

December 19, 2024

KADOKAWA and Sony Agree to Form Strategic Capital and Business Alliance

- Further strengthening collaboration to maximize both companies' IP value globally –

Tokyo, Japan – KADOKAWA CORPORATION (“KADOKAWA”) and Sony Group Corporation (“Sony”) today signed a strategic capital and business alliance agreement, agreeing to conduct a third-party allotment by KADOKAWA to Sony on January 7, 2025, with Sony acquiring 12,054,100 new KADOKAWA shares for approximately 50 billion yen. With the acquisition of the new shares, Sony will become KADOKAWA’s largest shareholder, holding approximately 10% of its shares, including the shares Sony previously acquired in February 2021.

KADOKAWA and Sony historically have collaborated on various projects, and through this capital and business alliance, intend to further strengthen our collaboration to maximize both companies' IP value globally and facilitate wider and deeper collaboration, such as potential joint investments in the content field, joint discovery of new creators, and joint promotion of further media mixes of both companies' IP. In the future, the two companies plan to discuss specific initiatives for collaboration, such as initiatives to adapt KADOKAWA’s IP into live-action films and TV dramas globally, co-produce anime works, expand global distribution of KADOKAWA’s anime works through the Sony Group, further expand publishing of KADOKAWA’s games, and develop human resources to promote and expand virtual production.

Comment from Takeshi Natsuno, Chief Executive Officer, KADOKAWA CORPORATION:

“We are very pleased to conclude this capital and business alliance agreement with Sony. This alliance is expected to not only further strengthen our IP creation capabilities, but also increase our IP media mix options with Sony’s support for global expansion, allowing us to deliver our IP to more users around the world. We are confident that this will greatly contribute to maximizing the value of our IP and increasing our corporate value in the mid- to long-term. We intend to do our utmost to ensure that our collaborative efforts with Sony produce great results in the global market.”

Comment from Hiroki Totoki, President, COO and CFO, Sony Group Corporation:

“Through this capital and business alliance, we will become the largest shareholder of KADOKAWA, which consistently creates a wide variety of IP, including publications and books, such as light novels and comics, as well as games and anime. By combining KADOKAWA’s extensive IP and IP creation ecosystem with the strengths of Sony, which has promoted the global expansion of a wide range of entertainment, including anime and games, we plan to work closely together to realize KADOKAWA’s ‘Global Media Mix’ strategy, aimed at maximizing the value of its IP, and Sony’s long-term vision, ‘Creative Entertainment Vision.’”

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