aim to deliver reporting that protects the lives and property of the people during disasters, when viewer interest is extremely high.

Leveraging the immediacy that is a strength of digital journalism, we broadcast special news programs from the CS-"TBS channel" locally across JNN stations during disasters, while simultaneously streaming them on NEWS DIG and YouTube. Furthermore, based on information released by the Japan Meteorological Agency, we have developed an automated article generation system powered by AI to instantly deliver breaking news updates on NEWS DIG.



Evolution of the JNN Network and business transformation

JNN (Japan News Network) is a network of 28 affiliate stations anchored by TBS TELEVISION, INC. To adapt to rapid changes in external conditions and "evolve" into a sustainable network, we are currently working to further strengthen our collaboration. One of the core pillars of this effort is business-side collaboration. While protecting the traditional value of television commercials, we aim to enhance each station's "earning power" in new business domains by pooling our expertise through collaboration with the TBS Group and sharing successful practices across stations.

Outcomes of "JNN Business & Growth 2025" and the nationwide rollout of successful practices

At the "JNN Business & Growth 2025" pitch event, which accelerated business growth across the entire network, innovative ideas symbolizing the independence of each affiliate station came together. The number of applications reached a record high of 243, with submissions from the JNN networks stations surging sharply to 125. Of the seven teams that advanced to the final round, more than half, four teams, were from the JNN networks stations (the JNN Chugoku-Shikoku alliance, BSS Broadcasting System of San'in, MRT Miyazaki Broadcasting, and RBC Ryukyu Broadcasting), demonstrating a remarkably high level of enthusiasm for business creation across the entire network.

The "Onsen Paradise" project by MBC Minaminihon Broadcasting, originally launched in FY2023, was adopted as a reboot project, and this model, which leverages the reach of broadcasting to sell out hotel inventory, has since been adopted by various other stations.



Launched in June 2025, Oita Broadcasting System, Inc. is growing at an astonishing pace, with its membership exceeding 20,000. This pace significantly outpaces the precedent set by TV-U YAMAGATA INC., which approached 10,000 members in just a few months, demonstrating that the horizontal expansion across the entire network is steadily driving the construction of a new JNN network.



Expanding advertorials nationwide leveraging the news media platform "TBS NEWS DIG Powered by JNN" of the 28 JNN stations

Advertorials leveraging "TBS NEWS DIG Powered by JNN," a news media platform driven by the combined efforts of all 28 JNN stations, are experiencing rapid growth as a robust digital joint venture among the JNN network stations that transcends the boundaries of traditional broadcasting.

Under this initiative, the 28 JNN stations rooted in communities across Japan will serve as points of contact for customers in their respective regions, delving deep to uncover the hidden challenges and unique appeal of local businesses and municipalities. Based on the local information and materials unearthed in this way, the operating company, TBS/JNN NEWS DIG LLC, and the various network stations work in close cooperation. By integrating the proven content creation capabilities unique to a television broadcaster, we produce highly credible advertorials.

This has enabled a flow that delivers valuable, real-time information "from the local level to the entire country." Advertising sales have experienced rapid growth, more than doubling year-on-year, with two-thirds of these orders originating through the network stations. This positions the platform as a powerful support vehicle for leading local companies and municipalities looking to disseminate information and expand nationwide.

TBS NEWS DIG Powered by JNN

Regarding the business synergies between YARUKI Switch Group Holdings Co., Ltd. and the JNN network stations

At the kids' sports school "Ninja Nine," which develops athletic abilities through the power of science, the three pioneering network stations (TV-U FUKUSHIMA,INC., Tulip-TV Inc., and Oita Broadcasting System, Inc. (OBS)) have expanded their school areas, and the number of students now exceeds 200, showing steady growth. In addition, Iwate Broadcasting Company (IBC) newly opened a school in October 2025. TV KOCHI BROADCASTING CO., LTD. opened a School IE classroom. Business collaborations between the JNN network stations and YARUKI Switch Group Holdings Co., Ltd. are gradually accelerating.

個別指導スクールIE　忍者ナイン

Reorganization into the "Business Promotion Committee" and the launch of the "Monetize Project"

The JNN Network Relation Office, consisting of all network stations, has reorganized the former "Sales Information Committee" into the "Business Promotion Committee." Moving away from the conventional operation centered on lectures inviting sponsors, the committee is now focusing on sharing and horizontally deploying successful new business cases across stations, as well as conducting unified business research among the network stations. The pillar of this reform is the "Monetize Project." This project supports the creation of new revenue sources outside of B2B (advertising), such as in the B2C sector, by "copying" and horizontally deploying the unique success patterns (winning formulas) held by each network station. By sharing realistic, grassroots success stories among regional stations, such as RKK Kumamoto Broadcasting Co., Ltd.'s program merchandise development, MBC's accommodation booking service, and RBC's event operations, each station aims to leverage its existing resources to become self-reliant and maximize revenue for the entire network.

JNN まねタイズプロジェクト

Lifestyle Business (General Merchandise Retail Sales/Beauty & Wellness Business)

- **Bringing customers a more comfortable, more individual lifestyle**
- **Target net sales of 100 billion yen (FY2030) by expanding the Group's portfolio in addition to the growth of the three businesses**



StylingLife Group introduction video

Constituent companies

StylingLife Holdings Inc.
Group management platform

PLAZASTYLE COMPANY
General merchandise retail sales business
Household goods retail sales, directly-managed store business
Franchise business, licensing business

BCL COMPANY
Beauty & wellness business
Development, manufacture and sales of cosmetics and quasi-drugs, etc.
Manufacture and sale of cosmetic tools, hairdressing equipment, and scientific equipment

NBD Headquarters
New businesses
Development of new businesses, as well as import, sales, and licensing businesses of overseas brands such as Cath Kidston and Happy Socks.

Cath Kidston LONDON / HAPPY SOCKS

CP Cosmetics Inc.
Beauty & wellness business
Development, manufacturing, and sales of cosmetics and quasi-drugs, and manufacturing and sales of beauty accessories, beauty equipment, and scientific equipment

BECAUSE CO., LTD.
Umbrella planning and wholesale business
Product planning, manufacturing, and wholesale business of weather goods, centering on umbrellas*
* Became a consolidated subsidiary in July 2025.

SEEDS MARKET CO., Ltd.
Advertising PR marketing business
Advertising PR marketing for Korean cosmetics and apparel brands, and retail store operations

Content
- Household goods, apparel, etc.
- Cosmetics, quasi-drugs, etc.
- Character licenses
- Facial aesthetic care, etc.

Platform
- Stores (PLAZA/ROAliv)
- Wholesaling (domestic drug stores)
- Licensed retailers (CP Salon)
- E-Commerce & catalog sales
- Overseas general trade

Number of shops

PLAZA	BCL (ROAliv)	Cath Kidston	Happy Socks	CP Salon
139 (±0 YoY)	13 (+2 YoY)	7 (+5 YoY)	1 (+1 YoY)	Approx. 1,240 stores

PLAZA PASS members

6.17 million members (110% YoY)

*As of March 31, 2026

Market environment recognition

Item	Measures
Persistent inflation, soaring prices, currency fluctuations	Analyzing consumer needs and providing high-added value products Reviewing systems in response to rising costs
Domestic population decline, aging, and increase in inbound tourists	Creation of new products and services, overseas expansion, maintenance of appropriate personnel expenses, and utilization of digital technologies
The return of customers to physical stores and expansion of the e-commerce market	Active opening of new stores and renovation of existing stores, and strengthening of OMO initiatives
Surging procurement costs for raw materials and supplies, supply delays	Early securing of inventory, review of ordering timing

Sources of strength and issues

Sources of strength

The TBS Group has manufacturing functions and retail functions, and also has many touch points with Generation Z. Utilizing this competitive edge, we are proactively working on the development and sales of new products that accurately fit with lifestyle changes. We are also focusing on sales promotions that use stores and social media, and are garnering attention as trend-starters.

Issues

"Expansion of PLAZA EC scale through OMO strategy*"

Following the renewal of the PLAZA online store in November 2024, we are driving omni-channel utilization and customer base expansion as the core of our OMO strategy, enhancing the purchasing experience through continuous feature additions and usability improvements while elevating channel value via the expansion of EC-exclusive merchandise (MD). By clarifying the roles of merchandise marketing and store-driving traffic, and by expanding the influence of e-commerce, we aim to contribute to company-wide sales and growth.

*OMO (Online Merges with Offline) Strategy: A strategy aimed at centrally managing and effectively utilizing customer purchasing data, behavioral history, and other relevant information by eliminating the boundaries between online and physical stores.

In FY2025, we achieved increases in both revenue and profit year-on-year. Driven by strong performance in the apparel and general merchandise categories and various promotional campaigns, PLAZASTYLE COMPANY, the general merchandise retail sales business, achieved record-breaking sales and increases in both revenue and profit. In the beauty & wellness business, BCL COMPANY drove significant revenue growth, heavily supported by the strong performance of its flagship brands "Saborino" and "KANSOSAN." In new businesses, we acquired the exclusive import, sales, and licensing rights for the Swedish legwear brand "Happy Socks," and opened the first store at LUMINE EST Shinjuku in September 2025. "Cath Kidston" also achieved e-commerce expansion and new store openings that significantly exceeded plans. Furthermore, we have newly welcomed BECAUSE CO., LTD., a provider of weather goods centering on umbrellas, into the group, and are working on strengthening product development and overseas growth.

Basic strategies and KPIs

	Basic strategies	Key KPIs
SLH	Business partnership, M&A, and overseas growth	The number of business partnerships, number of directly-managed stores, and the number of wholesale partners
PLAZA	Opening of new stores, renewal of existing stores, OMO, and strengthening of original products	Number of PLAZA stores and members
BCL	Expansion of brand categories and strengthening of overseas business	Number of product developments, number of brand categories, number of distribution stores, and number of directly-managed stores
CPC	Opening of new salons and acquisition of F1 demographic segment	Number of licensed retailers, salons, and customers
BECAUSE CO., LTD.	Expansion of collaboration and OEM, and overseas growth	Number of business partners, number of wholesale partners, and number of SKUs

Net sales results and forecast

(Unit: 100 million yen)

Business	Net sales		
	FY2024	FY2025	FY2026 (Forecast)
General merchandise retail sales business	472	488	525
Beauty & wellness business	178	197	202
New Business Development (NBD)	1	11	22
Umbrella planning and wholesale business (BECAUSE CO., LTD.)	—	2	17

Creating a new and enjoyable lifestyle through clothing, food, housing, and beauty



Passing the midpoint of our "Growth" stage, we achieved record-high profits

As the StylingLife Group, we aim to grow into a lifestyle entertainment group by adding the values of "+beauty" and "+customer experience" to "clothing, food, and shelter."

Under the new Medium-Term Business Plan, adopting the policy of "shifting aggressively toward growth," we aim to expand our group portfolio through the growth of our three core businesses, namely, the general merchandise retail sales business, beauty & wellness business, and new businesses, as well as non-continuous growth leveraging external business partnerships and M&A. Through these initiatives, we intend to ensure the achievement of our Group's major target of 100 billion yen in revenue by FY2030.

Fiscal 2025, marking the midpoint of the "Growth" stage in our new Medium-Term Business Plan, delivered a strong finish with consolidated net sales of 69.6 billion yen and operating profit of 4.3 billion yen, and both revenue and income rose year-on-year, while operating profit reached a record high.

In the general merchandise retail sales business, PLAZASTYLE COMPANY executed its store strategy exactly as planned, with nine new store openings and three existing store renovations. Furthermore, by expanding new services such as in-store pickup and LINE Gift, and promoting new revenue streams like pop-up stores featuring licensed characters, sales increased year-on-year across both physical and online stores.

In the beauty & wellness business, BCL's skincare products "KANSOSAN" and "Saborino" expanded their brand awareness through aggressive promotional spending, including TV commercials, driving sales up to 110% year-on-year and growing into powerful brands. In addition, our international business drove revenue by focusing on product development tailored for cross-border e-commerce in China and package development targeted at local markets in North America and Europe.

In new businesses, alongside the expansion of e-commerce and store networks for "Cath Kidston," we progressively launched operations for the Swedish legwear brand "Happy Socks," for which we acquired exclusive import, sales, and licensing rights in the Japanese market at the end of the previous fiscal year, across our directly-managed stores, e-commerce channels, PLAZA, and other outlets. We were also able to thoroughly plant the seeds for future group portfolio expansion.







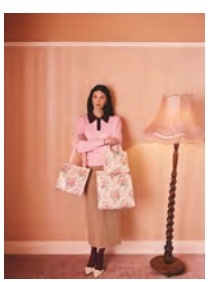


Driving further growth by strengthening key initiatives of "content IP" and "global"

In FY2026, the final year of the new Medium-Term Business Plan, we are planning for increased revenue and profit year-on-year (net sales of 76 billion yen, operating profit of 5 billion yen) and aim to break our record-high profit. We will continue to strengthen our key initiatives of "content IP" and "global," further accelerating our growth momentum.

In July 2025, we acquired all issued shares of BECAUSE CO., LTD., a provider of weather goods centering on umbrellas. By welcoming the company into the group, we will work on strengthening collaboration across each business while focusing on enhancing product development, diversifying sales channels, overseas growth, and reinforcing our supply chain. In particular, regarding our overseas growth, we position BECAUSE CO., LTD. as one of our core pillars and will promote various initiatives targeting the markets of China, South Korea, and Southeast Asia.

Furthermore, in March 2026, following the additional acquisition of our shares by TBS HOLDINGS, INC., we became a wholly owned subsidiary of the TBS Group. Through this, we will deepen synergies with the media and content segment, strengthen merchandising strategies for "content IP," promote retail media strategies, and drive further business expansion in the lifestyle sector.







Lifestyle Business (Intellectual Training and Education)

- **Combining the school business with content IPs to maximize TBS Group synergy**
- **Aiming to reach more than 140,000 students (by the end of February 2027)**



YARUKI Switch Group., Ltd. introduction video

Constituent companies

YARUKI Switch Group Holdings Co., Ltd.

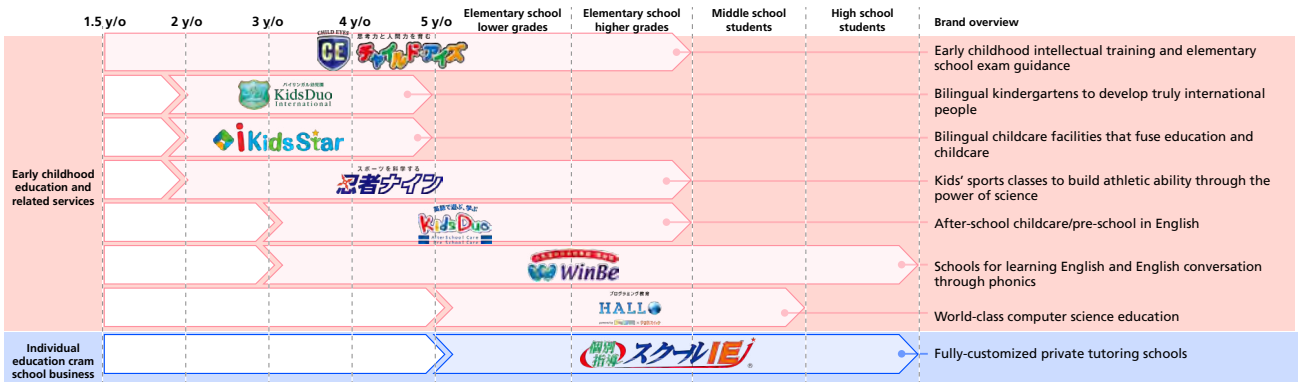
YARUKI Switch Group Co., Ltd.

Operation of education services and related franchise businesses

School IE / CHILD EYES / Ninja Nine
WinBe/Kids Duo/Kids Duo International
i Kids Star/Kids Duo advanced

YP Switch Co., Ltd.	YARUKI Switch Career Co., Ltd.	TERAKOYA GROUP Co., Ltd.
Operation of programming schools and guidance on establishing franchise schools for the above programs HALLO	Recruitment, training, and dispatch of native-language human resources	Operation of cram schools and other educational programs in Ehime, Kagawa, and Tokushima prefectures

Brands and segments



Business targets

- Improve profitability of existing schools through productivity enhancement and operational efficiency
- Increase the number of students per school
- Promoting the classroom revitalization business* and further strengthen classroom sale in FY2026
- Promote the development of new content and services
- Consider the use of M&A to drive growth
- Consider and promote global rollout
- Promote franchise expansion within the JNN network
- Strengthening governance and create secure, safe classrooms

* Refers to a cycle in which unprofitable franchise schools are converted into directly operated schools, their profitability is improved through productivity enhancement, and they are then resold to franchise owners.

Market environment recognition

- While the declining birthrate continues, educational expenditures per household are on an upward trend. In addition, with personal consumption recovering, the market is expected to grow moderately.
- As the number of dual-income households increases, demand for childcare services remains high, and the early childhood education industry as a whole is expected to continue.

Competitive superiority

- Centered on the "YARUKI Method," which inspires students through successful experiences, we are able to convert social needs and diverse content into educational services, creating programs that anticipate the needs of the times.
- Through close coordination among parents, School Directors, and instructors, we have established a cycle that encourages students to develop motivation independently and ensure thorough implementation across all schools.
- The capability to create IP education by combining media and technology

Key issues and KPIs

- Expansion and bolstering of existing brands (no. of directly operated and franchise schools)
- Increase in enrollment (no. of students in directly operated and franchise schools)
- Promotion of new content development (no. of monetized projects)

Summary of current period financial results

Increased revenue driven by the expansion of classrooms and student enrollment, as well as the consolidation of TERAKOYA GROUP Co., Ltd. However, operating profits declined due to factors such as higher personnel expenses.

FY2025 results and FY2026 forecast

Number of schools (FY2025 result): 2,489

	Students*	Revenue*	Operating profit*
FY2025 performance	Approx. 138,000	¥26,050 million	¥2,303 million
FY2026 forecast	More than 140,000	¥28,900 million	¥3,100 million

* Results from March 2025 to February 2026; forecast from March 2026 to February 2027 (Consolidated)

Bringing the “power to create a happy future for themselves” to local communities and to the world

The environment surrounding the education industry is extremely challenging, marked by a declining birthrate, a shortage of human resources, educational disparities across regions, and the need to adapt to AI technology. However, amid growing interest in education toward the curriculum guidelines revision in 2030, what we have long advocated, “fostering the power necessary for children to create a happy future for themselves,” is precisely what society is demanding right now. At YARUKI Switch Group, we continue our efforts to spread educational methods that enhance human capability across Japan and around the world through a variety of approaches.



Naoshi Takahashi
President and CEO,
YARUKI Switch Group Holdings Co., Ltd.

Turning regional cram schools into subsidiaries and developing markets through strategic partnerships

At “TERAKOYA GROUP Co., Ltd.,” an educational cram school group in Ehime Prefecture that became a consolidated subsidiary in 2024, the group newly launched the group cram school “TERAKOYA” as “Prep Academy” in September 2025. As a result, the number of inquiries has increased significantly since the fall of that same year. As YARUKI Switch Group, we also opened “Kids Duo,” an after-school program conducted in English making its debut in Ehime Prefecture, along with



A large hanging banner at Matsuyama Airport

“Child Eyes,” a specialized facility for intellectual training and entrance exam preparation. The display of a large hanging banner at Matsuyama Airport demonstrates our strong presence in Ehime Prefecture, and with plans to establish a flagship hub for the TERAKOYA GROUP in 2026, we will continue to roll out such initiatives nationwide to restructure regional education and bridge regional disparities.

Launched in 2024 and developed in partnership with Sanrio Company, Ltd., the immersive English conversation school “We Act!” established a joint venture company, “Sanrio YARUKI Edutailing Co., Ltd.” in 2025 to carry out future franchise package development, sales expansion, and implementation support. The business is progressing smoothly, with the opening of two new schools in March 2026.

Additionally, through our initiative with the TBS Group, the franchise expansion of “Ninja Nine” operated by the JNN network stations has grown to 33 laboratories. Promotional activities by each station are energizing the entire area, thereby accelerating regional revitalization. Furthermore, the English educational program for young children “Listen♪Listen Hello English!,” planned and supervised by the bilingual preschool Kids Duo International (KDI) and produced by TBS TELEVISION, INC., is being streamed on TVer and broadcast on BS-TBS. YARUKI Switch Group provided planning cooperation and supervision for an English-language and intellectual training book featuring “Bebefinn,” a popular content of The Pinkfong Company, with whom TBS TELEVISION, INC. forms a partnership. Due to its popularity, a second book was also be released in June 2026. We provide educational content that blends children’s



engagement with learning, ensuring peace of mind for parents.

Meanwhile, new initiatives have also been launched. YP Switch Co., Ltd., a joint venture with Preferred Networks, Inc., which develops world-class AI, has fully launched its “AI Essay Correction Course for University Entrance Exams” in the spring of 2026, which returns detailed correction results in just one minute. This innovative package solves the challenges traditionally faced by instructors in essay guidance, such as “subjective evaluation” and “time and effort,” with AI-driven objectivity and overwhelming speed. It has received high praise in the PoC stage, and we will strengthen our expansion, including external sales.

Additionally, from FY2026, we will fully launch “Study Tours,” a hands-on educational travel program for parents and children to learn together. By comprehensively designing everything from pre-learning to “authentic” on-site experiences and post-trip reflection, we elevate children’s curiosity into a true spirit of inquiry. And in January 2026, we entered into a capital and business alliance with Re-abroad Inc., a company specializing in study abroad services. Through this, we will provide a unique educational experience that connects domestic learning, overseas experiences, and post-return career development, which previously existed as isolated points, into a single, seamless path.

Moving forward, we will accelerate our expansion into Southeast Asia, further expanding the “YARUKI Method” both domestically and internationally, and making even greater strides toward realizing our philosophy: “Creation of a society in which we may all happily exist.”

Akasaka Entertainment City Project

In Akasaka, where TBS has developed and grown over the past 75 years since its founding, we hope to create large volumes of exciting new content and bring it to people around the world while further increasing the value of Akasaka and contributing to producing a buzz in the area.

Constituent companies

TBS HOLDINGS　TBS TELEVISION
TBS Kikaku Co., Ltd.
Midoriyama Studio City, Inc.
Akasaka Heat Supply Co., Ltd.
TBS SUNWORK　TBS HEXA

Market environment recognition

- Business uncertainties such as rising material costs, interest rate fluctuations, and construction delays due to natural disasters or wars
- Currently, no construction delays (as of the end of August 2026)

Key issues and KPIs

- Rebranding of the Akasaka area (number of visitors, visitor attributes, purpose of visit)
- Constant holding of events to draw in visitors (visitor numbers/visitor attributes)
- Synergy between events to draw in visitors and existing facilities (store sales)
- Lingering time (time spent on site)
- Stable real estate lease revenue (operating rate/occupancy rate)
- Reduction of environmental impact (renewable energy usage rate/CO_2 reduction rate)

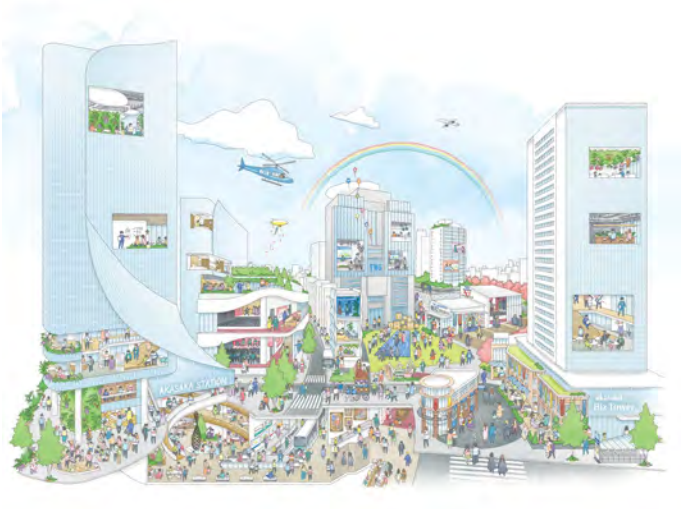
* Target number of visitors to the area: 10 million per year

What is the Akasaka Entertainment City Project?

Akasaka Entertainment City Project is more than a mere real estate business. This is an initiative where broadcasting professionals, experts in the "software" side, remodel the massive hardware of the "city" itself to match their own content, going far beyond merely building physical spaces to attract visitors.

Leveraging TBS's content capabilities, making Akasaka a city where many people can feel a sense of excitement through real entertainment is what we aim to achieve through the Akasaka Entertainment City Project, and it shows the passion we incorporate into the urban development of Akasaka.

TBS's challenge continues as we build Akasaka into a city that constantly evolves and continues to captivate visitors to the area.





First Look at Akasaka Entertainment City Construction Site & Renderings

Progress of the Akasaka Entertainment City Project

Construction is progressing smoothly toward the completion of the two buildings currently under construction as Phase 1 (scheduled for the end of March 2028) of the Akasaka Entertainment City Project. Visitors will be able to access the second basement floor of the eastern building currently under development directly from Akasaka Station, opening up to a magnificent grand space extending all the way up to the surface. Equipped with 360-degree signage, it will add color to the daily lives of visitors to the area throughout the year through seasonal presentations and effects. In addition, the vision is to make it one of the symbols of this development by linking it with broadcast content and events in the plaza to completely take over the open atrium space.

Additionally, in the western building scheduled for completion, it has been decided that Hilton's lifestyle brand hotel "Canopy by Hilton Tokyo Akasaka" will open its first property in the Kanto region. Keeping in mind coordination with the theaters and halls planned for the lower floors as well as continuity of experience, the hotel will offer an elevated stay experience.



