



# KADOKAWA



KADOKAWA

# Integrated Report 2025

## CONTENTS

**MANAGEMENT PHILOSOPHY 03****MESSAGE FROM THE CEO 04****The KADOKAWA Group  
Value Creation Story**

History of the KADOKAWA Group	06
The KADOKAWA Group's Strength	08
Value Creation Process	10
Materiality	12

**The KADOKAWA Group  
Growth Strategy**

FY2024 Consolidated Financial Results/ Financial Results by Segment	14
Progress of the Mid-term Management Plan/Policies by Segment	20
Financial Strategy	25

**The KADOKAWA Group Growth Strategy [Features]****1** Discovery and  
Development of Creators

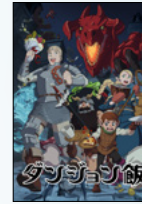
26

**3** Our Gaming Business  
Poised for Further Growth  
and Increased Profitability

34

**2** Our Animation Business,  
Serving as the Core of our  
Global Media Mix Strategy

30

**4** Roundtable Discussion  
Between Independent  
Board Members

38

**ESG INFORMATION**

Environment	42
Social	44
Governance	48
Members of the Board	54
Skills Matrix	56

**DATA SECTION**

Financial Highlights and Non-Financial Highlights	58
Consolidated Financial Statements	60
Key Performance Indicators, etc. (Consolidated)	63
Stock Information	64
Company Profile and List of Group Companies	66

**Editorial Policy**

The aim of the KADOKAWA Integrated Report is to enable stakeholders to gain a better understanding of various topics relating to the KADOKAWA Group. Such topics include the Group's capital and strengths and the process by which the Group leverages these to generate value together with users, fans, and creators, the Group's business strategy for continuing to create value over the medium- to long-term, its ESG information, and the finances that underpin the Group's business activities.

When editing the report, the editorial team referred to the International Reporting Framework of the IFRS Foundation and the Guidance for Collaborative Value Creation 2.0 of the Japanese Ministry of Economy, Trade and Industry.



価値協創ガイダンス  
Guidance for  
Collaborative Value Creation

**Reporting Period** FY2024 (April 1, 2024 to March 31, 2025)  
Note that some content relating to information before or after FY2024 is also included.

**Scope of Report** KADOKAWA CORPORATION and its Group companies in Japan and overseas

Performance forecasts and other forward-looking data included in this Integrated Report are based on information available as of July 2025.

Forward-looking data involve many uncertainties, and actual performance may differ from such data. Readers are therefore advised to refrain from relying completely on this data when making decisions, particularly regarding investment.



<https://group.kadokawa.co.jp/global/>

KADOKAWA Group portal site provides a variety of information on topics including investor relations, an overview of the Group's business, and sustainability. Readers are recommended to refer to the website in conjunction with reading this Integrated Report.

## CONTINUITY AND CHANGE

“Continuity and Change” is the philosophy that Matsuo Basho, internationally renowned haiku poet of the 17th century, had ultimately arrived at. Such a philosophy is what Genyoshi Kadokawa, founder of Kadokawa Shoten, had considered to be the cornerstone of the publishing business he founded and had put into practice in his business. The constant pursuit of novelty brings visibility to what essentially remains eternally unchanged. The will to continue taking on new challenges without fear of change is what comprises the “KADOKAWA Spirit.” “Continuity and Change” is the management philosophy of KADOKAWA and what we will continue to aspire towards, to connect ourselves with the future.

### Founding Spirit

To this day, the words penned by founder Genyoshi Kadokawa, upon founding Kadokawa Bunko (see “On the Occasion of Kadokawa Bunko’s Launch” on the right) remain printed at the end of every Kadokawa Bunko volume, serving as the enduring philosophy underpinning the KADOKAWA Group’s publishing activities. Today, the KADOKAWA Group’s business has expanded from publishing into film, gaming, web services, and education/EdTech. As we continue creating diverse content, we will perpetuate these words—embodying our founding spirit—as the origin of our Group.

### 角川文庫発刊に際して

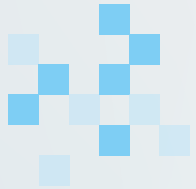
角川源義

第二次世界大戦の敗北は、軍事力の敗北であつた以上に、私たちの若い文化力の敗退であつた。私たちの文化が戦争に対して如何に無力であり、単なるあだ花に過ぎなかつたかを、私たちは身を以て体験し痛感した。西洋近代文化の撰取にとつて、明治以後八十年の歲月は決して短かすぎたとは言えない。にもかかわらず、近代文化の伝統を確立し、自由な批判と柔軟な良識に富む文化層として自らを形成することに私たちは失敗して来た。そしてこれは、各層への文化の普及滲透を任務とする出版人の責任でもあつた。

一九四五年以来、私たちは再び振出しに戻り、第一歩から踏み出すことを余儀なくされた。これは大きな不幸ではあるが、反面、これまでの混沌・未熟・歪曲の中にあつた我が国の文化に秩序と確たる基礎を齎らすためには絶好の機会でもある。角川書店は、このような祖国の文化的危機にあたり、微力をも願はず再建の礎石たるべき抱負と決意とをもつて出発したが、ここに創立以来の念願を果すべく角川文庫を発刊する。これまで刊行されたあらゆる全集叢書文庫類の長所と短所とを検討し、古今東西の不朽の典籍を、良心的編集のもとに、廉価に、そして書架にふさわしい美本として、多くのひとびとに提供しようとする。しかし私たちは徒らに百科全書的な知識のジレタラントを作ることを目的とせず、あくまで祖国の文化に秩序と再建への道を示し、この文庫を角川書店の栄ある事業として、今後永久に継続発展せしめ、学芸と教養との殿堂として大成せんことを期したい。多くの読書子の愛情ある忠言と支持とによつて、この希望と抱負とを完遂せしめられんことを願う。

一九四九年五月三日

## MESSAGE FROM THE CEO



### Corporate Mission

## A Platform for Creativity

We discover talent, maximize their value and bring the content they create to a global audience with the power of technology. Harnessing the Group's expertise, creativity and technology, we continuously create and develop innovative businesses.



**TAKESHI  
NATSUNO**

Chief Executive Officer

# A Creative Company that Creates Globally Captivating IP Under the Strategy of Global Media Mix with Technology

## Steady Progress of the Development of Globally Integrated Media Mix Aimed at Medium- to Long-term Growth

Japan's content industry is steadily increasing its presence in the global market with overseas sales expanding approximately threefold over the past decade. Every time I visit another country, I notice the expanding Japanese manga sections in local bookstores and people enjoying cosplay just as much as in Japan at anime events around the world. It gives me a sense of the growing popularity of manga and anime.

In June 2025, the Ministry of Economy, Trade and Industry announced a public and private strategy to raise the export value of Japan's entertainment industries, including anime and games, to the same level as the automotive industry by 2033. Japanese content will continue to be enjoyed worldwide, further enhancing its global presence.

Amidst these trends, the KADOKAWA Group is driving its business expansion as a growth company, taking on the world with our IP. We are committed to delivering IP from our diverse portfolio to global audiences, guided by our basic strategy of "Global Media Mix with Technology."

FY2024 proved to be a challenging year marked by incidents such as cyberattacks. We would like to extend our most sincere apologies for the significant concern and issues we caused to our readers, users, writers, creators, business partners, shareholders and investors, and other

stakeholders. Following the incidents, we focused all efforts on restoring business activities. Our growth businesses, including e-books in Publication/IP Creation, our overseas businesses, record breaking success in Animation, as well as the strong contributions from the original game and downloadable content of *ELDEN RING* in Gaming, alongside the growth of Education/EdTech, have all performed solidly. As a result, we have achieved net sales and operating profit nearly matching our initial performance forecast.

We are steadily progressing initiatives aimed at medium- to long-term growth. As part of expanding our overseas businesses, we have successfully increased our presence in countries such as South Korea, France, and Italy, which were previously untapped markets. Additionally, to build a production framework for animation that is high quality and enduring, we have welcomed three new companies into the Group, including Doga Kobo inc., bringing the total number of production studios under our umbrella to seven. Furthermore, to maximize the global value of our IP, we have strengthened collaboration with other companies, culminating in a capital and strategic alliance agreement with Sony Group Corporation in December 2024. Moving forward, we will advance strategies across all businesses and strive to maximize IP value, aiming for sustainable growth.

## Pursuing to become a Platform for Creativity

The foundation of the KADOKAWA Group's growth lies in the

people who create IP—they are the Group's greatest asset.

Under our corporate mission of "A Platform for Creativity," we discover diverse talent from around the world and nurture them to create a wide range of IP by harnessing the Group's expertise to its fullest potential. This is a framework that spans all our businesses. Creators can extend their reach beyond borders by leveraging the KADOKAWA platform. To fulfill our role in these activities, we are committed to standing alongside creators worldwide, empowering them to overcome challenges and foster growth.

It is also crucial that our employees are all creative in order to support our creators and maximize the value of our IP. Therefore, the entire management team is fully committed to strengthening our human resources and improving the working environment from three perspectives: Creativity, Motivation, and Technology.

Moving forward, we will continue to create diverse IP alongside talented individuals worldwide through these activities, striving to maximize their value. Through the content born from these efforts, we will bring happiness and passion to our readers and individual users, while contributing to cultural development and the growth of the entertainment industry.

We hope you keep your eyes on the KADOKAWA Group as we continue to tackle new challenges.

## History of the KADOKAWA Group

Founded in 1945 as a publishing company, the KADOKAWA Group has become a comprehensive entertainment company that currently consists of more than 60 companies. Along with the changing ages, the KADOKAWA Group has expanded its business domains and currently consists of six business segments. Here, we will introduce information about our Group history and each business segment.

### The Age of Literary Publications

As Japan emerged from the ashes of World War II, our founders launched a publication company with the aim of rebuilding Japan's culture through publishing.



### The Age of a Media Mix of Books and Movies

Successful cooperation between Kadokawa Bunko and Kadokawa Pictures sparked a series of smash hits. We established the media mix approach, which enhances IP value by combining different media.



### The Age of Magazines

After the launch of The Television, we released a series of informational magazines in areas such as games and anime, contributing to the discovery and development of subculture. We also created light novels in what was then a new area.



### Becoming a Mega-Content Provider

We rapidly expanded the genres and varieties of content we created, including imprints. In addition to publishing and film, we achieved public listing as a content maker poised for the approaching internet and digital era.



#### Company Timeline

**1945**

The Group is founded as Kadokawa Shoten by Genyoshi Kadokawa

**1954**

The Company reorganizes into a business corporation (Kadokawa Shoten Co., Ltd.)

**1998**

Kadokawa Shoten Co., Ltd. is listed on the second section of the Tokyo Stock Exchange

#### Our Expanding Business Domains



##### Publication/IP Creation

Publication and sale of books and magazines, publication and sale of e-books and e-magazines, sale of web ads, licensing, etc.



##### Animation/Film

Planning, production, and distribution of animations and live-action films, licensing of film broadcasting, etc., sale of software packages, etc.

## A Comprehensive Media Enterprise

We became a holding company encompassing diverse companies such as Daiji and Media Factory. We branched out, complementing our existing publication and film businesses with a wide range of others, including internet and digital businesses.



## A Platformer for the Internet and Digital Age

KADOKAWA absorbed and merged with its nine consolidated subsidiaries. Following our integration with DWANGO in 2014, we expanded beyond group content to develop digital platform businesses that contribute to the entire industry. We also strengthened our gaming business.



## A Platform for Creativity

With various changes made through DX (digital transformation), we strengthened our Global Media Mix strategy to release a variety of IP around the world.



**2003**  
KADOKAWA HOLDINGS, INC. is established

**2004**  
KADOKAWA HOLDINGS, INC. is moved from the second section to the first section of the Tokyo Stock Exchange

**2013**  
KADOKAWA GROUP HOLDINGS, INC. changes its corporate name to KADOKAWA CORPORATION (absorbed and merged with its nine consolidated subsidiaries)

**2014**  
Integrates with DWANGO Co., Ltd.

**2023**  
Changes from a company with an Audit & Supervisory Committee to a Company with a Nominating Committee, etc.



### Gaming

Planning, development and sale of game software, licensing, etc.



### Web Services

Operation of video social network services, development of businesses such as planning and execution of events



### Education/EdTech

Operation of trade schools, provision of educational content and systems for correspondence-course high schools, etc.



### Others

Operation of facilities, development of businesses such as merchandising, which encompasses the planning and sale of character merchandise, etc.

\*Names and logos used here are those used at the time each service started. The logos shown for Famitsu.com, BOOK WALKER, Mubichike, and niconico are different from their current logos.

\*The current name and logo for ComicWalker have changed to KADOCOMI. \*The current name and logo for Da Vinci News have changed to Da Vinci Web.

## The KADOKAWA Group's Strength

# Maximizing the Value of Our IP Through the Involvement of Personnel in a Variety of Settings from Conception Through Each Stage of Growth

The KADOKAWA Group draws on the **human resources (human capital)**, **creativity**, and **technology** that are the core of our strength as we work together on our Four Actions: **“Creating IP”** collaboratively with our authors and creators, **“Delivering to users”** with the support of bookstores and other distributors, **“Connecting fans”** by building communities, and **“Discovering and nurturing talent”** to create new IP. Through these Four Actions, we are working to connect our wide-ranging businesses and maximize the value of the IP that the KADOKAWA Group's unique qualities enable us to create.

### HUMAN RESOURCES (HUMAN CAPITAL)

#### A group of human resources with expertise in a wide variety of fields

We have over 8,000 employees globally who utilize their respective expertise in collaborative work.

### CREATIVITY

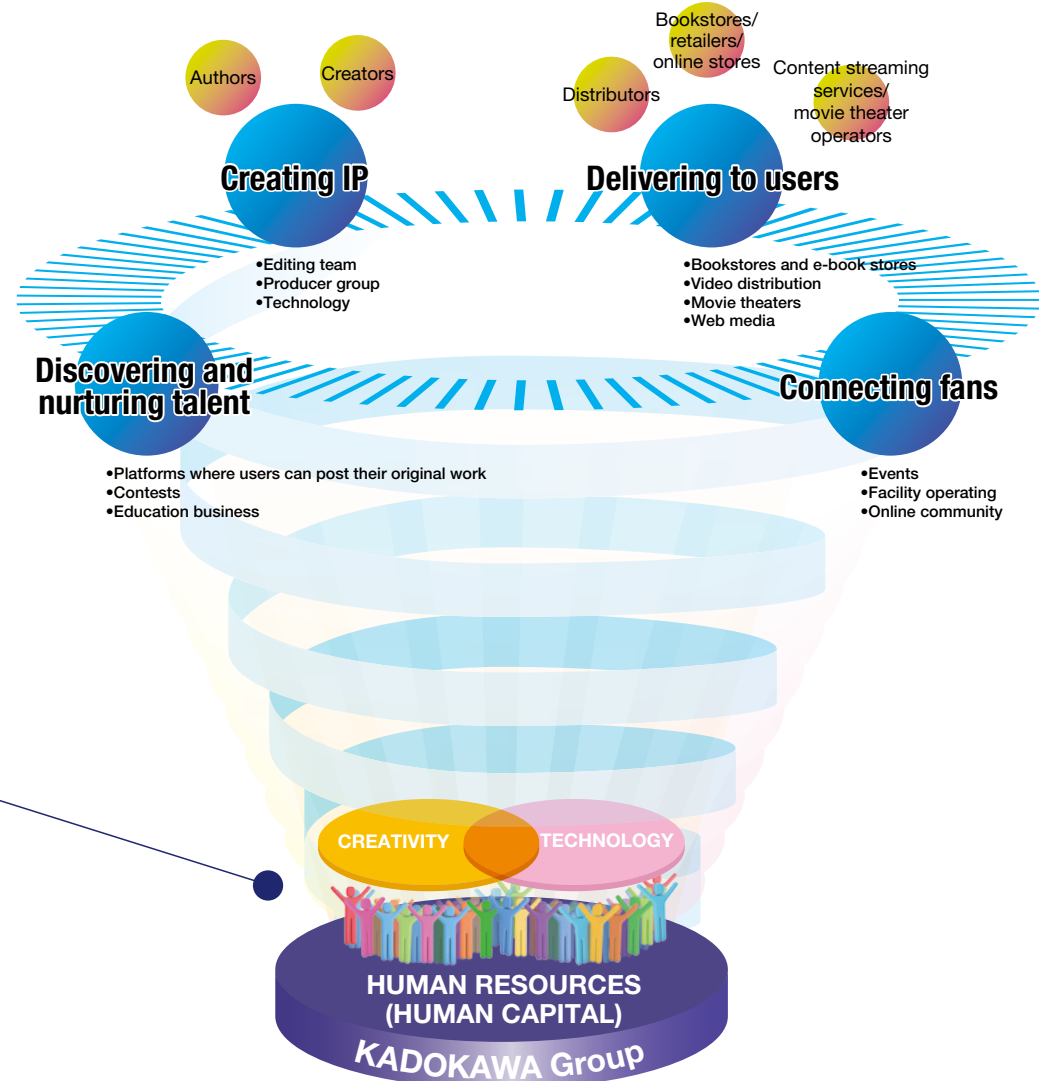
#### The source of strength for creating IP

In addition to publishing 6,430 new works through our publication business, we create original animations and films, smash hit original game IP publications that have set global records, and more.

### TECHNOLOGY

#### Cutting-edge technologies that maximize Group abilities

We utilize the capabilities of technology from DX and VR to generative AI to deliver IP to users around the world in various forms.





# The Four Actions at the Heart of All of the KADOKAWA Group's IP

## Creating IP

Our IP takes a variety of forms, including books, animation, and games. We use the Group's editorial and production capabilities, along with technology, to convert narratives generated by creators and the latest information and ideas into intellectual property that can be delivered to users in various forms.

### Example of IP deployment: *OVERLORD*



## Delivering to users

We deliver IP such as books, animation, and games to users and fans around the world with the support of our many domestic and overseas partners such as distributors, bookstores and retailers, and content distributors. We also directly operate content providers such as directly-managed bookstores, e-book stores, and web media services.



## Discovering and nurturing talent

We identify new talent by running contests, as well as online platforms where users can post their work. Additionally, in the education business, we help individuals bring out their talent by providing a variety of educational courses and content.

### Platforms where users can post their original work/contests



### Education business



## Connecting fans

We offer opportunities and locations for users to have fun together through means such as hybrid events and content, online fan communities, and the operation of various facilities, linking the online world with the real world.

### Events



### Facility operating



### Online fan communities

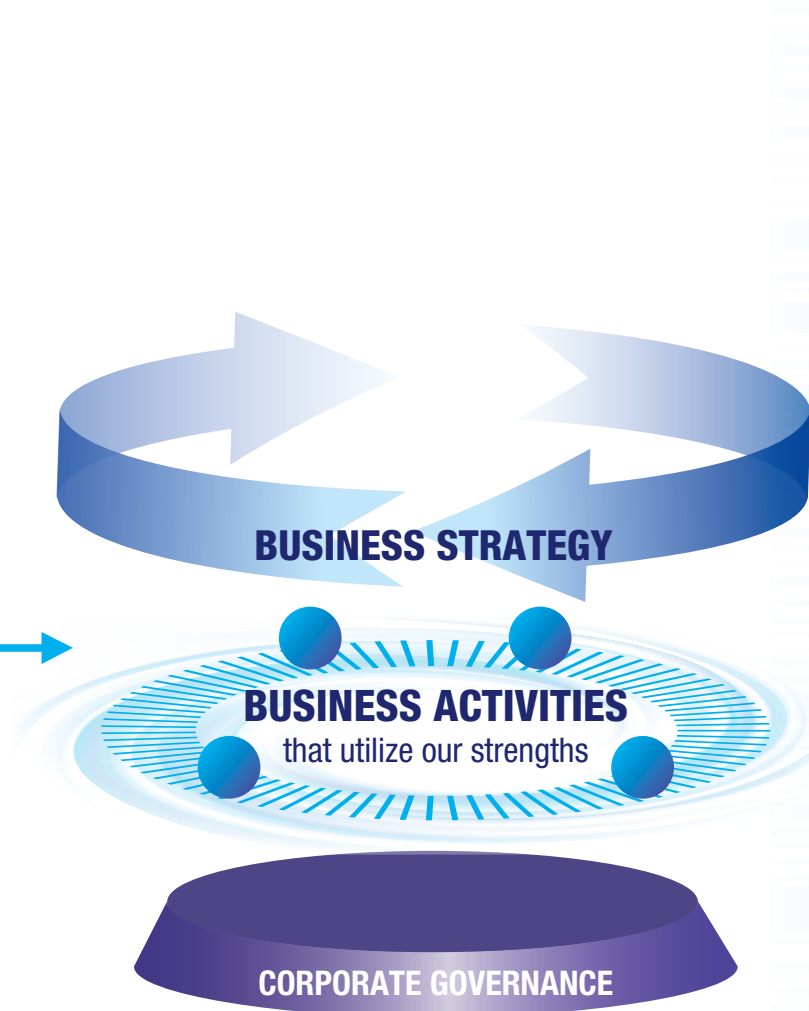


# Value Creation Process

## KADOKAWA'S CAPITALS

- HUMAN CAPITAL**
  - No. of Group employees: **8,526**
  - Editorial personnel: **654**  
(parent company only)
  - Ratio of non-Japanese employees: **11.5%**
- INTELLECTUAL CAPITAL**
  - A wealth of archived titles: **more than 130,000 books, more than 2,000 videos**
- SOCIAL AND RELATIONSHIP CAPITAL**
  - No. of individual business partners such as creators and writers: **Approx. 82,000**
  - No. of bookstores that can carry KADOKAWA products: **Approx. 7,600 in Japan**
  - No. of screens that can show our videos: **Approx. 3,600**
  - No. of online stores handling our e-books: **64**
  - No. of platforms streaming our animations and films: **45**
  - Strong network with business partners such as distributors, bookstores/retailers, and online stores
- FINANCIAL CAPITAL**
  - Capital adequacy ratio: **60.9%**
- MANUFACTURED CAPITAL**
  - Production and Distribution Plant at **TOKOROZAWA SAKURA TOWN**
- NATURAL CAPITAL**
  - Reduce excessive consumption of paper by improving the printing, distribution, and editing process of books

## BUSINESS MODEL



## MAIN OUTPUT

- No. of new paper-based book and e-book IP**: **6,430**
- No. of translation languages**: **30** \*As of July 2025
- No. of films**: **21**
- No. of animations**: **51** \*Including minor investment
- No. of games sold**: **6.03 million** \*Total only includes console and PC titles that were ultimately sold by the KADOKAWA Group
- Total no. of Niconico videos**: **22,913,174**
- Niconico Chokaigi 2024 No. of venue visitors**: **125,362**
- No. of Niconico regular members**: **104,740,000**
- No. of VANTAN students**: **9,172** \*As of April 2025
- No. of The N High School Group students\*1**: **32,716** \*As of the end of June 2025
- No. of ZEN University students\*1**: **3,380** \*As of April 1, 2025

Note: Unless otherwise specified, this data is correct as of the end of March 2025.

\*1 The N High School Group is operated by Kadokawa Dwango Educational Institute, while ZEN University is operated by Educational Institute of The Nippon Foundation and DWANGO. The Group provides educational systems and programs to each of these institutions.

**OUTCOMES (value provided)**

Stories from the perspectives of the individuals to whom we deliver our IP, the society formed when those diverse individuals come together, and the culture that is forged during the progress of time from the past into the present, and on into the future.

**Individuals****Each individual finds their own types of content that make them happy in their own way**

We are building an environment that facilitates the creation of content that our users, creators, and all other stakeholders will be passionate about, and where everyone's ideas can be brought to life. We support individuals in finding their own types of content and their own form of happiness, whether they are merely curious about certain content or are passionate about creating new content.

**Discovering treasured fan favorites**

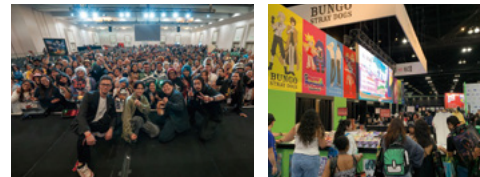
By exploring the diverse range of IP offered by the KADOKAWA Group, including popular works and characters, people can discover their treasured fan favorites, and support them by purchasing merchandise or participating in events, which in turn contributes to individual happiness.

**Learning what you love**

Through practical learning led by active creators and advanced educational programs that leverage technology, students are able to freely pursue their passions and acquire skills. Graduates go on to make significant contributions in creative industries and other areas.

**Social****Diverse content promotes mutual understanding and aids in achieving peace**

Delivering a diverse range of content worldwide offers people an opportunity to encounter values they were previously unaware of and think about other people and cultures. These experiences forge emotional connections among people all over the world and offer opportunities to deepen their understanding of each other.

**Connecting anime and gaming fans worldwide**

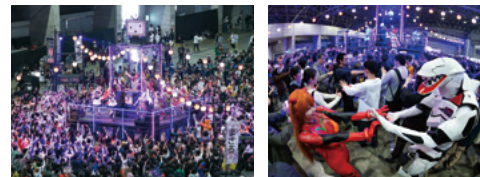
Through participation in large-scale anime events such as *Anime Expo* and online gaming experiences, fans from around the world who share a love for the same content come together to engage passionately. These platforms create opportunities for fans to connect and share mutual experiences.

**Opportunities to reflect on wars and the SDGs**

By reading books on a wide range of themes, such as the manga *Barefoot Gen* that depicts the tragedy of war, to picture books that address the subject of gender, readers gain insight into history and new perspectives they may not have been previously aware of, fostering a deeper understanding.

**Culture****Culture is passed on to the next generation, then new culture emerges**

Ever since Kadokawa Shoten was founded in 1945, the Company has worked to propagate and advance culture by creating content and services. The words written by Kadokawa Shoten founder Genyoshi Kadokawa in 1949, entitled "On the Occasion of Kadokawa Bunko's Launch" (refer to P3) state his sense of responsibility and determination with regard to culture, and these words are now an important philosophy underpinning the Group's business activities.

**Spreading a culture that combines physical and online spaces**

*Niconico Chokaigi* is a user-participation event that brings the online *Niconico* experience into the real world. In this event, users take center stage, creating and participating in content, shaping a new form of cultural festival born from the internet.

**Developing a gaming culture for a new era**

Through the operation of the e-sports team, *FAV gaming*, we contribute to the formation of a new cultural phenomenon in e-sports, where fans from around the world, regardless of age or gender, can come together and enjoy the experience.

## Materiality

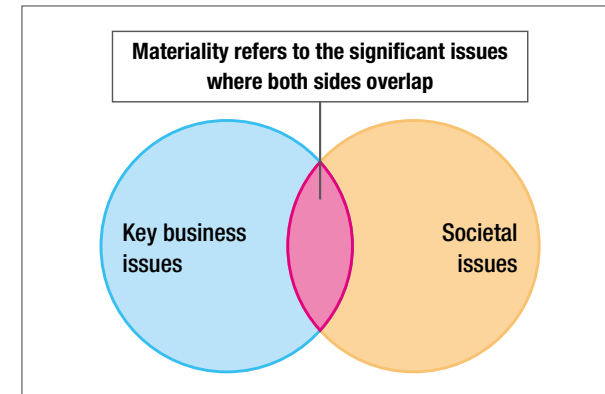
# The KADOKAWA Group has Established Five Materiality Items

The KADOKAWA Group discovers diverse talent from around the world to create more IP, while maximizing IP's LTV (lifetime value) through inter-business collaboration. Furthermore, by constantly incorporating the latest technology, we are advancing our basic strategy of "Global Media Mix with Technology," to spread our IP across the globe.

As outlined in our Value Creation Process, we will deliver the following values through the advancement of our basic strategy, thereby fulfilling our contribution to individuals, social, and culture.

- Each individual finds their own types of content that make them happy in their own way
- Diverse content (IP) promotes mutual understanding and aids in achieving peace
- Culture is passed on to the next generation, then new culture emerges

The Group has defined the issues that can be addressed through the sustainable development, execution, and growth of our businesses among the numerous challenges facing society as a whole as "Material Issues = Materiality," and has established five materiality items (refer to P13).



## Process for Establishing Materiality

The Group established materiality through the following four steps.

### STEP1

#### Organizing the relationship between the Group's key business issues and societal issues

We have identified societal issues that can be addressed through the sustainable development and growth of the Group's businesses, centered on IP Creation and Maximizing IP's LTV.

### STEP2

#### Identifying and aggregating societal issues

We have identified and aggregated key societal issues based on guidelines such as GRI, SASB, and SDGs, as well as disclosure requirements from ESG rating agencies.

### STEP3

#### Establishing the Group's materiality proposal by aligning both business and societal perspectives

We have re-examined the significant issues that fall within the overlapping area between the Group's key business issues and societal issues (refer to the Venn diagram above). Based on this, we have established five materiality proposals for the Group.

### STEP4

#### Determining Materiality

The materiality proposal was discussed and reviewed at a meeting attended by management, corporate officers, and relevant department personnel. Following a report to the Members of the Board, materiality was determined.

## KADOKAWA Group Materiality

	Materiality	Explanation
1	Contributing to the enrichment of individuals and communities, the advancement of culture, and the growth of the content industry through the creation and maximization of diverse IP (intellectual property) value	We will foster diverse IP based on varied ideas and values, building strong relationships with creators and other stakeholders while accurately assessing market conditions. Furthermore, we will make the most of technology to expand IP globally, preventing unauthorized use while maximizing its value. Through these business activities, we aim to bring happiness and passion to our readers and individual users, while also fostering empathy with others on our platform. This contributes to societal development by invigorating communities, creating and preserving culture, and promoting mutual understanding of diverse values. We also contribute to the growth and globalization of the content industry, as well as the creation of employment opportunities for IP-related talent.
2	Maximizing results through enhanced employee motivation and creativity, while contributing to the creation of a fulfilling work environment for all people involved in making content	By enhancing our human resources systems and building a better working environment, we will boost employee motivation and encourage the expression of creativity, thereby supporting the creation of business value. Furthermore, improving the working environment and strengthening systems will expand opportunities to attract new talent, enabling more sustainable business growth. These human capital initiatives will positively impact the entire industry, contributing to the creation of an environment where everyone working in the content industry can thrive.
3	Sustainable growth of our education business through the broad provision of specialized and practical educational programs, and the cultivation of talent for society as a whole, including the content industry	We operate schools specializing in creative fields and provide unique educational content and systems, delivering specialized and practical educational programs including online classes. We position this distinctive education business as a key pillar of our business portfolio and will actively invest in it. Amidst a changing social environment, including declining birthrates, the growth of this initiative of high public importance expands equal educational opportunities for all. It particularly fosters the development and production of next-generation talent within the content industry, promotes reskilling for the current workforce, and helps alleviate the shortage of creative professionals.
4	Achieving sustainability for our publication business and the industry as a whole through the promotion of publication manufacturing and distribution DX, while optimizing resource usage and minimizing waste	We are advancing publication manufacturing and distribution DX to deliver the necessary books to readers when they need them, thereby achieving sustainability for our Group's publication business and the publishing industry as a whole through measures such as reducing return rates. This will lead to the appropriate use of resources. We are also addressing challenges associated with climate change by minimizing waste through recycling and introducing renewable energy.
5	Enhancing stakeholder benefits and reliability through strengthened governance and fair, transparent management	We will rigorously manage compliance and information security, strengthen corporate governance, and enhance trust in the Company through open and fair management decision-making. As a corporate group with a listed company as its parent, we will fulfill our responsibilities and contribute to ensuring peace of mind and enhancing the interests of our broad range of stakeholders.

\*The numbers do not indicate priority.

## KADOKAWA Group Consolidated Financial Results for FY2024

The KADOKAWA Group's consolidated financial results for FY2024 were 277.915 billion yen in net sales (up 7.7% year-on-year), 16.651 billion yen in operating profit (down 9.8% year-on-year), 17.742 billion yen in ordinary profit (down 12.3% year-on-year) and 7.392 billion yen in profit attributable to owners of parent (down 35.1% year-on-year).

Net sales increased, driven by the Publication/IP Creation Segment, where a decrease in revenue for paper-based books domestically caused by factors such as cyberattacks was offset by growth in e-books, international paper-based books, licensing revenue, the Animation/Film Segment, where record results were achieved for the second consecutive year, the Gaming Segment, where both the original game and downloadable content for *ELDEN RING* performed well, and the Education/EdTech Segment, where student numbers steadily increased due to the opening of new schools and other factors. Operating profit decreased overall due to the significant impact of cyberattacks on the Web Services Segment and domestic paper-based books in the Publication/IP Creation Segment. However, it ended at a level exceeding the initial performance forecast.

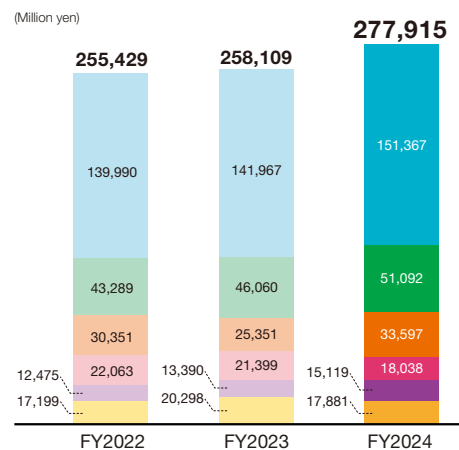
### Consolidated Annual Financial Results for FY2022, FY2023, and FY2024

(Unit: Million yen)

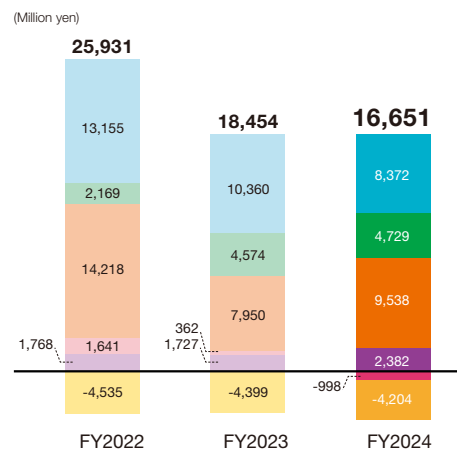
	FY2022	FY2023	FY2024
<b>Net sales</b>	<b>255,429</b>	<b>258,109</b>	<b>277,915</b>
<b>Operating profit</b>	<b>25,931</b>	<b>18,454</b>	<b>16,651</b>
<b>Operating margin</b>	<b>10.2%</b>	<b>7.1%</b>	<b>6.0%</b>
<b>Ordinary profit</b>	<b>26,669</b>	<b>20,236</b>	<b>17,742</b>
<b>Profit attributable to owners of parent</b>	<b>12,679</b>	<b>11,384</b>	<b>7,392</b>
<b>EBITDA</b>	<b>32,060</b>	<b>25,374</b>	<b>24,907</b>

### Annual Consolidated Results Over the Last Three Years

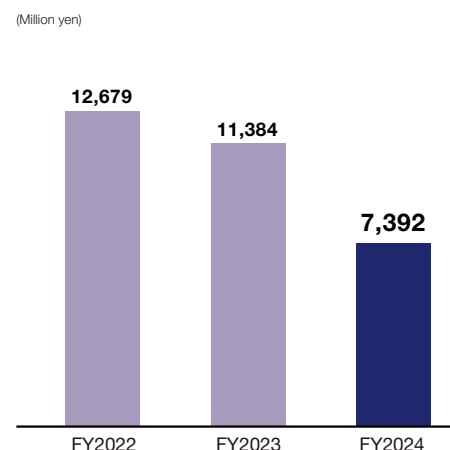
#### Net sales



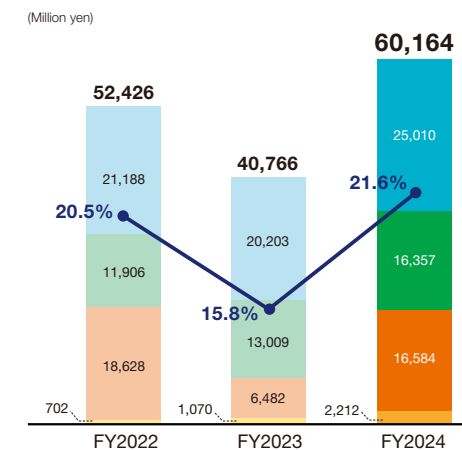
#### Operating profit



#### Profit attributable to owners of parent



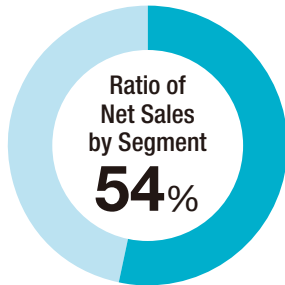
#### Overseas net sales/ Ratio of overseas net sales



■ Publication/IP Creation ■ Animation/Film ■ Gaming ■ Web Services ■ Education/EdTech ■ Others

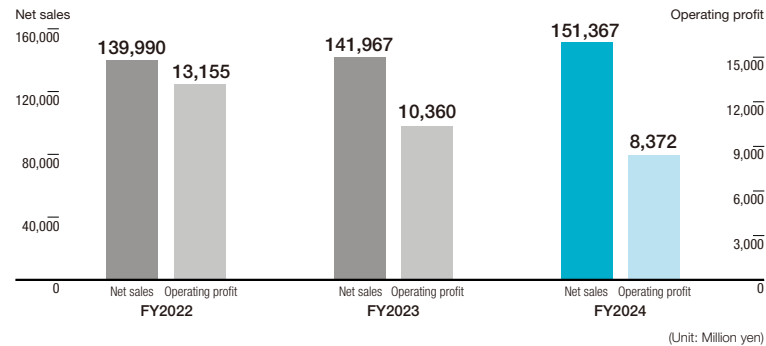
## Financial Results by Segment for FY2024

### Publication/IP Creation



**Net sales**  
**151,367** million yen  
**+6.6% YOY**

**Operating profit**  
**8,372** million yen  
**-19.2% YOY**



### Overview of Results

International sales of paper-based books and magazines increased chiefly due to continued strength in sales in Asia and the USA. Domestically, sales declined primarily due to a decrease in shipments of the backlist, which was primarily attributable to the cyberattacks that occurred in June 2024, despite an increase in the number of new IPs. New publications, such as *PANDOROBO TO RINGOKAMEN* (children's book), and *Yotsuba&! (16)* and *The Five Star Stories (18)* (comics) contributed to sales. E-books and e-magazines performed well, chiefly sales to stores of other companies, and rights licensing sales increased due in part to the contributions of those for gaming machines. Although international sales and rights licensing sales rose, profit in the segment declined, largely due to a decrease in profit from domestic paper-based books, including the negative effects of the cyberattacks, and continued investment focused on enhancing the ability to create IP for medium- to long-term growth.



*PANDOROBO TO RINGOKAMEN*



*Yotsuba&! (16)*



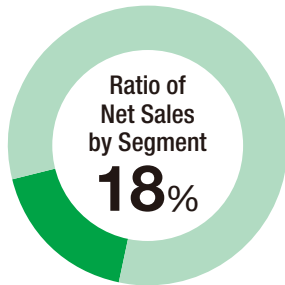
*The Five Star Stories (18)*

### Business Overview

The Company publishes and sells digital and paper-based books and magazines, as well as digital ads and licenses. We continuously create over 5,500 new titles per year in a diverse range of genres, including literature, comics, light novels, and children's books. This is an essential source of our media mix strategy. Our abundant archive of over 130,000 published titles is a driving force for the Group's growth. We also used UGC platforms,

such as *Kakuyomu*, our online novel site, in active initiatives to discover authors. In our e-book business, we not only create IP, but we also operate *BOOK☆WALKER*, a general e-book store. In our international business, we are currently expanding our local bases where we publish translated books and create original IP tailored to the local market.

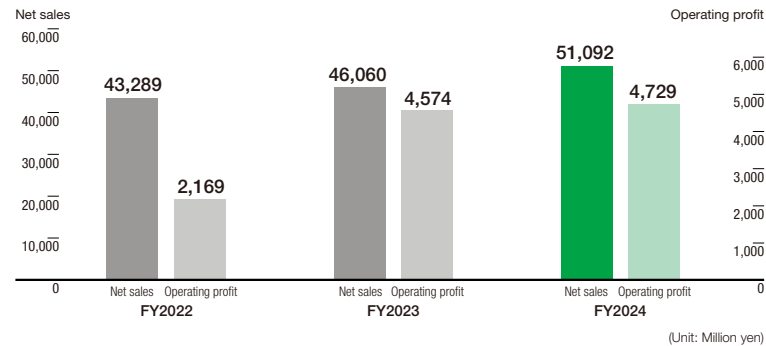
## Animation/Film


**Net sales**

**51,092** million yen  
+10.9% YOY

**Operating profit**

**4,729** million yen  
+3.4% YOY

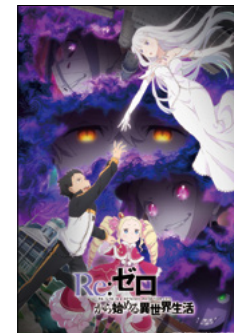


### Overview of Results

Against a backdrop of global popularity for Japanese animation, the Animation Segment achieved further growth over the corresponding period of the preceding fiscal year, which was strong, mainly through domestic and overseas distribution of popular series, especially of **【OSHI NO KO】 Season 2** and **Re:ZERO -Starting Life in Another World- Season 3**, and rights licensing sales for games and goods. In the Film Segment, sales remained flat from the previous fiscal year. However, due to growth in licensing sales for the distribution of movies, including **KUBI**, **Let's Go Karaoke!**, and **MATCHED** as well as previously released titles. Operating profit in this segment increased, reflecting the increase in sales of the anime titles above.



**【OSHI NO KO】 Season 2**



**Re:ZERO -Starting Life in Another World- Season 3**



**Let's Go Karaoke!**

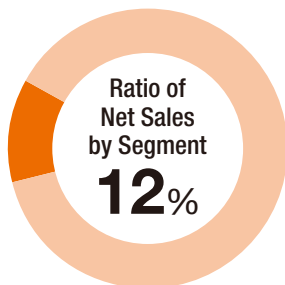
### Business Overview

This segment includes planning, production and distribution of animation and films, mainly based on our own works, video streaming licensing and games etc., sale of software packages in formats such as DVD and Blu-ray, etc. Our Animation Segment has been working on animated adaptations of other companies' works in addition to our own, and we are developing around 60 works per year including original animation and minor

investments. Additionally, in recent years, we have been promoting in-house production within our animation production studios, strengthening our high-quality and stable production framework. In our Film Segment, we are producing dramas and movies with a focus on providing quality at a global standard. We also operate **Mubichike**, a digital movie ticket service.



## Gaming

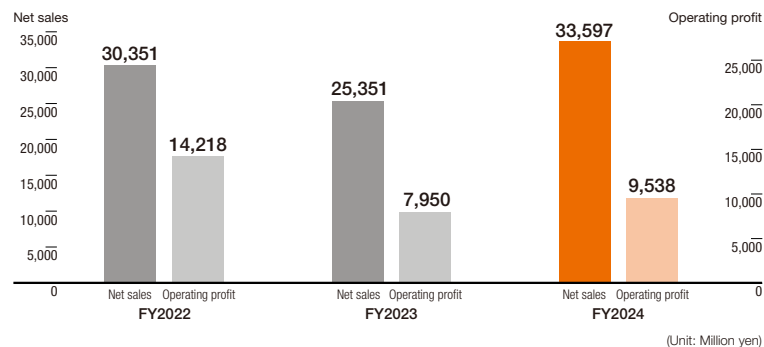


Net sales

**33,597** million yen  
+32.5% YOY

Operating profit

**9,538** million yen  
+20.0% YOY



### Overview of Results

In June 2024, FromSoftware, Inc. released the downloadable content *ELDEN RING SHADOW OF THE ERDTREE* for *ELDEN RING*, the worldwide hit that was released in 2022. Strong sales of this content both domestically and internationally, including repeat sales of the original game, enabled the segment as a whole to achieve robust growth in both revenue and profit. (As of March 2025, worldwide shipments of the original game of *ELDEN RING* reached over 30 million units.)



*ELDEN RING SHADOW OF THE ERDTREE*



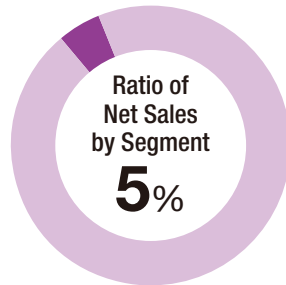
*ELDEN RING*

### Business Overview

This segment plans, develops, sells, and licenses game software and online games. FromSoftware, Inc., a gaming studio with world-leading IP creation and development, as well as Spike Chunsoft Co., Ltd., ACQUIRE Corp., and Gotcha Gotcha Games Inc. are

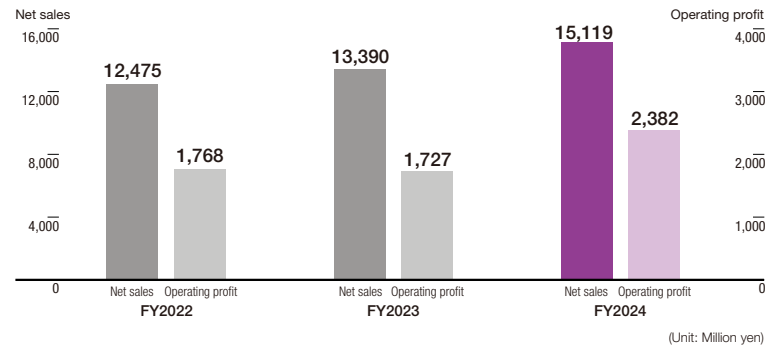
members of the Group, and continuously release high-quality console games and PC games. In addition to development of console and PC games, we have begun working on game adaptations of our own animation IP.

## Education/EdTech



**Net sales**  
**15,119** million yen  
**+12.9%** YOY

**Operating profit**  
**2,382** million yen  
**+37.9%** YOY



### Overview of Results

At Vantan Inc., which operates vocational schools in the creative field, the number of students increased due to the opening of new schools—*KADOKAWA SCHOOL OF ANIME* and *KADOKAWA SCHOOL OF MANGA*—in April 2024, and the expansion of areas of operation, leading to a rise in sales. *DWANGO Co., Ltd.*'s business for *N High School* and *S High School* grew solidly, reflecting a continued increase in student enrollment mainly due to the opening of new campuses for in-person courses. As a result, the segment as a whole saw an increase in sales and profits.



**KADOKAWA SCHOOL OF ANIME**



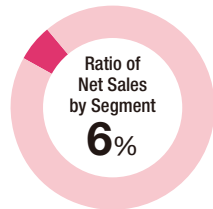
**The N High School Group**

### Business Overview

This segment provides proprietarily developed educational content and systems utilizing cutting-edge technology for schools, such as our specialized schools in areas of entertainment, including gaming, animation, and manga, and online high schools, including *N High School* and *S High School*. Furthermore, in April 2025, *R High School* and *ZEN University* were newly established, and we are expanding the scope of

services for both schools. We take various measures, such as hiring professionals who are currently active in various industries to conduct many of the lectures and utilizing our network with a wide range of companies in the design of our educational programs, to make our education practical and useful to society and provide opportunities for many people to receive an education.

## Web Services

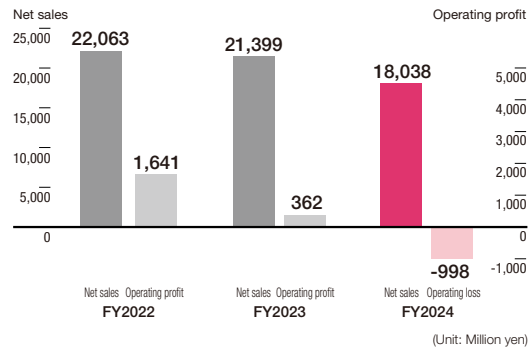


Net sales

**18,038** million yen  
-15.7% YOY

Operating loss

**998** million yen



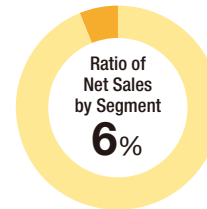
## Overview of Results

Services in the Niconico-related business were suspended due to cyberattacks in June 2024. This had a significant impact and led to a decline in sales for this segment. Profit declined due to the impact of the sales decrease in Niconico-related services despite improved profitability as a result of successful cost optimization in planning and managing events.

### Business Overview

In the Web Services Segment, the Company operates *Niconico*, one of Japan's largest video and live broadcasting platforms, and *Niconico Channel*, a platform for the official channels of popular users and other figures. It also encompasses our live performances business, which plans and executes various events such as *Niconico Chokaigi*, one of Japan's biggest events with both physical and online attendance, and *Animelo Summer Live*, one of the world's largest animation song events, along with expanding our mobile business that executes operations, including streaming of music and other content to mobile devices.

## Others

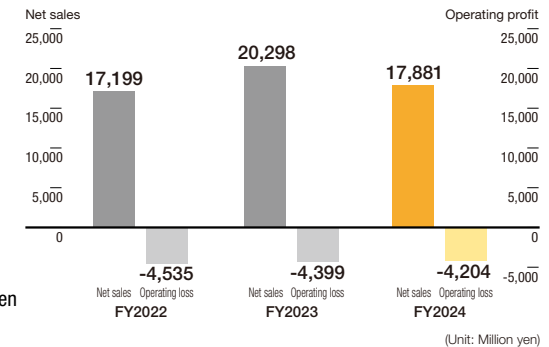


Net sales

**17,881** million yen  
-11.9% YOY

Operating loss

**4,204** million yen



## Overview of Results

In the MD business, sales increased primarily due to the strong performance in IP-related merchandise sales overseas and online lotteries. In the Facility Operating business, IP events performed well in major cities across the country. However, sales remained flat compared to the previous fiscal year, during which the Group established contracts for the management of large-scale events. Sales in the segment decreased, chiefly due to a withdrawal from the purchase and sale of some commercial products in consideration of profitability in other businesses, and a drop in inter-segment internal transactions between functional subsidiaries responsible for digital transformation within the Group. Losses in the segment were reduced due to an increase in profit in the MD business resulting from the increase of sales and an improvement in earnings in the Facility Operating business, which was attributed to decreased depreciation resulting from continued cost control.

### Business Overview

We are expanding our MD business, Facility Operating business, and new businesses. Our MD business plans and sells character goods such as character figures, primarily for our own IP, and operates online stores such as *KUJIBIKIDO*, an online lottery service. Our Facility Operating business's role includes the operation of the pop culture hub, *TOKOROZAWA SAKURA TOWN*, and the planning and execution of IP events outside of the same facility. We are also developing new businesses such as *Virtual Cast*, a VR/metaverse communication service.

# Progress of the Mid-term Management Plan

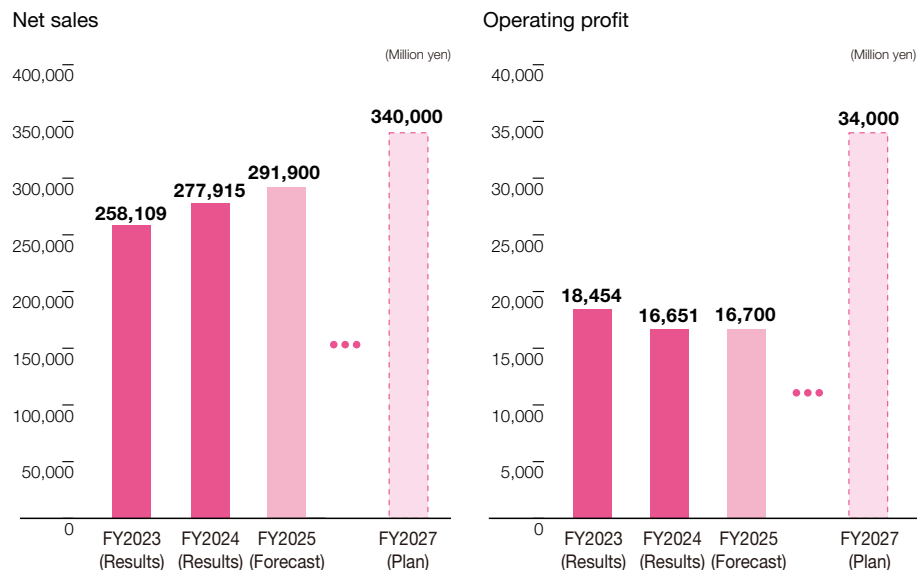
## Our Growth Story Towards Achieving Management Targets and Plans

In our Mid-term Management Plan, announced in November 2023, our basic management strategy was set as accelerating Global Media Mix with Technology through proactive investment in two key strategies: IP creation and maximizing IP's LTV (lifetime value), and achieving sustainable growth through inter-business collaboration. The numerical target is set to reach net sales of 340 billion yen and an operating profit of 34 billion yen by FY2027.

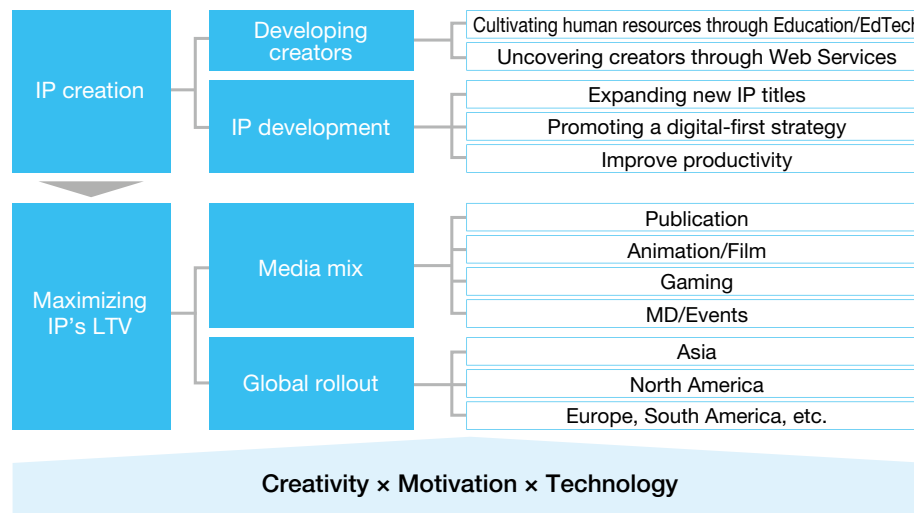
For FY2025, we forecast net sales of 291.9 billion yen and an operating profit of 16.7 billion yen. Net sales have been growing steadily and the investments we have proactively made thus far will begin to bear fruit in the latter half of the Mid-term Management Plan, driving sustainable growth and enhancing corporate value.

### Overall Consolidated Progress

■ Steady Growth of Net Sales. Investment Returns are Forecasted the Latter Half of the Plan

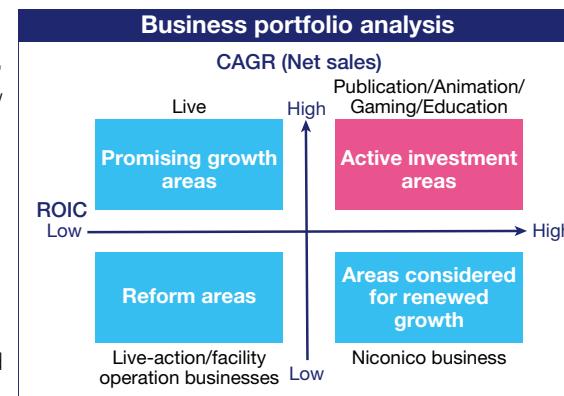


### Inter-business Collaboration



### Business Portfolio and Investment Management

Considering the growth potential and investment efficiency of each business, we are promoting investments primarily in our core growth areas to expand operations and enhance profitability. Furthermore, under the investment management system introduced in FY2022, we are evaluating the profitability of individual businesses and appropriately considering the need for improvements or withdrawal.



## Policies by Segment

### Publication/IP Creation Segment

Investments in human resources leading to the creation of diverse IP. Continue to prioritize our digital-first strategy with the aim of maximizing IP value through the expansion of e-books and licensing.

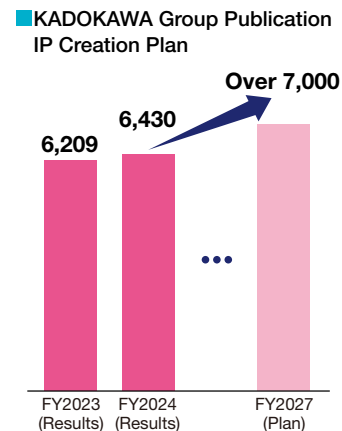
#### (1) Creating and Maximizing the Value of Publication IP — the Source of Media Mixes

##### ● Investment in growth genres such as comics and maximizing IP value through license expansion

Continue to expand the creation of publication IP that serves as the source of our media mixes, focusing on growth genres such as comics, aiming to create over 7,000 publication IPs by FY2027. Maximize IP value by expanding the licensing of publication IP and extending their lifespans.

##### ● Investment in editing personnel and enhancement of support systems

Strengthen our IP creation system by focusing on hiring editorial personnel in growth genres. Work to improve operational efficiency and productivity through enhancing the editorial support system and leveraging IT services.



#### (2) Promoting a Digital-first Strategy

##### ● Strengthen digital media and platforms while enhancing the lineup of born digital titles

Strengthen serialization in weekly comic media *MANGA Bar* and *KADOCOMI* (web and app) to expand the lineup of born digital titles. Expand IP discovery and development through our domestic web novel site *Kakuyomu* and its Taiwanese counterpart *KadoKado*. Aim for growth exceeding the domestic market growth rate for e-books.



#### (3) Expansion of International Bases

##### ● Expanding bases for media mix development and original IP creation to cover major regions

O'FAN HOUSE (South Korea), Vega (France), and Edizioni BD (Italy) have been added as new international bases, expanding the number of overseas subsidiaries to 19. Continue to expand our presence in growing overseas markets, increase the number of titles published abroad and the volume of original IP originating overseas, and aim for further growth in overseas sales.

	FY2023 Results	FY2024 Results	FY2025 Forecast	FY2027 Plan
Number of overseas subsidiaries	16	18	19	Further expansion
Net sales from international bases*1	18.1 billion yen	22.7 billion yen	26.9 billion yen	35.0 billion yen
Number of titles*2	3,023	3,905	4,820	6,000
Number of original IPs		354	407	Further growth

\*1 Including global e-book store businesses

\*2 When the same title is released in a different country or region, it is counted as "2." When the same title is released in printed and electronic formats, it is counted as "1."

#### (4) Full-scale Launch of Domestic Publication Manufacturing and Distribution DX Project

##### ● Achieving a sustainable paper-based book business through manufacturing and distribution reform

Establish a system that links our digital manufacturing and distribution facilities with bookstore ordering systems in order to enhance productivity and profitability in our paper-based book business. This enables us to manufacture and ship books in the appropriate quantities at the right time, based on orders and demand forecasts. The cumulative number of digitally manufactured books has surpassed 30 million copies (as of January 2025), and we are achieving a significantly lower return rate than the industry average.



##### ● Promoting market-in and profit-sharing transactions

Promote a new transaction model with bookstores that incentivizes reduced returns in order to accelerate the publication manufacturing and distribution DX project.

## Policies by Segment

### Animation/Film Segment

Strengthening profitability by increasing the scale and longevity of popular IP, enhancing in-house production capabilities, and expanding global media mix initiatives linked to animation integration. Focusing on improving profitability in our Film Segment.

#### (1) Increasing the Scale and Longevity of Animation IP, Maintaining Variety

##### ● Maximizing series sales through strategic resource allocation

Establish an early production framework for sequels to popular animation series, concentrating resources to expand the potential of creating hits. Actively pursue new fan demographics.

##### ● Building a diverse lineup capable of adapting to shifts in content trends

Develop new titles centered around our popular original IP, building a diverse lineup to create and nurture the next hit content. Determine investments in animation projects based on each work's potential and overall profit balance, considering factors such as suitability for global release and streaming and strong merchandise development prospects.



#### (2) Building a High-quality and Stable Animation Production Framework

##### ● Strengthening the foundation of animation IP creation by expanding our group animation studio framework

Build a production framework for animation that is high quality and enduring through production within the Group. In FY2024, we established BELLNOX FILMS Co. Ltd., and Doga Kobo inc. and Chiptune, Inc. joined our Group, enabling us to secure stable resources and enhance the quality of our productions.

##### ● Build a common group animation studio production management framework and HR hiring and training systems

##### ● Training animators in collaboration with the Education/EdTech Business (refer to P24)



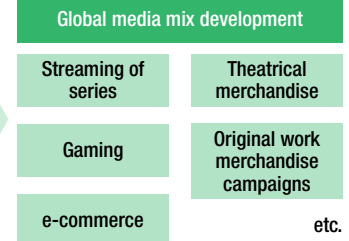
#### (3) Strengthening the Global Media Mix on Multiple Fronts Through Integration with Animation

##### ● Global media mixes in all directions through collaboration with overseas partners

Strengthen collaboration with global OTT operators and promote global media mixes in all directions, including streaming, gaming, and merchandising. Aim to create global hits by expanding promotional marketing, including exhibiting at international events.



OVERLORD: The Sacred Kingdom



In collaboration with Crunchyroll, we launched the overseas game *Lord of Nazarick* to coincide with the theatrical release of *OVERLORD: The Sacred Kingdom*, maximizing promotional impact through simultaneous release. Expand the successful scheme from this production to other IP, aiming to maximize revenue through media mixes.

#### (4) Big Lineup of Film Titles

##### ● Focusing on major titles centered on our original works

Develop major titles centered on our original works for the *Kadokawa Pictures 50th Anniversary* (2026). Aim to maximize sales through synergistic effects with media mixes, including boosting sales of the original works.

##### ● Challenge of creating film titles toward distribution and streaming in the global market

Focus on developing new major titles designed for global expansion. Work to improve returns on investments.



**The Bird is Calling**  
A film adaptation of a Yokomizo Seishi Mystery & Horror Awards-winning story.  
Theatrical release: October 3, 2025

**(LOVE SONG)**  
A sweet love story set in Tokyo and Bangkok, co-produced between Japan and Thailand.  
Theatrical release: October 31, 2025



## Gaming Segment

Advance the construction of Group frameworks for both consoles and mobile platforms to ensure a constant release of titles and strengthen the expansion of gaming IP.

### (1) Expanding the Game Pipeline

- **A Group framework capable of consistently releasing new titles, including enhanced capabilities to support new game consoles**

Steadily increase development pipelines across the entire Group. Leverage the strong brand power and development capabilities of companies like FromSoftware Inc. to continue developing series titles and new titles for the Group's popular works, such as *ELDEN RING NIGHTREIGN* scheduled for release in May 2025 and *The Duskbloods* planned for release in 2026, as well as undertaking development projects commissioned by other companies. Strengthen our production framework through measures such as promoting human resources recruitment and development.

Console & PC games	 <p><b>FROM SOFTWARE</b> <b>SPIKE CHUNSOFT</b> <b>Gotcha Gotcha Games</b> <b>ACQUIRE</b></p>	<b>21 titles in development</b>
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Mobile games	 <p><b>KADOKAWA</b> <b>VIC GAME STUDIOS</b> (Minority stake)</p>	<b>5 titles in development</b>
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\*Number of titles in development as announced in May 2025

- **Investment in major video game developers and promote capital and business alliances**

To enhance game IP creation capabilities, we entered into a capital and business alliance with South Korean mobile game company VIC GAME STUDIOS in May 2024. Leverage KADOKAWA's portfolio of high-quality animation IP and accelerate the development of globally appealing mobile games. Additionally, we will handle the domestic Japanese promotion for the company's new RPG, *BREAKERS: UNLOCK THE WORLD*, with plans for a media mix including comic adaptations and novelizations.

### (2) Initiatives to Further Expand Revenue

- **Developing of a new publishing scheme at FromSoftware**

(Refer to P34-37, Feature 3: Our Gaming Business Poised for Further Growth and Increased Profitability)

### (3) Developing Mobile Game Titles Integrated with Animation IP

- **Maximizing domestic and international awareness through releases and initiatives linked with animation**

For mobile games, expand our in-house IP development pipeline and promote cross-segment planning and supervision by incorporating editors and animation specialists. Through media mix releases and initiatives, aim to enhance recognition both domestically and internationally, driving further revenue growth.



【OSHI NO KO】Match Star



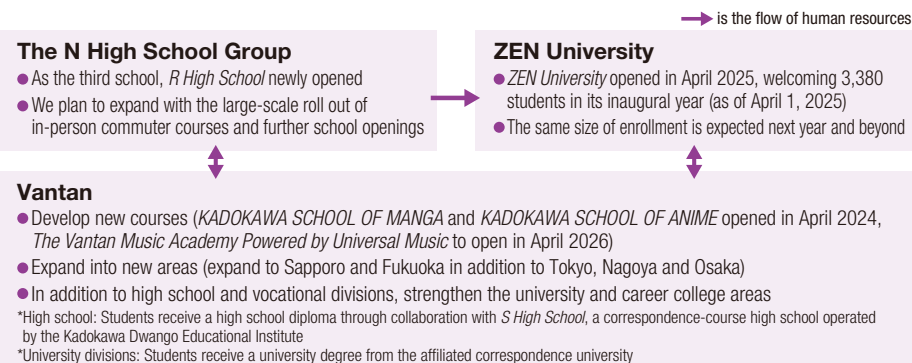
The Eminence in Shadow: Master of Garden

## Policies by Segment

### Education/EdTech Segment

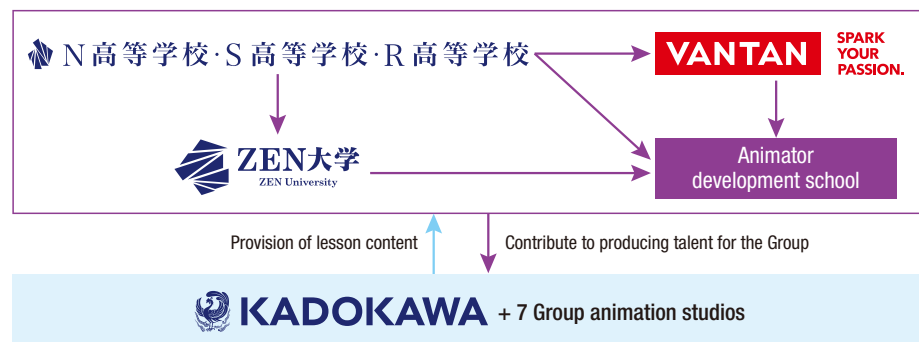
Operate specialized schools and provide educational systems and programs to the *N High School Group* and *ZEN University*. Aim to cultivate and produce diverse human resources through collaboration within the Group.

#### (1) Increased Student Enrollment and Service Utilization Through New School Establishment and Inter-School Collaboration



#### (2) Cultivating and Producing Diverse Human Resources Through Group-wide Coordination

- Training through practical and specialized curriculum that leverages the Group's expertise
- Promote animator training programs in collaboration with the Group's animation studios



### Web Services Segment

The Niconico business promotes the discovery of creators and the diversification of revenue streams, aiming for continuous growth in circulation volume. It is also focusing on strengthening our digital infrastructure and improving efficiency.

#### (1) Strengthening Creator Discovery and Production as the Source of Unique Users

- Continue mechanisms to sustainably produce creators on *Niconico* who will be popular
- Maximize the lifetime value of content through large-scale content posting events and renewed community engagement
- Expand monetization opportunities for content originating from *Niconico*

Promote collaborations with animation IP and strengthen the development of the VOCALOID\* genre.

\*VOCALOID and VOCALO are trademarks of Yamaha Corporation.



Niconico Chokaigi 2025 Cho VocaNico

#### (2) Increasing Transaction Amounts Through the Diversification of Revenue Sources

- Provide new experiential value to users with new services and improved functionality
- Promote the use of creator support and social tipping
- Introduce billing options on *Niconico*



#### (3) Strengthening Digital Businesses by Consolidating Engineer Staff

- Merge the three companies, DWANGO Co., Ltd., BOOK WALKER Co., Ltd., and KADOKAWA Connected Inc. (effective April 1, 2025)

Through consolidating affiliated engineers, optimizing development resource allocation, and improving operational efficiency, aim to strengthen the Group's digital businesses, including *Niconico*, and develop and nurture new ventures utilizing cutting-edge technology.



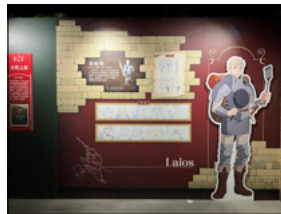
## Others Segment

The MD business will expand its scale by strengthening overseas operations, primarily in North America and China. The facility operating business continues to improve costs through operational efficiency.

### (1) Strengthening Events and the MD Business

- Focus on developing and touring with large events that utilize popular original IPs and animation IPs

By hosting real-world events domestically and internationally, enhance the appeal of our works, increase IP exposure, create new sales channels, and achieve proactive IP management. Expand MD sales opportunities.



- Expand overseas MD sales, primarily in North America and China

Expand overseas online lotteries, overseas event merchandise sales, and pop-up store initiatives. Focus on strengthening cross-border e-commerce and building overseas distribution networks in collaboration with local bases.



### (2) Improving Facility Operations at TOKOROZAWA SAKURA TOWN

- Acquire repeat customers through regional collaboration events and kid/family-friendly events
- Continuing to improve costs by streamlining facility operation



SAITAMA MUSASHINO Beer Festival in SAKURATOWN, a regular event for the facility



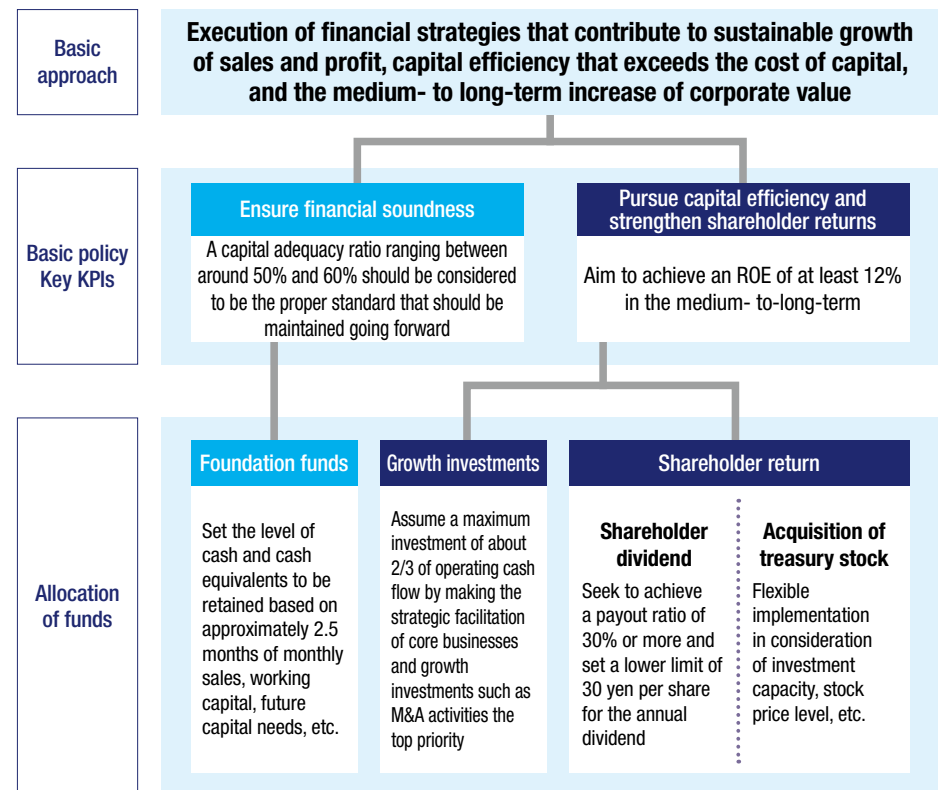
A new accommodation facility called IN THE LIBRARY hotel and books TOKOROZAWA opened within TOKOROZAWA SAKURA TOWN (July 2025)

## Financial Strategy

In addition to achieving sustainable growth in sales and profit, we will execute financial strategies that contribute to capital efficiency that exceeds the cost of capital, and the medium- to long-term increase of corporate value.

### Basic Finance Policy

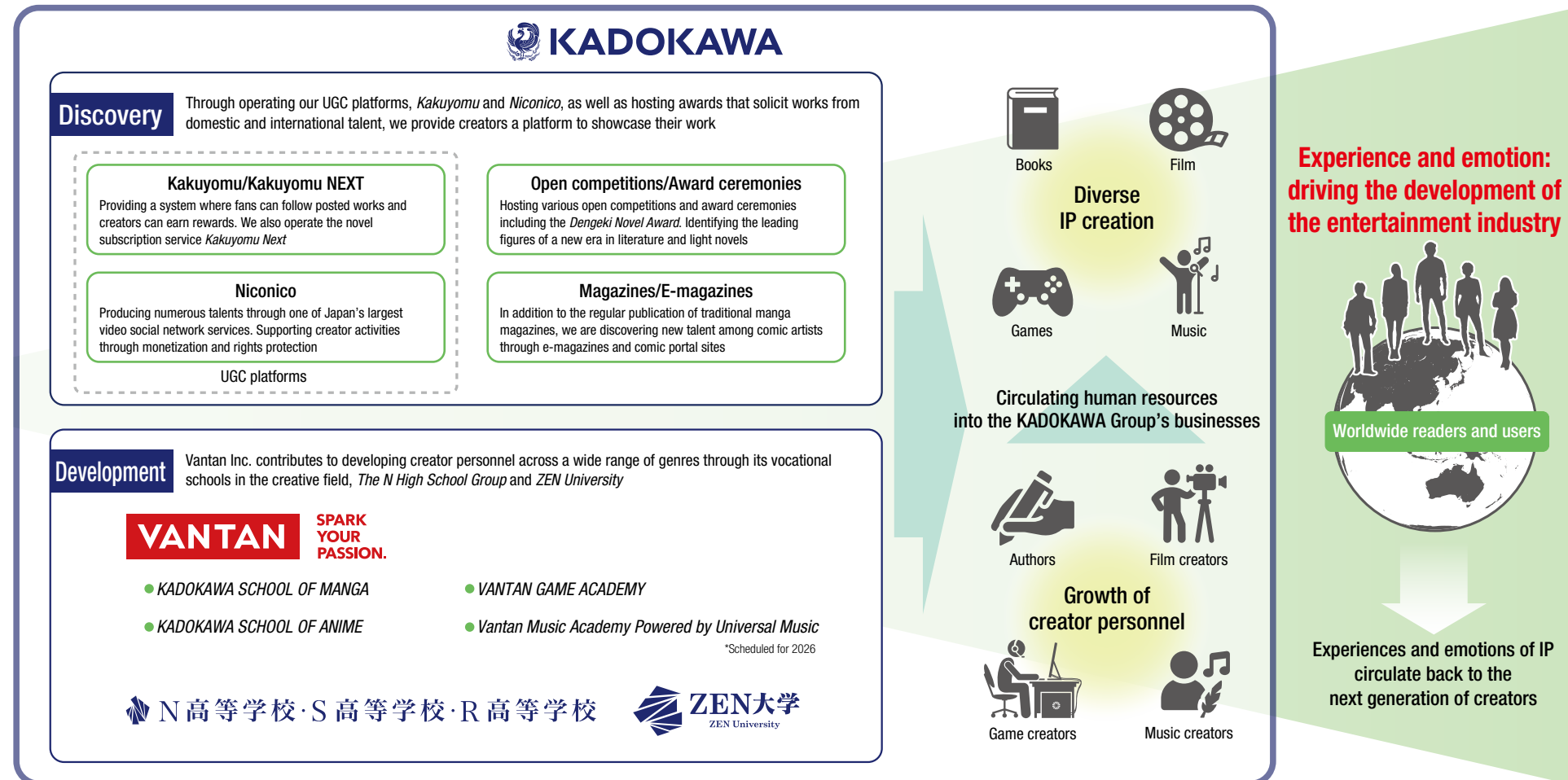
- In terms of KPIs for our basic policy, the return on equity (ROE) target is at least 12%. We specify a range to indicate the upper and lower limits of the capital adequacy ratio and seek to achieve the compatibility of ensuring financial soundness and the pursuit of capital efficiency
- Clearly state that an annual dividend of 30 yen per share will certainly be paid to shareholders.



## Feature 1: Discovery and Development of Creators

# A Human Resources Ecosystem that Discovers and Develops Creators Who Produce IP

The KADOKAWA Group identifies talent from across the globe capable of creating innovations from scratch across diverse fields. We implement initiatives to discover and develop creators, enabling IP creation across multiple genres including publication, animation, gaming, and music. The core of the KADOKAWA Group's business is IP creation, which begins with discovering and developing creators. Here we will introduce this topic with concrete examples such as user-generated content (UGC) platforms, awards, and school operations.



## Novels/Comics

## Creating Sharing Sites, Awards and other Spaces to Discover and Develop Talent

## Discovery and Development of Novel Writing Talent from UGC Platforms

Discovering Talent on Kakuyomu: A Platform where Many Writers and Readers Gather 

*Kakuyomu* is a free web novel site where users can post their own stories. It is a UGC platform boasting a cumulative membership of 1.45 million registered users and 4.5 million monthly readers (both figures as of May 2025). It hosts contests across diverse genres throughout the year, helping to discover new authors.

## Preparing an Environment for Writers and Cultivating New Talent

*Kakuyomu* creates an environment that boosts creative motivation by visualizing the number of views a work receives and facilitating connections between authors and readers through recommendation features. Furthermore, it supports sustainable creative activities by introducing mechanisms for monetary compensation. It also serves as a platform where various book editorial departments pool their knowledge and expertise to nurture and cultivate talent. Through close collaboration with the *Kakuyomu* editorial department, we publish numerous novels, guide them toward comic and animated adaptations, and foster continuous IP creation.

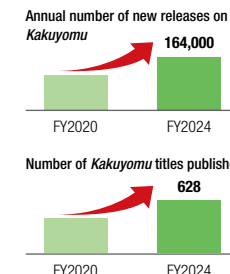
**Kakuyomu NEXT: A Novel Subscription Service that Shares Revenue with Authors (Launched in March 2024)**

*Kakuyomu NEXT* is a novel subscription service. Subscribers can read original works by authors active in KADOKAWA CORPORATION's light novel label and *Kakuyomu*. Membership has grown approximately fourfold within a year. Sales revenue is shared with authors, creating an environment where authors can secure income without relying on print publication. We are building a novel ecosystem for the new-era.



## Guiding Works to their First Publication and Continuously Creating IP

Newly published works on *Kakuyomu* exceeded 160,000 per year (FY2024), and the cumulative total number of works posted since the service launched in 2016 is expected to reach 600,000. Over 400 authors originating from *Kakuyomu* have achieved their debut book publication, and the annual number of books published originating from *Kakuyomu* doubled between FY2020 and FY2024. Works originating from *Kakuyomu* now account for approximately 30% of KADOKAWA CORPORATION's annual new light novel publications.



## Examples of Hit Works Created from Kakuyomu:

**About a Place in the Kinki Region by Sesuji**

A horror story that explores strange phenomena and unsolved cases connected to "a certain place" in mockumentary style. "We began thinking about publishing the novel as early as January 2023, when the web serialization started. It was released in August that same year. It had already gained massive online attention by then, which became the catalyst for moving forward with its adaptation into a comic and film at an unusually rapid pace. *Kakuyomu* connects many writers and readers." (Editor in Charge: Hiromasa Wada)

**Ishura by Keiso**

A multiprotagonist story where a battle ensues to determine the true hero among the mighty "Shuras." "This work shone brightly from its web serialization debut, appearing like a comet. Discovering edgy works that might get buried on other sites is a hallmark of *Kakuyomu*. During the media mix process, characters beyond the 16 protagonists were featured, expanding the work's worldview." (Editor in Charge: Taira Sato)



## Discovering and Developing Talent from Awards

We organize and operate numerous awards seeking new talent and works across diverse fields including novels, light novels, comics, and children's books. These include one of Japan's largest open-call newcomer awards, *Dengeki Novel Award* and *TATESC COMICS Awards*, a vertical-scroll manga award featuring participation from all KADOKAWA CORPORATION comic labels. In recent years, we have also launched awards focused on discovery and development of global talent, such as the *Wordless World Manga Contest*, which solicits works that do not include text from around the world.



## Cultivating Comic Artists Through Regular E-Magazine Distribution

Digitalized manga magazines will continue to fulfill the roles traditionally carried out by regularly published manga magazines, such as discovering new comic artists, creating masterpieces, and nurturing top-tier creators.

## ■ MANGA Bar

KADOKAWA launched its first weekly e-manga magazine in December 2024, developed in collaboration with Kakao piccoma Corp., a major e-manga and novel service. As of July 2025, it serializes 14 original works, updated daily.



## ■ KADOCOMI

With 722 serialized titles as of August 2025, this free comic portal site boasts one of the largest numbers of serialized works among publisher manga apps in Japan. The app has surpassed 1.5 million cumulative downloads as of August 2025, demonstrating strong support from many readers.



## Web Services

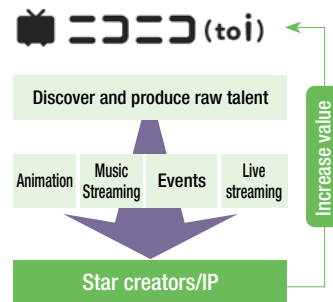
## Discovering and Developing Budding Star Creators from Video Communities

## Niconico: Offering Multiple Places where Creators can Post and Share their Work



*Niconico*, one of Japan's largest video social network services, is the core of the KADOKAWA Group's Web Services Business. Since its launch in 2006, it has fostered numerous talents and cultures across diverse genres including music, game commentary, and videos under the title "I Tried ○○."

The KADOKAWA Group is developing mechanisms to continuously produce star creators on *Niconico* while also working to create opportunities for creators to thrive globally. Specifically, through collaborations with animation IP and strengthening the expansion of the VOCALO™ (VOCALOID)\* genre, the Group aims to enrich the music IP created by *Niconico*-born creators and maximize licensing revenue. Furthermore, by advancing synergies with other Group businesses, we will fully leverage *Niconico* as a source of IP creation.



## Niconico's System Supporting Individual Creators' Activities

*Niconico* provides features and services centered on the following four points to support a wide range of creators, such as video creators, music producers, and content creators, both financially and in their creative environment.

## ■ Creator incentive program

A system where creators can earn income for their uploaded content based on the number of views, comments, and other factors.

## ■ Creator support

A feature that allows supporters to continuously support creators' activities (such as video production or live streaming) through monthly subscriptions.

## ■ Nico Commons

A content library service offering images, music, and other materials where creators can register their content for licensing or use content licensed by others.

## ■ Music monetization service

A service that supports the monetization and rights protection of original music, including music streaming and copyright management.

## Continuing to Support Creators by Valuing the Pursuit of What They Love and Fostering Empathy

## The Uniqueness of Niconico and the Background Behind Gaining Creators' Support

*Niconico* is constantly aiming to create a place where people can freely express their passion for what they love. Current approaches to video production can be broadly categorized into two styles. One involves pondering what others like and seeking works with high commercial value. The other involves thoroughly pursuing your own passion. *Niconico* aims to stand alongside creators of the latter style, striving to cultivate that profound feeling when you find many people from across the world who resonate with you.



**Daisuke Yokosawa**  
Director  
DWANGO Co., Ltd.

## A System that Establishes an Ecosystem for Creator Activities

Our mission is to provide creators with a system that enables them to sustain their professional creative activities economically. Our strength lies in offering comprehensive, one-stop support across a wide range of functional areas, including music management and rights protection, monetization systems, production and marketing, and merchandise development.

## On-going Posting Events and Group-wide Production Efforts

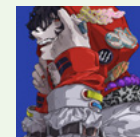
*Niconico* hosts *The VOCALOID Collection*, one of the internet's largest events for VOCALO music. This initiative focuses on soliciting new song posts over three days, recently growing to attract 7,000 songs per event. Additionally, in partnership with INCS toenter Co.,Ltd., we have established a scheme to maximize licensing revenue for music IP through comprehensive management and production services. We are also further strengthening collaboration within the Group, such as featuring songs by VOCALO producers as animation theme songs.

## Supporting the Global Expansion of Creators Originating from Niconico. Future Prospects for Niconico

We aim to continuously produce creators who can thrive on the global stage. We have begun trials for global expansion, including utilizing the Creator Cross space at *Niconico Chokaigi* (where creators can exhibit and express themselves) and launching the international creator collaboration program, *Asia Creators Cross*.

## Comment from a creator active on Niconico

## jon-YAKITORY



Debuting as a VOCALO producer in 2013, jon-YAKITORY broke through with *Shikabane* (2020), featuring guest vocalist Ado, and in 2024 achieved *Niconico's VOCALOID Legend* status (1 million views) with the massive hit *Kontan Boogie*.

I began as a VOCALO producer by posting on *Niconico*. The VOCALO community back then was filled with a different kind of fervor than today, and I found it utterly captivating. Looking at the *Niconico* platform again, I realize how thoroughly it's equipped with excellent systems designed to boost creators' motivation, such as events like *The VOCALOID Collection* and ranking systems. Going forward, I want to continue being active on *Niconico*.

## Education/EdTech

## Development of Creator Personnel Through Our Education Business

## Developing and Circulating Creator Personnel

The KADOKAWA Group is committed to developing human resources, the source of sustainable growth in its content business. Vantan Inc.'s vocational schools in the creative field offer diverse courses and programs to cultivate the next generation of creators across a wide range of disciplines. With an eye toward establishing a human resources ecosystem—the future circulation of creator personnel to the KADOKAWA Group—we are further strengthening collaboration within the Group. This includes cooperation between schools and the promotion of animator training programs supported by animation studios.

## Characteristics of Development of Creator Personnel in Vantan

The most distinctive feature of Vantan Inc., is that it operates its schools as a corporate entity, enabling students to learn in an environment closely aligned with the professional world. One key aspect to this is its faculty of approximately 1,000 instructors who are all currently active creators. Another is the flexible curriculum adjustments and new course developments to provide education that keeps pace with the times.

## Operating Diverse Schools to Cultivate Creator Personnel

The *VANTAN GAME ACADEMY*, established in 1991, is a long-standing game creator training school that has produced diverse human resources for major game companies and beyond. In April 2024, the *KADOKAWA SCHOOL OF MANGA* and *KADOKAWA SCHOOL OF ANIME* opened to teach specialized skills specific to manga, animation, and voice acting. Furthermore, the *Vantan Music Academy Powered by Universal Music* is scheduled to open in April 2026. As a Group, we are focusing on nurturing creators across a wider range of IP genres.

Opened in 1991



Opened in 2024



Scheduled to open in 2026



Opened in 2024



## Human resources circulated to the KADOKAWA Group

School graduates start working for Group production companies, etc.

Enhance the quality and quantity of human resources across the entire creative industry and revitalize the market

## Developing Creator Personnel with a Strong Sense of Professionalism Based on Our Founding Principle of Practical Education

## Guiding Many Young People into the Creative Industry Since our Founding

Vantan Inc. was founded in 1965 as the VANTAN DESIGN INSTITUTE. Initially focused on design and fashion, we have consistently operated our school with a primary emphasis on creative fields. Our latest employment rate in creative fields stands at 91.4% (March 2025). We are continuously producing diverse talent who shape the industry's future and contribute to its development.

The company name Vantan is a coined term derived from the French phrase "vingt ans," meaning "twenty years old." It symbolizes young people with innovative ideas and strong passion.



**Tadaki Yoshioka**  
Director  
Vantan Inc.

## We Aim to Build the World's Most Society-relevant School

Vantan Inc. declares its mission as "We aim to build the world's most society-relevant school." While functioning as an educational institution, we strive to provide an environment closely mirroring the real world, enabling our members (students) to acquire practical skills that will support them throughout their lives. Our industry-academia collaboration projects, actively pursued with the cooperation of companies and local governments, are also integral to this practical education.

## Benefits of Being Part of the KADOKAWA Group and Contributing to Human Resources Circulation

The KADOKAWA Group, which operates in the creative field, offers numerous advantages for developing human resources. A prime example is the special lectures hosted by active creators such as authors and animation directors. Furthermore, through partnerships with the *N High School Group* and *ZEN University*, graduates can obtain a high school diploma\*1 or a university degree\*2 upon completing the school's programs, which is a significant benefit.



Graduates from our schools have secured employment across a wide range of companies within the KADOKAWA Group, including game development companies like FromSoftware, Inc. and Spike Chunsoft Co., Ltd., animation production companies like ENGI Co.Ltd., and IT-related companies like DWANGO Co., Ltd. We aim to further enhance synergies by increasing the circulation of human resources back into the Group. We also hope this lineage of success stories will serve as a positive goal for future members (students).

\*1 High school diplomas acquired through collaboration with the *S High School*, a correspondence high school operated by Kadokawa Dwango Educational Institute

\*2 University degrees acquired through collaboration with a partner correspondence university

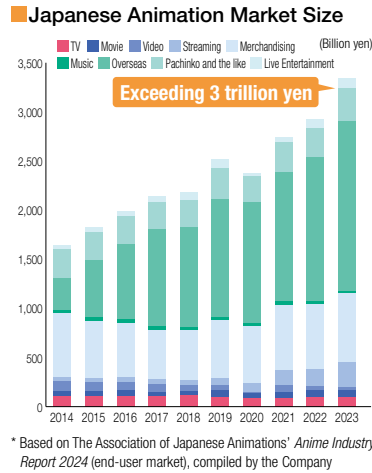
## Feature 2: Our Animation Business, Serving as the Core of our Global Media Mix Strategy

The KADOKAWA Group’s Animation Business continues to grow strongly on a global scale. Here we will introduce our global media mix strategy aimed at maximizing the value of animation IP to support the growth of our Animation Business, along with our efforts to strengthen animation production and our creator personnel.

### Marketing Data Trends of Long-term Growth Continue in the Japanese Animation Market

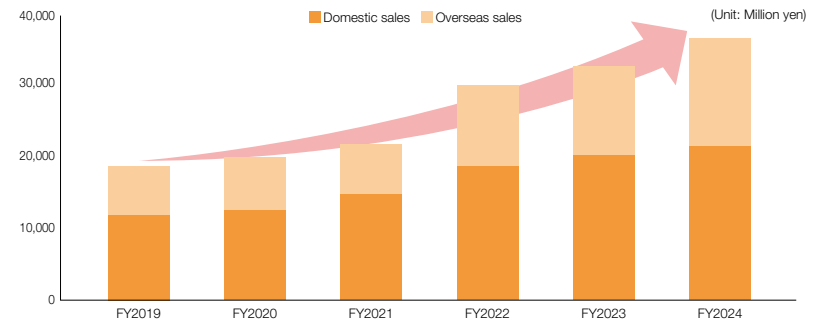
The Japanese animation market continues its long-term growth trend, with a compound annual growth rate (CAGR) of 8.3% from 2014 to 2023. The market size more than doubled, greatly exceeding 3 trillion yen to reach a record high. Market expansion overseas has been particularly remarkable, accelerating rapidly since the mid-2010s, driven by the proliferation of subscription-based streaming services. By 2023, the overseas market had overtaken the domestic market.

According to Grand View Research’s independent analysis data, the Japanese animation market is projected to grow at a CAGR of 3.9% from 2024 to 2030.



### KADOKAWA's Animation Business has Doubled its Sales in Five Years: Achieving a High Growth Rate

Driven by a global surge in the popularity of animation and the expansion of the digital streaming market, KADOKAWA CORPORATION's Animation Business continues its robust growth through lineup diversification, increased title offerings, and enhanced production capabilities. As the core of our global media mix that maximizes IP's LTV (lifetime value), we are aiming for sustained growth.

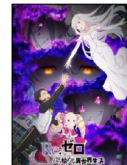


### Strength 1: Possession of a Wealth of Original IP for Animation Production

More than 6,000 IPs are created annually through our Publication Business, serving as a rich source for our media mix and contributing to the planning and production of approximately 60 animation titles each year, including minor investments. With both the original work's editor and animation producer on staff, we can meticulously and swiftly execute everything from identifying promising original works to planning its animated adaptation, along with coordinated projects and promotions.

Over 6,000 IPs created annually

Approximately 60 animation works each year  
\*Including minor investments



Re:ZERO -Starting Life in Another World- Season 3



OVERLORD: The Sacred Kingdom



The Summer Hikaru Died

### Strength 2: An Ability to Procure Popular IP from Other Companies, Leading to a Diverse Lineup

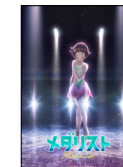
We promote a diverse lineup of animated adaptation projects, including not only our own original works but also those from other companies, and have developed numerous titles that appeal to a wide range of age groups both domestically and internationally. Our extensive production track record, the presence of studios within the Group capable of realizing high quality production, and our expertise in global media mix—including merchandise—have been recognized, leading to successful animated adaptations based on other companies' original works.



[OSHI NO KO] Season 3 (original manga by Shueisha Inc.)



TRILLION GAME (original manga by SHOGAKUKAN Inc.)



Medalist Season 2 (original manga by KODANSHA LTD.)

#### Variety of Animation IP Genres

Daily Life	Romantic Comedy	Isekai ("different world")
School Life	Fantasy	Battle/Action
Sports	Original	Light Novel Adaptation
YouTube-oriented	Merchandising-oriented	etc.

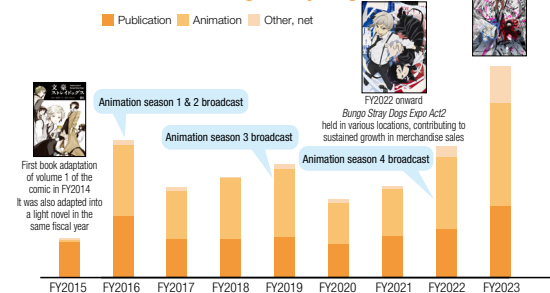
### Strength 3: Profitability Through Global Media Mix Expansion Originating from Animated Adaptations

Within the KADOKAWA Group's basic strategy of maximizing IP's LTV through media mix, animation serves as a catalyst for significantly expanding the profitability scale of IP. Animation hits drive increased demand for original books and merchandise, playing a crucial role in expanding long-term profits.

Moving forward, we will leverage our strength as an IP creator to maximize IP value by promoting a comprehensive, global media mix encompassing streaming, theatrical releases, games, events, merchandise, and more.

Additionally, we will strengthen promotional and marketing efforts, including participation in overseas events such as the *Anime Expo*, to increase the exposure of KADOKAWA animations, and strive to enhance the overseas recognition of our IP and expand future monetization opportunities.

Trends in Net Sales of Bungo Stray Dogs IP



### Strength 4: Establishment of High-Quality and Stable Production Frameworks

To ensure production quality and improve productivity, we are continuously expanding our production frameworks through establishing new animation studios, M&A activities, and alliances, aiming for 20 in-house titles by FY2027. The number of animation production studios within the Group has now increased to seven. Each studio possesses its own strengths and comprehensive expertise and technical capabilities across the production workflow.

Furthermore, in April 2025, we established the Studio Business Division to oversee all Group studios, including the Film Business. This Division will centralize management functions across studios, introduce a common production management system and IT tools, and build recruitment and training frameworks to enhance efficiency and create an environment where creators can focus on their work.

#### Ongoing Production Studio Enhancement



- Business Reform**
  - Streamlining operations through a common production management system
  - Support for utilizing cutting-edge technologies such as AI
- Human Resource Development**
  - Establish a framework for passing down technical skills
  - Talent circulation through collaboration with the Education Business
- Improvement of Working Conditions**
  - Personnel management
  - Enhanced employee benefits

#### KADOKAWA's Original Works Produced by the Group's Animation Studios



Left: *Alya Sometimes Hides Her Feelings in Russian*  
Right: *The Rising of the Shield Hero Season 4*

### Strength 5: Developing and Circulating Creators Through Group Collaboration

The KADOKAWA Group's Education Business has produced numerous specialized creator personnel poised to thrive in the entertainment industry. We will continue focusing on human resource development to address industry-wide staffing shortages and contribute to the sector's overall growth. Looking ahead, we aim to increase the number of personnel active within the Group and establish a comprehensive talent ecosystem.

In 2025, we conducted our first joint recruitment among Group animation studios. We have also begun improving training systems and working environments. In the medium- to long-term, we will work to improve the working conditions for animators across the entire industry, aiming to become the most employee-friendly production studio Group in Japan.

**Highly Specialized Creative Education**

VANTAN SPARK YOUR PASSION.

KADOKAWA アニメ・声優アカデミー POWERED BY VANTAN

N高等学校・S高等学校・R高等学校

ZEN大学



KADOKAWA

dwango

## Interview with Chief Officers: The Root of KADOKAWA's Strength Lies in the Power of Diverse IP



**Daijo Kudo**

Chief Anime Officer  
Head, Global Licensing  
KADOKAWA CORPORATION Chief Officer

**Takeshi Kikuchi**

Chief Studio Officer  
Head, Studio Business  
KADOKAWA CORPORATION Chief Officer

To further enhance the profitability and productivity of our Animation Business, one of KADOKAWA Group's growth areas, the Global Licensing Division, responsible for license management, was newly established in 2023, and the Studio Business Division, overseeing production studios, was newly established in 2025. The Chief Officers overseeing both divisions discuss the history of our Animation Business, current challenges, and future prospects.

### Alongside the Globally Expanding Market, KADOKAWA's Animation Business is also Experiencing Rapid Growth

**Kikuchi:** Alongside the recent expansion of the animation market, the KADOKAWA Group's Animation Business has achieved rapid growth. When I joined the Company in 2004, the Anime Comic Department was a small team of about five people. Today, including related departments, approximately 1,000 people are involved in animation production—it feels like we are in a completely different age. One of the epoch-making works is the 2006 smash hit *The Melancholy of Haruhi Suzumiya*. With KADOKAWA CORPORATION's decision to air it on independent broadcasters

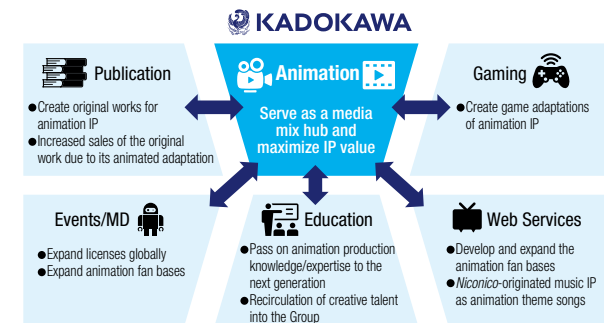
like Chiba Television Broadcasting Corporation for the first time, the animation achieved unprecedented popularity and became an industry-leading production. Alongside the following year's *Lucky☆Star*, I believe *The Melancholy of Haruhi Suzumiya* stands as a landmark work that also served as a catalyst for the rise of Kyoto Animation Co.,Ltd.

**Kudo:** The next turning point was 2013, when nine consolidated subsidiaries were absorbed through mergers. Following the merger, the addition of Media Factory, Inc. doubled our workforce to approximately 100 employees (refer to P7, History of the KADOKAWA Group). After the merger, the new KADOKAWA faced a choice in advancing its Animation Business: either limit quality

and genres and narrow down productions, or challenge itself with a diverse range of works to grow alongside the studios creating the animations. Ultimately, we chose the latter path, which, fortunately, led to a virtuous cycle where the animation studios thrived and young talent gained rich experience. Of course, we also pay close attention to the quality of the works.

**Kikuchi:** One of KADOKAWA CORPORATION's defining characteristics is its broad strategy—focusing not solely on chart-topping mega-hits, but on accumulating smaller breakthrough hits to ensure both diversity and volume in its output. When it comes to studio production capacity, I place importance not only on the number of titles produced but also on the total number of episodes. In today's environment, where streaming platforms have become widespread across the globe, users interested in a title can easily catch up on past episodes or follow new ones. Therefore, the total volume of episodes we can produce directly impacts profits.

**Kudo:** This is also connected to maximizing IP's LTV. Creating an environment where users can enjoy animation no matter their age has become increasingly important.



### Media Mix in Overseas Markets Holds Significant Growth Potential for the Licensing and MD Business

**Kudo:** Our animated adaptations from in-house IP continue to be primarily based on light novels and comics. For the isekai genre, which has become a major category, we differentiate our offerings

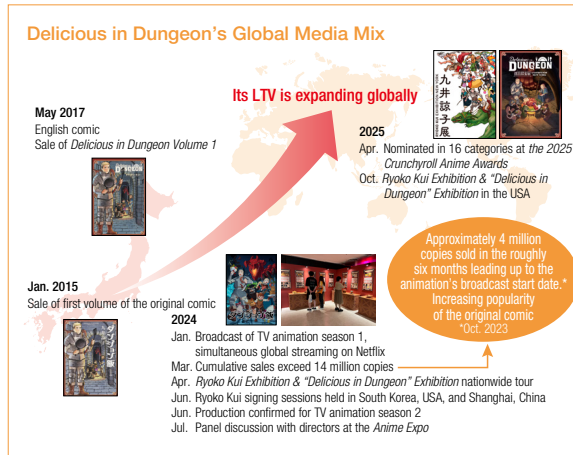




by adding twists to settings, as competition from other companies is fierce. Within the genre, we consciously maintain a balanced lineup that embraces diversity, including villainess stories popular with female readers, BL (Boys' Love) titles well-received in Asian markets, and battle/action series for young boys. Furthermore, to suppress volatility, our basic strategy is to ensure sequels to popular series appear seamlessly each fiscal year. Since establishing the Global Licensing Division, we have been exploring various licensing growth strategies. For instance, centered around our overseas offices, we are conducting trials like simultaneously running merchandise from the original book and the animated adaptation of *Alya Sometimes Hides Her Feelings in Russian* to accumulate diverse marketing data.

**Kikuchi:** Even if people overseas may not react much when we mention "KADOKAWA" as the company name, if we mention hits like *Re:ZERO -Starting Life in Another World-* and *Delicious in Dungeon*, they instantly get it. Our works serve as the Company's calling card. Ultimately, the power of IP is the essence of our strength. Furthermore, in the global market, IP-holders must leverage their strengths through proactive marketing, such as meticulously localized approaches tailored to each country and region.

**Kudo:** Currently, overseas sales are heavily reliant on the sale of broadcasting rights. Therefore, we have high expectations for our Licensing Business, which we will advance alongside expanding into new regions and our MD Business, which involves merchandise and other products developed in-house, as areas with significant growth potential. Due to the hits of *IOSHI NO KOJ* and *Delicious in Dungeon*, requests for merchandising from overseas are rapidly increasing. Consequently, we are also focusing on acquiring global talent capable of negotiating with international partners. Furthermore, for the immensely popular picture book series,



*PANDOROBO*, which has also been greenlit for an animated adaptation, we have established a dedicated Pandorobo Licensing Department. The department is driving a global media mix strategy encompassing merchandise and other media. The ability to execute strategic, simultaneous multi-media launches and cross-media projects is a major strength unique to IP-holders. We will accelerate efforts to apply the expertise gained from successful domestic cases globally.

### Further Strengthening Investment in Production Through Improvements to the Group's Production Framework Efficiency Led by the Studio Business Division

**Kudo:** The number of new animation titles broadcast and streamed each quarter has increased from around 40 to 50 to approximately 70 today. While the animation industry's prosperity is certainly welcome, the influx of new players amid global competition has driven up production costs, including changes in labor rates and working conditions. This makes securing profits through exit strategies and improving productivity more critical than ever, presenting the industry's current challenge.

**Kikuchi:** The changing business environment accompanying market expansion is also evident in the trends among young people aspiring to join the industry. Departments like Licensing and Promotion are now popular among students who say, "I cannot draw, but I want to be involved in animation," marking a shift from the past when many aspired to be production producers. Meanwhile, the longstanding issue of animator shortages remains unresolved. To prevent the decline of the core of animation's artistry and to foster an environment where creators are more respected, we established the Studio Business Division. We aim to place greater focus on the creators, including producers.



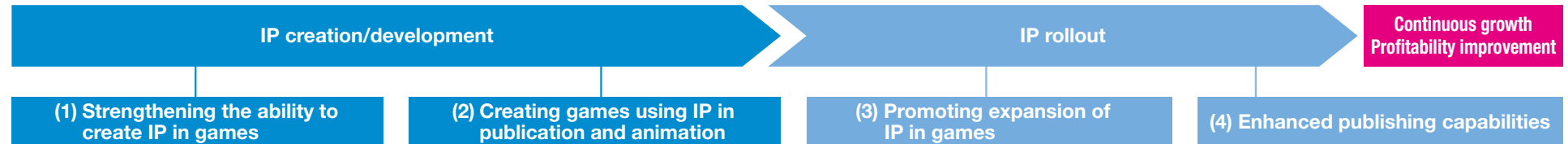
**Kudo:** Strengthening both our Licensing Business and production frameworks is essential for the growth of the KADOKAWA Group's Animation Business.

**Kikuchi:** Our Group now comprises seven studios, significantly expanding our capabilities. While leveraging each studio's specialized strengths to enhance production capabilities, we are also streamlining management and back-office functions across all companies. These functions are being consolidated under the Studio Business Division to improve overall productivity. The second phase of strengthening our production frameworks involve redirecting savings from optimized management costs into increased investment in production. Above all, human resources are paramount. We aim to contribute to cultivating creator personnel by strengthening collaboration with the Group's Education Business, such as vocational schools. Particularly in animation production, personnel capable of managing people, money, time, and production schedules are critically important, as these elements directly impact profitability. For the future of the KADOKAWA Group and the industry as a whole, we are committed to focusing our efforts on developing outstanding project management personnel.

## Feature 3: Our Gaming Business Poised for Further Growth and Increased Profitability

The global gaming market continues to experience remarkable growth. Within the KADOKAWA Group, our Gaming Business is positioned as one of our growth areas. We are aiming for sustained growth and improved profitability by strengthening our ability to create gaming IP and expanding its reach.

### Overall Strategy for the KADOKAWA Group Gaming Business



The KADOKAWA Group Gaming Business is pursuing sustained growth and improved profitability by advancing the following four strategies in IP creation/development and IP rollout.

(1) Strengthening the ability to create IP in games:

Improving the quality and quantity of IP in new games/Each Group company demonstrating their originality/Strengthen production system by hiring and training personnel, etc.

(2) Creating games using IP in publication and animation: Full-scale entry into the mobile games business/Proactive investment by KADOKAWA/Promoting planning and supervision through cross-segment

(3) Promoting expansion of IP in games: Expanding additional contents in games/Expanding the media mix into comic and animation, etc./Extending the life of IPs

(4) Enhanced publishing capabilities: Developing new publishing schemes in Japan and globally

### Group Companies Supporting the Game Development Pipeline

The KADOKAWA Group is working to expand its development pipeline across the entire Group to enable the continuous creation of new gaming IP. Leveraging the strong brand power of each Group company, we are actively strengthening our talent pool and development lines and enhancing our development frameworks to constantly release new titles. At the same time, we are promoting investments and business partnerships with leading game companies both in Japan and overseas while accelerating the adaptation of our publication and animation IP into games.

Console/PC

Mobile

**FROM SOFTWARE**  **SPIKE CHUNSOFT**

 **KADOKAWA**

 **Gotcha Gotcha Games**

 **ACQUIRE**

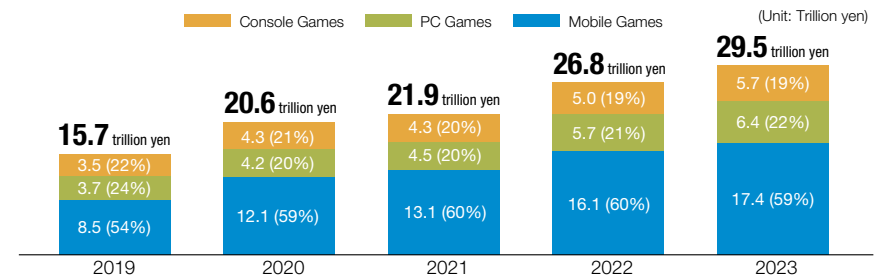
 **VIC GAME STUDIOS**

(Minority stake)

### Marketing Data Continual Growth in the Global Gaming Market

The global gaming content market, which exceeded 20 trillion yen in 2020, has continued its upward trajectory since then, with market expansion persisting. Recent data from 2023 estimates the market will reach approximately 30 trillion yen, roughly doubling its size over four years, with continued growth expected going forward.

#### Gaming Content Market Size Trends (Global)



Source: Processed by the Company based on the COMPUTER ENTERTAINMENT SUPPLIER'S ASSOCIATION (CESA)'s CESA Video Game Industry Report, 2024 [https://www.cesa.or.jp/assets/images/information/release\\_game\\_industry\\_report2024.pdf](https://www.cesa.or.jp/assets/images/information/release_game_industry_report2024.pdf) (in Japanese only)



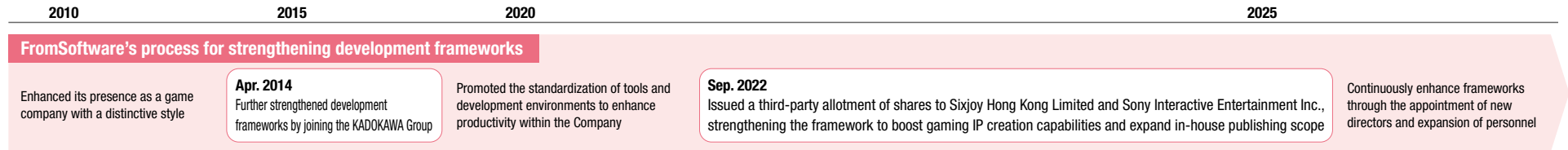
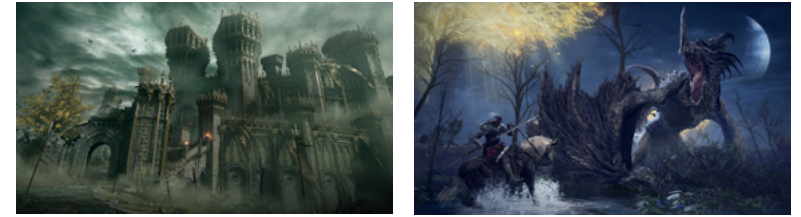
## (1) Strengthening the Ability to Create IP in Games: KADOKAWA Group's game development companies part 1

Here we will introduce our initiatives to develop compelling gaming IP across various genres, which serve as the starting point for our growth strategy in the Gaming Business. FromSoftware, Inc., which joined the Group in 2014, has consistently produced globally successful titles such as the challenging action role-playing game (RPG) series *DARK SOULS*, renowned for its original game design and exceptional technical prowess.

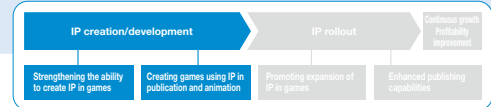
### Gaming IP Creation Capabilities of FromSoftware, Producers of Global Hits

FromSoftware, Inc. has garnered a dedicated global fan base through challenging action RPGs like *DARK SOULS*. The action RPG *ELDEN RING*, released in February 2022, leveraged the technology and expertise that FromSoftware, Inc. had accumulated through its previous titles, resulting in a game that delivers an exceptionally immersive gameplay experience. The game became a record-breaking hit, surpassing 12 million units shipped worldwide in less than a month after its release. It achieved global acclaim, winning Game of the Year at all four of the world's major game awards. By March 2025, it exceeded 30 million units shipped worldwide, continuing to expand its global fan base.

Under the corporate philosophy of "We want to convey emotion. We want to create value. We want to delight.," FromSoftware, Inc. develops games that are truly enjoyable for those who play them. FromSoftware, Inc. is further strengthening its development capabilities to enhance future game production, including optimizing its original game engine for its own production, the appointment of new directors to lead multiple titles, and the expansion of its personnel.



\*Publisher: Sony Interactive Entertainment Inc.



## (1) Strengthening the Ability to Create IP in Games: KADOKAWA Group's game development companies part 2

The KADOKAWA Group is developing games through multiple companies. Spike Chunsoft Co., Ltd., ACQUIRE Corp., and Gotcha Gotcha Games Inc. each create game titles leveraging their respective areas of expertise, supporting the Group's gaming IP creation capabilities.

### Spike Chunsoft, Delivering Fun Worldwide

Spike Chunsoft Co., Ltd. engages in diverse game development, including its own original titles, the localization of overseas games, and games commissioned by major publishers.

#### ■ Develop and sell original, creative games that fans will cherish for years to come

##### ● Dungeon RPG series *Shiren the Wanderer* (since Dec. 1995)

The latest installment in the series, *Shiren the Wanderer 6: The Mystery Dungeon of Serpentcoil Island*, surpassed cumulative domestic shipments of 200,000 units within approximately two weeks of its January 2024 release (Feb. 2024).

##### ● High-speed detective action series *Danganronpa* (since Nov. 2010) \*details on P37

#### ■ Proven track record in localizing and distributing international titles in Japan

##### ● Action RPG series, *The Witcher*, open world RPG, *Cyberpunk 2077* (both developed by CD PROJEKT RED)

#### ■ Leveraging planning and development expertise gained from our own titles to undertake contract development for other companies' games

##### ● *DRAGON BALL: Sparking! ZERO* (Oct. 2024)

Developed by Spike Chunsoft Co., Ltd. and published by Bandai Namco Entertainment Inc. Became the fastest title in the *DRAGON BALL* console game series to sell over 5 million units worldwide.



*Shiren the Wanderer 6: The Mystery Dungeon of Serpentcoil Island*



*Mario & Luigi: Brothership*

### ACQUIRE, Creating Original Games that Break Free from Conventional Thinking

ACQUIRE Corp. strives to create exciting and innovative games, developing a wide range of titles across various genres, including highly free-form action games such as *Tenchu*, *Way of the Samurai* and *AKIBA'S TRIP*, as well as large-scale RPGs.

### Gotcha Gotcha Games, Involved in the RPG Maker Series

Gotcha Gotcha Games Inc. has been offering the *RPG Maker* series—construction tools that let users create games without any programming knowledge—for over 30 years.



*RPG MAKER WITH*

## (2) Creating Games Using IP in Publication and Animation

We select IP with high compatibility for game storytelling from a diverse range of IP originating in publications and animations and develop games to maximize the IP's LTV (lifetime value). Here we will introduce our strategy for promoting game development, which begins with publication and animation IP.

### Strengthening Global Game Development Beginning with Publication and Animation IP

#### Leveraging the strengths of the KADOKAWA Group in adapting publication and animation IP into games

KADOKAWA plans and develops its extensive portfolio of IP into globally appealing games, aiming to maximize IP value and expand its development pipeline. We are equipped with talented personnel and a system that enables seamless in-house collaboration across the entire process—original IP creation to animated adaptation to game development—allowing for smooth teamwork and efficient project execution. Additionally, our strengths include multifaceted promotional activities such as information dissemination through Group media outlets and participation in events like *Niconico Chokaigi*, enhancing visibility and engagement.



**Mie Kumagai**  
Head, Gaming Business  
KADOKAWA CORPORATION

#### Developing strong game studios

In May 2024, we signed an agreement for a capital and business alliance with VIC GAME STUDIOS, a South Korean game company. Looking ahead to further global expansion, we will continue to identify and collaborate with studios worldwide, carefully considering factors such as (1) their technical capabilities and (2) compatibility with their specialized game genres. Through these efforts, we aim to accelerate and strengthen our game development.

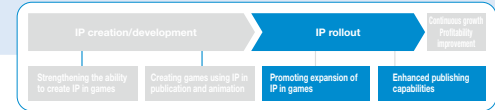
#### Objectives and benefits of strengthening in-house publishing

At KADOKAWA, we not only develop games based on our own IP but also handle publishing these games in-house whenever possible. Compared to licensing out, this approach is expected to maximize revenue. Additionally, having the IP owner directly involved in game development enables us to create games that faithfully reflect the IP's world and characteristics, providing fans with a sense of trust and reassurance, an important advantage.

Moving forward, we aim to release 2 to 3 in-house published titles annually and maintain this steady output every year. Since overseas publishing requires significant resources such as local offices and personnel, we are currently focusing on accumulating knowledge and expertise to take the next steps in global expansion.



Left: *The Eminence in Shadow: Master of Garden*, a successful collaboration with the animated adaptation  
Right: *[OSHI NO KO] Match Star*, scheduled for future release



### (3) Promoting Expansion of IP in Games: Driving gaming IP growth through media mix strategies and long-term development

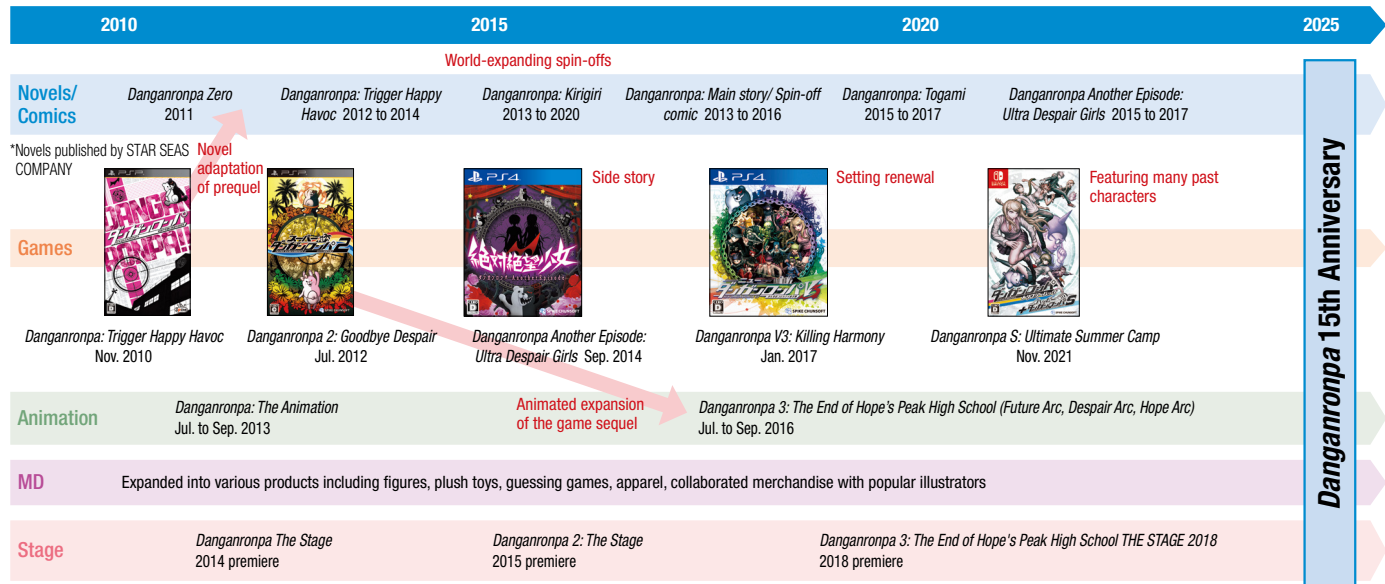
With our media mix, we expand popular works across various media to extend the life of IP value (maximizing LTV). Here we will introduce examples of game-originated IP, including *Danganronpa*—which has captivated fans for 15 years with its distinctive style—and examples of works from FromSoftware Inc.

#### Maximizing LTV of Spike Chunsoft’s Danganronpa

This death game is set at a high school and is experienced through students who possess superior talents. Its scenario, filled with poignant episodes under extreme conditions and twists that defy expectations, along with its distinctive characters, left a strong impression on fans. The IP also achieved longevity through media mix initiatives, such as expanding the game’s sequel story into animation. It also enjoys significant popularity overseas, with worldwide cumulative shipments of the series exceeding 8.5 million units (as of July 2025). A project for the 10th anniversary of the series was held in 2020. For its 15th anniversary in 2025, we have been implementing various commemorative projects, including the launch of a large one-off real-world event that fans can participate in.



anniversary in 2025, we have been implementing various commemorative projects, including the launch of a large one-off real-world event that fans can participate in.



#### Media Mix with Works from FromSoftware

##### Novels/Comics

- Simultaneous streaming of *ELDEN RING The Road to the Erdtree* in 11 countries
- Diverse expansion that presents profound content and heartwarming themes



ELDEN RING The Road to the Erdtree



ELDEN RING Become Lord



ELDEN RING Distant Tales Between



Shigoto ga owareba, ano syukuhuku de

##### MD

- Expanded into various types of merchandise



##### Animation/Film

- Animated adaptation of *SEKIRO:SHADOWS DIE TWICE* in production
- Film adaptation of *ELDEN RING* confirmed

### (4) Enhanced Publishing Capabilities: Developing new publishing schemes in Japan and globally

#### Expanding the Scope of In-house Publishing by FromSoftware

FromSoftware, Inc. has historically maximized profits by dividing sales responsibilities with partner companies according to each title and its regional market. Moving forward, we will advance preparations to expand its in-house publishing scope while taking into account the shifting market environment globally—transitioning from a focus on selling physical products to digitized products—aiming to further enhance profitability.

#### Strengthening In-house Game Publishing of IP Developed in Publication and Animation

We will also strengthen our in-house publishing on a global scale while expanding our portfolio in the medium term.

## Feature 4: Roundtable Discussion Between Independent Board Members

### Further Accelerating and Sustaining the Evolution of Governance within the KADOKAWA Group

It has been two years since we transitioned to a company with a Nominating Committee, etc. after the General Meeting of Shareholders held in June 2023.

The Chairpersons of the Nominating Committee, Remuneration Committee, and Audit Committee (including both the outgoing and incoming Chairperson of the Audit Committee) gathered together to engage in a frank discussion covering the past, present, and future of corporate governance reform. This included reflecting on the journey since changes were made to institutional design, recognizing the current situation and challenges, and supporting the future growth of the KADOKAWA Group.



#### Koichi Kusano

Member of the Board, Independent  
Chairperson of the Audit Committee (New election)

Mr. Koichi Kusano has achieved remarkable success as a lawyer over many years, particularly in the fields of mergers and acquisitions and corporate law, and he also served as a justice of the Supreme Court, demonstrating a high level of expertise. He possesses extensive experience and deep insight not only in legal affairs and governance but also in international matters and across diverse industries. He became an Independent Board Member at KADOKAWA CORPORATION in June 2025. He has served as Chairperson of the Audit Committee since then.

#### Hiroo Unoura

Member of the Board, Independent (Chairperson of the Board)  
Chairperson of the Nominating Committee

Mr. Hiroo Unoura has abundant expertise and experience as a top management executive working on strengthening competitiveness and profitability of the domestic business as well as expanding the global business at NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present NTT, Inc.). He became an Independent Board Member at KADOKAWA CORPORATION in June 2021. He was appointed as Chairperson of the Board and Chairperson of the Nominating Committee in June 2023.

#### Ruth Marie Jarman

Member of the Board, Independent  
Chairperson of the Remuneration Committee

Ms. Ruth Marie Jarman has, as CEO of Jarman International KK, abundant experience and extensive knowledge in global expansion, inbound businesses, and support for women's activities. She became an Independent Board Member at KADOKAWA CORPORATION in June 2020. She was appointed as Chairperson of the Remuneration Committee and a member of the Nominating Committee in June 2023.

#### Tadaaki Sugiyama

Member of the Board, Independent  
Member of the Audit Committee (Previous Chairperson of the Audit Committee)

Mr. Tadaaki Sugiyama has broad experience and extensive knowledge in the areas of legal affairs and compliance, having served for many years as the head of Legal and Compliance at Kao Corporation and as the Chairman of the Association of Corporate Legal Departments, a corporate legal organization. He became an Independent Board Member at KADOKAWA CORPORATION in June 2023. He has served as a member of the Audit Committee (Chairperson of the Audit Committee until June 2025) and a member of the Nominating Committee since then.

### Improved Management Transparency and Speed Two years Since Institutional Design Reform

— Two years have passed since the transition from a company with an Audit & Supervisory Committee to a company with a Nominating Committee, etc. Could you take a moment to review our progress to date, including

our efforts to strengthen governance?

**Unoura:** The KADOKAWA Group's efforts to strengthen corporate governance are ongoing, but we believe we have achieved progress in certain areas. First, we have enhanced management transparency, which has been one of our top priorities since my appointment. Second, in realizing the fundamental principle of a company with

a Nominating Committee, etc., which is the separation of "Management Oversight and Execution of Operations," we have established an environment enabling the executive side to make swift decisions.

We are steadily advancing towards greater precision in the new framework, which was initiated alongside changes to institutional design. In FY2023, the first year following

the changes, we created numerous opportunities for newly appointed Independent Board Members to gain a deeper understanding of KADOKAWA Group's businesses. In FY2024, the second year, the addition of Internal Board Member Mr. Yamashita to the Nominating Committee and Mr. Murakawa to the Remuneration Committee has made it easier to make grounded decisions that are more closely aligned with the Company's actual situation.

**Jarman:** The progress made over these past two years is as Mr. Unoura outlined. Beyond the wealth of ideas emerging from Board Members with diverse backgrounds, having Mr. Unoura, an Independent Board Member, serve as Chairperson of the Board is also proof of our governance transformation. An environment conducive to lively discussion has been established, and open, fair management is becoming firmly rooted. Blessed with outstanding Board Members, both independent and internal, we are now in the midst of a Golden Age. In ten years, we may look back and say, "That period was the watershed moment for strengthening KADOKAWA's corporate governance."

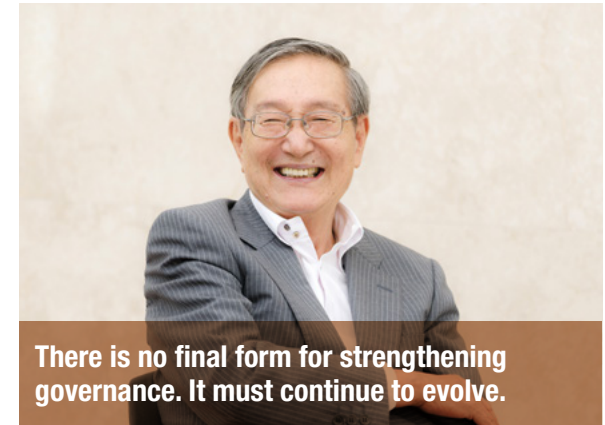
**Sugiyama:** Two years ago, our Company adopted the company with a Nominating Committee, etc. structure. Within this structure we operated while constantly questioning how the Audit Committee should function. Given the nature of auditing, there is a tendency to focus on post-event scrutiny after an issue arises. However, as Chairperson of the Audit Committee over the past two years, I have consciously prioritized proactive measures to ensure this does not hinder KADOKAWA's strength, which is management and execution with a sense of speed. Specifically, I have focused on whether effective and appropriate systems are in place. This is precisely what constitutes "internal controls." In the first half of

FY2024, cyberattacks caused system faults that impacted our business activities. Even before this, we had been confirming the readiness of risk and crisis response measures through discussions with operational leaders, responsible officers, and representative Chief Officers across departments and key subsidiaries. This period tested how our risk and crisis management actually functioned.

It is said that "water stagnates and becomes murky if it is not stirred." In the same way, there is a risk of organizations becoming rigid and deteriorating over time if they remain unchanged. Regarding the Chief Financial Officer position, which had been vacant at KADOKAWA, we listened to arguments both for and against its necessity. After over six months of thorough deliberation, we decided to introduce the role. Regarding the Members of the Board and the three Committees, while giving due consideration to continuity, I believe it is beneficial that there is constant renewal of members.

**Unoura:** To effectively utilize the framework of a company with a Nominating Committee, etc., it is essential to strengthen each Committee. To that end, we will enhance collaboration between the Committees and the executive side, promoting information sharing that leads to swift and precise management decisions.

Over the past two years, we have been fortunate to have diverse human resources, enabling us to establish a solid foundation for the next generation. As Mr. Sugiyama mentioned earlier regarding organizational renewal, we too will inevitably reach a time to pass the baton. To ensure our accumulated achievements are not reset, we must strengthen governance not as a personal responsibility, but as a sustainable system that endures.



**There is no final form for strengthening governance. It must continue to evolve.**

### **Maximizing the KADOKAWA Group's Strengths by Properly Utilizing both the Accelerator and Brakes**

—How do you view the current business operations of the KADOKAWA Group and how do you hope to support business operations as an Independent Board Member?

**Sugiyama:** The KADOKAWA Group's competitive advantage lies in its core global media mix strategy, which involves developing a single IP across diverse genres such as novels, comics, animation, games, and merchandise. This is why CEO Natsuno advocates for us to be an IP creation company and continues to set ambitious targets for the number of IPs. This is an excellent business model. Rather than confining hits to a single internal department, sharing them across segments and Group Companies maximizes the business value of IP and drives growth in long tail sales and profits.

**Unoura:** That's exactly right. KADOKAWA's strength lies in its media mix approach, where a single IP is transformed and expanded repeatedly across diverse media platforms.

**Jarman:** Media mix and maximizing IP's LTV are highly distinctive strategies. In a recent case, the spin-off title *ELDEN RING NIGHTREIGN* from the global hit game *ELDEN RING* was released and is performing strongly (released May 30, 2025. Cumulative global shipments exceeded 5 million units as of July), and beyond the game itself, the expansion of content genres into comics, merchandise, and film adaptations is creating a new generation of fans.

The governance of a creative company like the KADOKAWA Group is highly rewarding.

**Kusano:** Upon hearing that KADOKAWA's five-year retention rate for new graduates exceeds 90%, I was truly impressed. It seems the creativity and deep passion for artistry within each employee translates into loyalty toward KADOKAWA, a company primarily engaged in creative ventures.

As I assume the role of Independent Board Member at KADOKAWA, there is something I am mindful of. In my experience working with various companies, I have seen cases where excessive influence from Independent Board Members actually stifled growth. I believe the role of an



Independent Board Member should not be to apply the brakes indiscriminately, but rather to encourage the internal team in the driver's seat to use the accelerator correctly. It is crucial to support everyone at the KADOKAWA Group so they can confidently take the wheel and move the Company towards becoming the world's leading media company.

**Unoura:** As Mr. Kusano outlined, proper use of the accelerator and brakes is important. We must ensure diversity among Members of the Board to prevent the Board's thinking and decision-making from becoming uniform. When appointing Independent Board Members, a skills matrix is created, but I believe there is absolutely no need to be bound by the regular content of this kind of tool. Rather, should we not develop a skills matrix optimized for KADOKAWA to ensure we can assemble a diverse group of outstanding individuals? I also intend to make this a topic for discussion within the Nominating Committee going forward.

### The Next Step is to Breathe Life into the KADOKAWA Group's Materiality

— Do you mind sharing your thoughts and impressions on the newly formulated KADOKAWA Group's materiality (P12-13)?

**Unoura:** The establishment of the KADOKAWA Group's materiality is one step forward.

**Sugiyama:** What matters most is that the employees who will lead the KADOKAWA Group into the next generation embrace this materiality as their own and apply it as their personal code of conduct. From my own experience, when we established our WAY as a guiding principle for fostering shared values across the entire Company, cascading it down to each department's WAY enabled every employee



to internalize our WAY as their own.

**Jarman:** The third materiality we have identified, which relates to the KADOKAWA Group's Education/EdTech Business, encompasses operations like vocational schools, which I believe hold significant social value. It should become a viable alternative that Japan's existing education system cannot fully cover.

I believe Independent Board Members should view themselves as cheerleaders promoting KADOKAWA's corporate value. I strongly feel that our efforts addressing social issues overlapping with business challenges should be better known to investors and other external stakeholders. I hope to play a role in making this widely known.



## Building Systems to Further Enhance the Appeal of KADOKAWA as a Company

—What kind of challenges and objectives do you envision for further advancing corporate governance within the KADOKAWA Group and for the Company's growth?

**Kusano:** If the three Committees of a company with a Nominating Committee, etc. confine their activities solely to their specific duties, there is a risk that the more diverse responsibilities they should fulfill as Independent Board Members may be neglected. It is also important for each Committee to work in cooperation with other Committees and in communication with all Members of the Board, while acting in unison with Chief Officers, to engage in activities beyond their specific duties.

**Unoura:** As Mr. Kusano pointed out, it is crucial to devise ways to organically link the roles of each Committee. The Nominating Committee should support the Company's growth strategy while also meticulously advancing the succession plan. The Remuneration Committee should conduct a detailed evaluation of personnel performance. The Audit Committee should monitor the Company's growth while keeping a watchful eye on the risks that accompany it. By sharing the insights and information each Committee possesses in this manner, we should be able to build an environment conducive to more effective management decisions. For example, having Mr. Sugiyama, the Chairperson of the Audit Committee (until June 2025), also serving on the Nominating Committee is based on this very principle. I believe there are various possibilities for initiatives to further elevate the level of the Committees, and this will also contribute to the evolution of KADOKAWA Group's governance.



**Kusano:** That's right. As Chairperson of the Audit Committee, I greatly look forward to the opportunity to interview key personnel from each department. Beyond identifying risks and challenges, I want to confirm whether healthy internal competition is functioning as an engine to enhance corporate value. I also intend to consider whether an environment exists where employees can push each other to grow, and what kind of governance we should aim for to create stronger incentives.

**Unoura:** One role of the Nominating Committee is to demonstrate personnel practices that foster healthy competition among employees and leverage the diverse personalities and characteristics of our human resources. Promoting individuals based on fair assessments of their capabilities energizes the Company. Therefore, it should be acceptable for young employees to occasionally become project leaders or Corporate Officers. Of course, the Nominating Committee does not get involved in the minute details of personnel decisions, but it can guide the Company toward fostering such a corporate culture. Some

degree of mismatch when assigning personnel is inevitable. What matters is having mechanisms in place to consistently cover for this, such as a "Free-agent" transfer system, and continuously updating them to suit the times. Creating opportunities for young employees to feel convinced that this is the path they chose is a crucial aspect of human resources systems.

**Jarman:** As the Remuneration Committee, our first priority is to focus on retaining exceptional personnel. At the same time, we also want to continue to dedicate our efforts to developing compensation structures and systems that make KADOKAWA an attractive company for capable individuals both inside and outside the company.

**Unoura:** There is no doubt that the KADOKAWA Group's corporate governance is continuing to evolve in a positive direction. However, when it comes to strengthening governance, there are no goals nor final forms. It all comes down to adapting and evolving in response to the times and circumstances. Our role is to work with the executive side to chart a course, ensuring the next generation can have faith in the potential of KADOKAWA and take on challenges. To that end, I intend to actively increase communication with the front lines to offer continuous motivation.

—Thank you for sharing your thoughts during this valuable discussion.

### Moderator Hideki Kawai

Head,  
Internal Control  
Audit Committee Office

\* Discussion date  
July 30, 2025  
KADOKAWA CORPORATION  
Headquarter

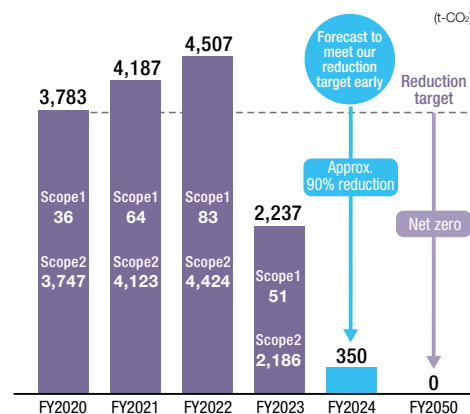


## Environment

The KADOKAWA Group is carrying out specific measures to achieve decarbonization, such as switching to electricity generated by renewable energy, reducing excess paper consumption through digital transformation (DX) of book ordering systems, and reducing waste generated in the editing and production process. We also endorse the final report (TCFD Recommendations) published by the Task Force on Climate-related Financial Disclosures (TCFD) and disclose information in accordance with these recommendations. The Group will continue to promote environmentally conscious, sustainable business activities.

### Efforts to Use Renewable Energy

The Company recognizes that environmental action is the most critical issue in order to realize a sustainable society and, in order to reduce greenhouse gas (GHG) emissions, it has set targets to reduce CO<sub>2</sub> emissions in Scope 1 (emissions directly created through our businesses) and Scope 2 (emissions indirectly created through our energy consumption) by 50% from the FY2020 level by FY2030 and achieving net zero emissions by FY2050. As a specific measure, we have switched the power for four of our buildings in Chiyoda-ku, Tokyo and TOKOROZAWA SAKURA TOWN to electricity from renewable energy sources. We expect to achieve our targets ahead of schedule. We are carrying out initiatives at each of our business bases to ensure that the entire Group achieves these targets, while also utilizing the Japanese government's J-Credit Scheme to contribute to the realization of a zero-carbon society.



Scope: KADOKAWA CORPORATION (parent company only)  
\* We plan to disclose our results for FY2024 on the KADOKAWA Group portal site after November 2025.

### Initiatives to Reduce Waste

#### Effective Use of Paper Resources Through the Digitalization of Ordering

By implementing appropriate production plans to meet demand and utilizing technology, such as implementing bookstore ordering systems, the Company has long maintained a return rate that is lower than the publishing industry as a whole. Furthermore, this reduction in the number of copies returned also contributes to a reduction in excess paper consumption.

Moving forward, the Group will continue to strive to make effective use of resources through measures such as providing bookstores with incentives corresponding to the level of return reduction, while also further advancing publication manufacturing and distribution DX to enhance the profitability and sustainability of our businesses.

### Initiatives for Procuring Raw Materials

KADOKAWA Group (KADOKAWA CORPORATION and its domestic subsidiaries) strives to reduce environmental impact when sourcing raw materials for producing paper-based books, as part of its efforts to contribute to building a sustainable society and has established a policy and targets to achieve this goal.

#### Policy

The Group is dedicated to considering environmental impact and creating a sustainable supply chain that ensures stable procurement of raw materials and fair transactions with suppliers.

#### Targets

Based on the policy stated above, the Group has set the following future targets.

##### 1) Regular visits to paper mills

The Group will conduct regular visits to suppliers to evaluate their ESG practices and provide them with advice and recommendations.

##### 2) Joint development of printing paper

The Group will strive to jointly develop technology for reducing environmental impact in the production process, advancing the development of sustainable printing paper.

##### 3) Proposals for using environmentally friendly raw materials

The Group will establish policies to transition to paper grades with lower environmental impact and propose measures to encourage suppliers to actively produce paper using environmentally friendly raw materials.

##### 4) Building cooperative relationships to increase the variety of books produced at our digital production facility

The Group will establish cooperative relationships with a wide range of suppliers to procure environmentally responsive paper that accommodates an increase in the variety of books produced at our digital production facilities.

##### 5) Traceability of raw materials

In collaboration with suppliers, the Group strives to appropriately gather and manage information at each stage of the procurement process.

## Initiatives to Address Climate Change—Response to the TCFD Recommendations

The KADOKAWA Group supports the TCFD Recommendations and has established a governance system, manages risks, sets targets, conducts scenario analysis, and discloses information based on the recommendations.

### Governance

The Risk Management Committee chaired by the Chief Executive Officer analyzes and addresses the risks faced by the Group as a whole, including climate change risks, under the supervision of the Members of the Board. Climate change risks are discussed at the meetings of the Risk Management Committee held two times a year as a part of companywide risk management, where measures against identified risks are discussed and initiatives including the reduction of CO<sub>2</sub> emissions are promoted. The Members of the Board receive reports on important matters discussed by the Risk Management Committee. It also discusses and supervises action plans for addressing climate change problems.



### Strategies

#### Key risks and opportunities related to climate change

		Global change	Conceivable scenario	Risks	Opportunities	Time of occurrence
1.5°C climate change scenario	Transition risks and opportunities	Policies and legal restrictions	Tougher environmental regulations related to GHG emissions	Increase in energy cost resulting from rising prices of renewable energy	○	Medium to long term
			Introduction of carbon taxes and emissions trading	Increase in cost resulting from introduction of carbon taxes and emissions trading	△	Medium to long term
	Markets and technologies		Rapid progress in carbon reduction (energy conservation), decarbonization, and transition to renewable energy	Increase in capital expenditures for the reduction of power consumption	○	Medium to long term
			Increase in procurement costs	Production and procurement costs increase because the prices of paper resources and other raw materials increase, reflecting carbon taxes and costs for the response to environmental regulations	○	Medium to long term
			More environmental measures required of publishers	Increase in demand related to the Company's proprietary digital production and distribution processes for paper-based books	○	Medium to long term
			Growing demand for e-books and other digital content	Growing demand for e-books in the publication business	○	Medium to long term
	Reputation	Changes in stakeholders' evaluations related to climate change	A decline in corporate value and credibility for stakeholders, a result of the delayed environmental initiatives including measures to address climate change	○	Medium to long term	
4°C climate change scenario	Chronic	Physical risks and opportunities	Changes in rainfall and weather patterns (rise of the average temperature)	Generation of capital expenditure costs related to disaster control at key business locations	○	Long-term
				Increase in power consumption for air conditioning resulting from a rise in the average temperature	○	Long-term
	Acute	Greater seriousness and higher frequency of abnormal weather (typhoons, bush fires, flooding, and rainstorms)	Higher frequency of forest fires affects the stability of the supply of papermaking materials and causes an increase in paper procurement costs	●	Long-term	
			Shutdown and supply chain disruption affecting production and procurement	●	Long-term	
			Interruption of content streaming due to power outages or internet disconnections caused by natural disasters	●	Long-term	

●: Great impact ○: Some impact △: Minor impact

### Risk Management

The Company positions climate change-related risks as one group of important Company-wide risks. To understand and evaluate the impact of such risks, we examine the effects on the Group based on risks and opportunities identified in scenario analyses conducted based on the TCFD framework and report the results to the Risk Management Committee. Matters related to decisions regarding risk management and material risks, including climate change risks, are reported to the Members of the Board along with recommendations.

### Metrics and Targets

Regarding Scope 1 and 2 emissions, the Group has set the targets of reducing them by 50% from the FY2020 level by FY2030 and achieving net zero emissions by FY2050, in consideration of the required level of CO<sub>2</sub> emissions reductions laid out in the Science Based Targets (SBT). The Group will conserve energy including electricity used internally, introduce use of renewable energy, and proactively utilize the J-Credit Scheme, which is a government certification scheme, with the goal of establishing a carbon-neutral society.

## Social

The KADOKAWA Group is actively pursuing initiatives such as human resource development and the creation of a pleasant working environment to maximize the creativity and potential of our employees. We are also providing practical and specialized education in our businesses.

### Human Resource Development

The Group implements training courses based on the employees' positions and businesses, as well as career support and optimal personnel assignment based on respect for employees' own intentions.



▶ [https://group.kadokawa.co.jp/global/ir/esg/social/human\\_resource.html](https://group.kadokawa.co.jp/global/ir/esg/social/human_resource.html)

### Career Support Systems

The aims of these various systems and initiatives are to enhance employee motivation, create careers that utilize skills, find the right person for the right job, and create innovation within the Group.

#### ● Incentive system for obtaining public qualifications

We have established a system that pays a stipend to employees who have passed a qualification that leads to career formation. In May 2024, we expanded the range of eligible qualifications to 139 types and increased the maximum amount paid from one million yen to 10 million yen.

#### ● Project Open Call

This is a system in which employees themselves can propose challenging, medium- to long-term projects, and recruit project members from within the Company. As of March 2025, 19 projects have been implemented with a total of 110 people participating.

### Strengthening of Human Resource Pipelines

We recruit outstanding human resources through our *Referral-based Hiring System*, which hires candidates recommended by employees with deep knowledge of the workplace, and our *Internship System*, which targets students both domestically and internationally.

### Skills Development Training

We offer training tailored to specific roles, courses aligned with businesses, and seminars and study sessions to gain information and insights beneficial for business.

#### Actual results for FY2024

Training program	Number of participants	Training hours per person	Total training hours
Training for new graduates (New graduates introductory training and new graduate follow-up training)	41 persons	158 hours	6,478 hours
Management training (Training for newly appointed managers and professionals)	117 persons	14 hours	1,638 hours
On the job leader training	41 persons	3.5 hours	143.5 hours
Next-generation leader training	3 persons	63 hours	189 hours
Average duration of training per employee		0.55 days	

## Creation of a Pleasant Working Environment

The Group observes laws, regulations, and labor standards, respects the rights of our employees, and fosters a working environment that is free from discrimination and bias and where mutual recognition of diverse personalities exists.



▶ [https://group.kadokawa.co.jp/global/ir/esg/social/working\\_environment.html](https://group.kadokawa.co.jp/global/ir/esg/social/working_environment.html)

### Driving Work Style Reforms

We support our employees' work styles through a system allowing them to choose their workplace, an office layout designed for efficient teamwork, and support subsidies for remote work.



### Systems and Allowances for Promoting Creative Ideas and Diverse Work Styles

We have established various benefit and leave systems to promote creative ideas and support diverse work styles, such as working from home or working while raising children or providing care.

#### ● Maternity, childcare and family care leave follow-up allowance (introduced in April 2025)

Employees who take 28 or more consecutive days of leave due to pre- or post-natal leave, childcare leave, or family care leave will receive a monthly allowance of 20,000 yen during their leave period. This allowance is provided to eligible individuals in the department where the employee is assigned.

#### ● Subscription allowance

We provide a monthly subscription allowance to subsidize the cost of employees' subscription services in the entertainment genre.

## Initiatives for the Education Business

The Group provides opportunities for practical and specialized education that will benefit the future, as well as opportunities to learn about diversity and engage with local communities.



▶ <https://group.kadokawa.co.jp/global/ir/esg/social/education.html>

### School Operating Business

Vantan Inc. operates vocational schools dedicated to developing human resources in creative fields. In April 2025, three new schools opened.

### Providing Educational Content and Learning Services

DWANGO Co., Ltd. provides original educational content and learning services to *N High School*, *S High School* and *R High School* operated by Kadokawa Dwango Educational Institute.

## Diversity and Inclusion

The KADOKAWA Group, as a comprehensive entertainment company offering enjoyment and emotion that transcends barriers, strives to foster an environment and corporate culture that values human individuality and diversity, contributing to the realization of a world free from discrimination.



▶ [https://group.kadokawa.co.jp/global/ir/esg/social/diversity\\_inclusion.html](https://group.kadokawa.co.jp/global/ir/esg/social/diversity_inclusion.html)

### Promoting Opportunities for Women

Female employees account for 42.6% of the Group's total workforce, while female managers and executives represent 25.0% (as of March 31, 2025). The percentage of female managers, including KADOKAWA and its domestic consolidated subsidiaries, is 20.7% (same period), and we have set a target of raising that percentage to 30% by FY2030.



### Global Human Resources

As of March 31, 2025, approximately 1,000 non-Japanese employees work both inside and outside of Japan. In October 2021, the *Global Human Resources Development Center* opened. It recruits, develops, and supports human resources who are the driving force behind our global media mix.

### Employment of Persons with Disabilities

As of March 2025, 98 employees with disabilities (29 of whom are severely disabled) are active across the entire special group. In February 2024, the special subsidiary, KADOKAWA CRAFT INC. received *Monisu system certification*.\*



\* A system by the Minister of Health, Labour and Welfare, which recognizes small and medium enterprises for excellence in employment of persons with disabilities

## Data Security

Security measures have been strengthened, including tightening access control at service sites that hold personal information and encrypting personal information for storage. We are raising awareness about the importance of data security through initiatives such as e-learning courses.



▶ [https://group.kadokawa.co.jp/global/ir/esg/social/data\\_security.html](https://group.kadokawa.co.jp/global/ir/esg/social/data_security.html)

## Initiatives for Human Capital

We are creating an environment where motivation is high and the maximum creativity can be achieved to facilitate continuous growth of our personnel.

The Group considers human capital to be a critical foundation for steady IP creation and global expansion through a wide-ranging portfolio, believing it to be indispensable for sustainable business growth and value creation.

To maximize employee creativity, we continuously strive to enhance our human resources systems and foster a working environment centered on Creativity, Motivation, and Technology, supporting the growth of each individual employee.

### Creativity

#### Creating a working environment that facilitates creativity and respects diversity

- "Workplace Choice" system (Employees can choose where to work)
- Enhancing the *Incentive system for obtaining public qualifications* (up to 10 million yen for qualifications with a high difficulty level)
- *Subscription allowance* (refer to P44)
- "ZEN Study" *Free Course ID Issuance Service*
- Increase consolidated Group ratio\* of female managers (FY2024: 20.7%)  
\* Overall ratio for KADOKAWA and domestic consolidated subsidiaries
- Employment rate of employees with disabilities: 2.63% (FY2024)
- Hiring activities and internships in various countries around the world

### Motivation

#### Enhancing human resources systems and employee benefits that improve employees' motivation

- *Maternity, childcare and family care leave follow-up allowance* (refer to P44)
- Expansion of support systems for employees raising children or providing family care
- *Temporary Remote Work Policy from Home Country* for employees who are overseas nationals
- "Free-agent" *transfer system*
- Placing new graduates in their role of choice

### Technology

#### Transition to digital methods for greater operational efficiency

- Support for production tasks with digital tools and AI
- Centralization of license management systems

#### Strengthening upskilling in technical areas

- Organizing hackathons focused on the latest technologies
- Organizing training sessions, seminars, and workshops in areas of technology tailored to specific businesses

## Social

### Employee Engagement

We respect the diverse values of our employees and strive to build stronger relationships of trust by actively incorporating employee feedback into our corporate management.

#### Visualizing Engagement Through Employee Surveys

We periodically conduct surveys to gauge employee satisfaction and identify issues in areas such as their motivation for their job, the current state of their workplace, and their communications with top management. The results of the surveys are passed on within the Company through channels such as Slack and meetings of all Group companies. We utilize this for identifying management and business issues, verifying the effectiveness of various systems, revising the remuneration system, and reviewing and implementing improvements to internal measures. Surveys conducted in FY2023 and FY2024 examined evaluations of direct communication with the CEO, improvements in work motivation, displays of creativity, and the utilization of technology. Approximately 70-90% of employees who answered gave a positive evaluation (Satisfied/Somewhat satisfied or Agree/Somewhat agree) on the four-point scale. In FY2024, the percentage of employees giving positive evaluations increased across all survey categories compared to the previous year.

#### KADOKAWA employee survey FY2023 & FY2024 implementation outline and results

- **Subjects** KADOKAWA employees (FY2023: 3,371, FY2024: 3,541)
- **Main question topics** Evaluation of direct communication and key elements of foundation for growth (motivation, creativity, technology, openness, fairness)
- **Response method** Make a selection on a four-point scale: Satisfied to Not Satisfied, Agree to Disagree

The percentage represents the ratio of employees who responded Satisfied/Somewhat satisfied or Agree/Somewhat agree

Question topics		FY2023	FY2024	Question topics		FY2023	FY2024
Evaluation of direct communication between employees and the CEO	Direct messages from the CEO to employees	91.2%	92.9%	Evaluation of management	Is management making rational judgments?	77.2%	82.6%
	Direct submission of opinions and questions from employees to the CEO	89.4%	90.3%		Is management making efforts to boost employee motivation?	69.1%	70.0%
					Does management work creatively?	83.0%	84.7%
Evaluation of individual employees' work styles	Do you work with high motivation?	79.9%	80.0%		Does management use technology sufficiently?	78.4%	80.2%
	Do you work creatively?	67.3%	68.7%		Does management make decisions openly?	64.4%	69.3%
	Is the use of technology at work sufficient?	66.3%	70.0%		Is management making fair judgments?	74.9%	79.2%

### Stakeholder Engagement

In light of the increasing importance of value co-creation with stakeholders in corporate management, the KADOKAWA Group will work on appropriate collaboration with all stakeholders.

Stakeholders	Policy/Examples of engagement initiatives
<b>Users and Fans</b>	<p>We will continue to create a large amount of content to meet the needs of various users and fans of all ages. Since communication for this is essential, we actively listen to feedback from our users and fans in order to create and develop content and services together.</p> <ul style="list-style-type: none"> <li>● Establishment of a point of contact for inquiries</li> <li>● Building of platforms that allow users to communicate with each other, etc.</li> </ul>
<b>Creators</b>	<p>We will continue to provide support that is characteristic of what the KADOKAWA Group can offer, such as creating an environment for creators to continue creating high-quality content and returning profits to creators through optimal content development.</p> <ul style="list-style-type: none"> <li>● Continuous support for creator activities</li> <li>● Holding of various contests, etc.</li> </ul>
<b>Shareholders and Investors</b>	<p>We are striving to improve management transparency and earn greater trust from society by actively and continuously conducting fair, timely, and appropriate information disclosure. We sincerely respond to questions from analysts and investors, pass feedback on to management and the Members of the Board, and incorporate it into our corporate activities when necessary.</p> <ul style="list-style-type: none"> <li>● General Meeting of Shareholders</li> <li>● Financial results briefings, etc.</li> </ul>
<b>Business Partners</b> (suppliers and subcontractors)	<p>In addition to working to increase added value throughout the supply chain, we will aim to build coexistence and co-prosperity with our business partners. We will continue to communicate and exchange opinions with our business partners.</p>
<b>Trade Associations and Business Associations</b>	<p>We will work together to deepen discussions on the form and measures of the entertainment business, including the global market, and to solve various problems in the industry, including anti-piracy measures.</p> <ul style="list-style-type: none"> <li>● Conducting educational activities in collaboration with trade and business associations</li> <li>● Exchanging information with trade and business associations, etc.</li> </ul>
<b>Local Communities and Environment</b>	<p>Through the development of local information media rooted in each region and the planning and operation of events, we will pursue a way of community coexistence with local governments and the residents of local communities. In addition, while promoting information disclosure based on TCFD recommendations, we will continue to promote sustainable business activities that reduce the impact on the environment.</p> <ul style="list-style-type: none"> <li>● Events for local communities</li> <li>● Response to the TCFD Recommendations, etc. (Refer to P42: ESG INFORMATION (Environment))</li> </ul>
<b>Employees</b>	<p>We will promote the creation of pleasant workplaces where employees can have peace of mind and maximize their creativity. In addition, we are working on various measures so that employees can have a fulfilling private life in addition to their career.</p> <ul style="list-style-type: none"> <li>● Career support systems</li> <li>● Events for employees from Group companies, etc.</li> </ul>

For details on each initiative, please refer to the KADOKAWA Group portal site.

## Realizing Plans under Project Open Call

The KADOKAWA Group has established multiple systems enabling employees to openly and autonomously propose new businesses and operational improvements. This section introduces initiatives that led to the realization of specific projects and ventures through one of our key systems: *Project Open Call*.

### Employees Proposing New Businesses and Operational Improvements

*Project Open Call* is a system that allows KADOKAWA Group employees to propose challenging, medium- to long-term, or cross-departmental projects. Team members are recruited from within the Group to drive these projects forward, with the goal of turning the proposals into reality. This system has given rise to a wide variety of projects, leading to business development and operational improvements. A total of 19 projects have been implemented to date, with cumulative participation reaching 110 individuals (as of March 2025).

### Initiatives Contributing to Better Work Styles and Solutions to Social Issues

To support diverse work styles, we have established projects such as the *support for balancing work and childcare project* and the *Inclusive Support Project* with the aim of creating a pleasant working environment for our employees and contributing to solving social issues. Efforts include revising internal regulations related to childcare support, holding Group exchange events, creating a reasonable internal accommodations manual for the *Inclusive Support Project*, and organizing seminars with leading experts in reading accessibility to raise awareness and address various issues.

### Creation of the Bessatu KADOKAWA Hatsune Miku Through the IKINARI Editor-in-Chief Project

The first open call of the project, *IKINARI Editor-in-Chief*, invited proposals for books and mooks (magazine-book hybrids) within the Group, with the proposers of selected ideas taking on the role of editor-in-chief in production. From approximately 60 proposals, *Bessatu KADOKAWA Hatsune Miku* was published, featuring contributors from a wide range of fields discussing Hatsune Miku. The project originated with an employee at DWANGO Co., Ltd., whose role was web editing. This employee proposed a book concept and, for the first time, took on the challenge of producing a paper-based publication, realizing a long-held aspiration to make books. Leveraging this experience, the employee now serves as editor-in-chief for literary web media at KADOKAWA CORPORATION.



### Translation and Publication of Former German Chancellor Angela Merkel's Memoir, Freedom

Publication realized through the Global Top Content Translation and Publishing Project

The *Global Top Content Translation and Publishing Project* was launched with the aim of bringing together “knowledge that symbolizes the times” within KADOKAWA's lineup.

Generally, the translation rights for overseas books circulate in the market at the planning stage, before manuscripts are available. It is necessary to assess the book's potential and decide whether to bid while details such as content and page count remain unknown. Seeking to establish an internal decision-making system capable of rapid and flexible negotiations, the project's initiator, Ms. Gunji, proposed the idea to the CEO in April 2022, received immediate approval, and launched the *Global Top Content Translation and Publishing Project* in July of the same year.

In May 2025, *Freedom: Memoirs 1954 - 2021* by Angela Merkel, translated by Kei Hasegawa,



Public talk event with Ms. Merkel

Satomi Shibata, was published under this project. The release attracted significant media attention, and an immediate reprint was determined following strong sales. Going forward, we will continue to deliver “knowledge that symbolizes the times” to Japanese readers through notable overseas books.



See K-Insight for more details about the project.  
(in Japanese only)  
<https://group.kadokawa.co.jp/k-insight/ki01223.html>



Publishing is an industry that shapes the future. A good book can sometimes have a profound impact on a reader's life. The lessons may not be immediate, but when we look back, we often realize the significant value of the books we once read.

Many outstanding books that can contribute to readers' futures are published in Japan and overseas. I hope to bring such excellent overseas books to as many readers as possible.



**Tamako Gunji**  
KADOKAWA Business, Life Style Division

## Governance

### Basic Policy

KADOKAWA positions the enhancement of corporate governance as a necessary condition for the continuous development of the Group. With the aim of increasing management transparency towards shareholders and earning the trust and confidence of business partners, clients and society as a whole, we are continuously working to strengthen corporate governance. Moreover, we believe that ensuring sound and transparent management, establishing a system of corporate administration capable of adapting to a changing business environment, publicly announcing clear management benchmarks and policies, disclosing the status of progress toward their achievement in a timely manner, and clearly defining managerial responsibility contribute to the enhancement of corporate governance.

### Separation of Management Oversight and Execution of Operations

#### ● Adoption of a company with a Nominating Committee, etc. system

KADOKAWA CORPORATION has adopted a company with a Nominating Committee, etc. system to strengthen the function for supervision of the Board Members' management, improve management transparency through clear separation of oversight and execution, and accelerate decision-making.

#### ● Transition to a Board with Independent Board Members as a Majority

We have made it so that Independent Board Members shall account as the majority of Board Members to ensure the soundness and transparency of management. Our Independent Board Members provide advice on improvement of our corporate value and supervise conflicts of interest between the Company and its management. The Nominating, Remuneration, and Audit Committees are each composed of a majority of Independent Board Members. Through discussions within and between the committees, Independent Board Members exchange information closely and share common understanding.

#### ● Selection of the Chairperson of the Board from Independent Board Members

The Board comprises 12 members: Takeshi Natsuno, Naohisa Yamashita, Shinobu Murakawa, Noriko Kase, and Nobuo Kawakami, who are Internal Board Members, and Hiroo Unoura, Ruth Marie Jarman, Tadaaki Sugiyama, Yu Sasamoto, Ayumi Uzawa, Etsuko Okajima, and Koichi Kusano who are Independent Board Members (5 Internal Board Members and 7 Independent Board Members). Hiroo Unoura, an Independent Board Member, was appointed as the Chairperson to ensure that discussions are led from an objective perspective and beneficial advice is given.

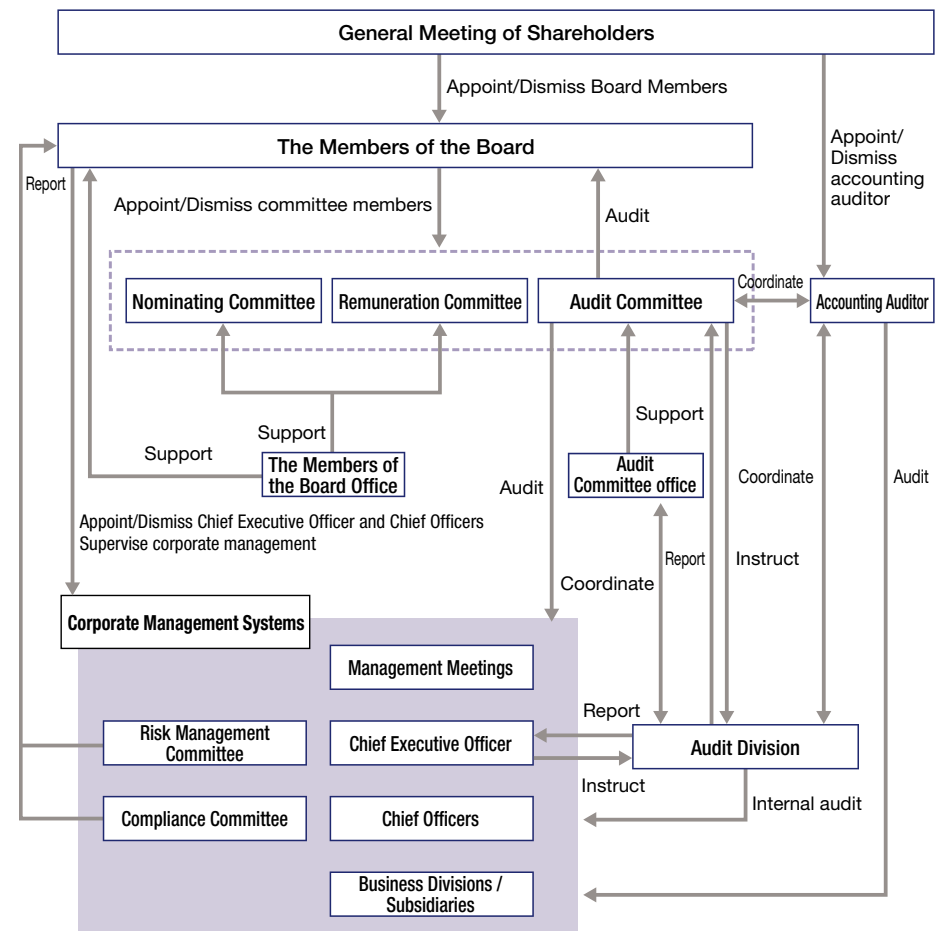
### Compliance with Japan's Corporate Governance Code

KADOKAWA complies with all the principles of Japan's Corporate Governance Code. Details are provided in the Company's annual corporate governance report.

Corporate Governance Report  
<https://group.kadokawa.co.jp/media/global/ir/media-download/1238/8228608ddaf9acad/PDF/>



■ Corporate governance diagram





## The Members of the Board

A majority of members are Independent Board Members and it is chaired by an Independent Board Member. It holds regular meetings once a month, in principle, and extraordinary meetings as necessary to make decisions regarding statutory matters and important managerial matters, as well as to oversee the status of the Company's execution of business operations and the status of subsidiaries' management.

## Nominating Committee

It consists of 4 Independent Board Members, 1 Internal Board Member, and is chaired by an Independent Board Member. The Nominating Committee is responsible for formulating basic policies regarding the appointment and dismissal of Board Members, determining the content of proposals for the appointment and dismissal of Board Members, reporting to the Members of the Board regarding the appointment and dismissal of Chief Officers and others, and considering the CEO succession plan.

## Remuneration Committee

It consists of 3 Independent Board Members, 1 Internal Board Member and is chaired by an Independent Board Member. The Remuneration Committee formulates policies on the determination of remuneration for individual Board Members and Chief Officers and determines remuneration for individual Board Members and Chief Officers.

## Audit Committee

It consists of 4 Independent Board Members and is chaired by an Independent Board Member. The Audit Committee audits Board Members and Chief Officers' execution of their duties, prepares audit reports, and determines the content of agenda items on the appointment, dismissal and non-reappointment of an Accounting Auditor. The Audit Committee conducts audits based on the audit plan determined by the Committee, in coordination with the Company's internal audit division.

## Management Meeting

The Company delegates substantial authority for business execution to Chief Officers, mainly to the CEO, to expedite decision-making. The Management Meeting, which consists of all the Chief Officers, holds regular monthly meetings in principle and extraordinary meetings as needed to make decisions on important management issues. Independent Board Members may participate in the Management Meeting as observers as needed to enhance the oversight of business execution.

## Business Execution System and Auditing System of Subsidiaries

In principle, subsidiaries of the Company adopt the Company with the Members of the Board structure. The Company has established a system that allows it to be involved in the exercise of shareholder rights, including the election or dismissal of Board Members and corporate auditors of subsidiaries, and important decision-making at subsidiaries. Normally, this is done through various meeting bodies, etc.

### Composition of each committee

Name	Nominating Committee	Remuneration Committee	Audit Committee
Naohisa Yamashita	○		
Shinobu Murakawa		○	
Hiroo Unoura*	●		
Ruth Marie Jarman*	○	●	
Tadaaki Sugiyama*	○		○
Yu Sasamoto*		○	○
Ayumi Uzawa*			○
Etsuko Okajima*	○	○	
Koichi Kusano*			●

●---Chairperson ○---Committee member \*Member of the Board, Independent

### Chief officer system

Name	Title
Takeshi Natsuno	Chief Executive Officer (CEO)
Naohisa Yamashita	Chief Human Resource Officer (CHRO) Chief Literature & Film Officer (CLFO)
Shinobu Murakawa	Chief Operating Officer (COO)
Masayuki Aoyagi	Chief Publishing Officer (CPO)
Takeshi Kikuchi	Chief Studio Officer (CSO)
Takashi Sensui	Chief Global Officer (CGO)
Daijo Kudo	Chief Anime Officer (CAO)

ESG-RELATED INFORMATION: Governance page  
<https://group.kadokawa.co.jp/global/ir/esg/governance/policy.html>



## Governance

### Status of Activities of the Members of the Board and Each Committee in FY2024

#### The Members of the Board

The Members of the Board held a total of 19 meetings (12 regular Board meetings and 7 extraordinary Board meetings). The specific topics discussed by the Members of the Board during the current fiscal year were the response to and progress on countermeasures against cyberattacks, response to advisory disposition for violation of the Subcontracting Act, handling of third-party allotments, approval of a transaction with a conflict of interest involving Board Members and Chief Officers, determination of a policy for the reduction of the Company's strategic shareholdings, reporting on the activities of our Compliance Committee and Risk Management Committee, and reporting on other important management matters, the status of execution of Company operations, and the status of management of our subsidiaries.

#### Evaluation of the Members of the Board's Effectiveness

Every year, the Company discloses a summary of our evaluation of the Members of the Board's effectiveness in our Corporate Governance Report. In order to maintain and improve the effectiveness of the Members of the Board, the Company conducted a questionnaire of Board Members and analyzed and evaluated the effectiveness of the Members of the Board at a meeting by the Members of the Board held in May 2025.

In this effectiveness evaluation, the Board was found to have ensured its effectiveness. This evaluation was based on several factors, including the appropriate allocation between matters to be resolved by the Board and those delegated to the management team from the perspective of separating oversight and execution and enabling prompt decision-making. Additionally, high evaluations were given for the verification of the appropriateness of retaining cross-shareholdings, the development of a framework for dialog with shareholders, and the establishment of internal control and risk management systems. On the other hand, there were opinions expressing a desire for deeper discussions on management and business strategies. Additionally, there were views suggesting the need to further explore how to appropriately set agenda items and facilitate discussions, taking into account the composition of the Board, in which Independent Board Members constitute the majority.

The Company has been dealing with the issues identified by the evaluation of effectiveness by sharing relevant information with the Members of the Board and enhancing discussions.

#### Nominating Committee

The Nominating Committee held a total of nine meetings, discussing the organization of methods for selection and termination for Board Members including the ratio of female officers and the length of Board Members' terms, along with the visualization of internal talent for the creation of succession plans, and deciding on other matters related to appointment of individual officers. The attendance of individual committee members is listed on the right.

Name	Number of meetings attended	Attendance rate
Hiroo Unoura	9/9 meetings	100%
Ruth Marie Jarman	9/9 meetings	100%
Tadaaki Sugiyama	9/9 meetings	100%
Etsuko Okajima	7/7 meetings	100%
Naohisa Yamashita	7/7 meetings	100%

#### Remuneration Committee

The Remuneration Committee held a total of 11 meetings, discussing the redesign of the share-based compensation plan and revisions to monetary remuneration levels as part of the incentive plan linked to our medium- to long-term management targets, and deciding on other matters related to the remuneration of individual officers. The attendance of individual committee members is listed on the right.

Name	Number of meetings attended	Attendance rate
Ruth Marie Jarman	11/11 meetings	100%
Yu Sasamoto	11/11 meetings	100%
David Macdonald	11/11 meetings	100%
Shinobu Murakawa	8/8 meetings	100%
Hiroo Unoura	3/3 meetings	100%

#### Audit Committee

The Audit Committee held a total of 22 meetings, focusing its audits on the Company's information security framework and governance of overseas operations. It conducted audits related to the response to the system failure that occurred in June 2024, as well as audits of overseas subsidiaries, including on-site inspections at a subsidiary in the USA. Additionally, the committee reviewed the payment amount for the issuance of new shares through a third-party allotment conducted in January 2025, and expressed its opinion that the payment amount did not constitute a particularly favorable price for the allottee, Sony Group Corporation. The attendance of individual committee members is listed on the right.

Name	Number of meetings attended	Attendance rate
Tadaaki Sugiyama	22/22 meetings	100%
Akihiko Shiba	22/22 meetings	100%
Ayumi Uzawa	22/22 meetings	100%

## Remuneration for Board Members and Chief Officers

### Composition of Remuneration and Persons Eligible to Receive Payment of Remuneration

Remuneration of the Company's Board Members (excluding Independent Board Members) and Chief Officers consists of monetary remuneration comprising (1) fixed remuneration made up of basic remuneration and service remuneration and (2) performance-based variable remuneration. Additionally, non-monetary remuneration consists of (1) performance-based stock remuneration and (2) restricted share-based compensation (RS). Remuneration of Independent Board Members consists only of fixed remuneration.

Officer category	Monetary remuneration		Non-monetary remuneration (stock-based remuneration)	
	Fixed remuneration	Variable remuneration	Performance-based	Restricted stock
Board Members (excluding Independent Board Members) and Chief Officers	○	○	○	○
Independent Board Members	○	—	—	—

### Basic Policy on Determining Remuneration, etc.

The Company has adopted a remuneration structure that links remuneration for Board Members (excluding Independent Board Members) and Chief Officers to shareholder interests so that the structure can fully function as an incentive to achieve sustained improvement of corporate value, in accordance with its basic policy in which the amount of remuneration shall be set at an appropriate level based on the responsibilities of each position.

#### ● Policy on determination of ratio of remuneration, etc.

The ratio of fixed remuneration to variable remuneration for Board Members (excluding Independent Board Members) and Chief Officers is set as 50%:50%, in principle. The ratio of stock-based remuneration to fixed remuneration is not set.

#### ● Matters regarding the determination of details of individual remuneration, etc.

The Remuneration Committee follows the above policy when deliberating and deciding remuneration, etc. for Board Members and Chief Officers.

#### ● Other policy-related matters

Further details regarding policies and the method of determination of individual remuneration are provided in ESG-RELATED INFORMATION:

Remuneration for Directors and Chief Officers.

ESG-RELATED INFORMATION: Remuneration for Directors and Chief Officers  
<https://group.kadokawa.co.jp/global/ir/esg/governance/remuneration.html>



Monetary remuneration	
<b>Fixed remuneration</b>	Fixed remuneration is to be determined based on the standard amount according to positions and responsibilities of eligible Board Members and Chief Officers. It is to be paid monthly.
<b>Variable remuneration</b>	The amount is based on the fixed remuneration of eligible Board Members and Chief Officers, and shall be determined within the range of 20% to 200% of the base amount based on the Company's financial results and their individual performance related to their responsibilities. Evaluations are conducted by assigning weightings, totaling 100%, based on the roles of the eligible Board Members and Chief Officers, taking into account consolidated results, divisional results, and individual qualitative goals. Evaluation indicators for performance-based variable remuneration are based on consolidated net sales and consolidated operating profit from a perspective of emphasizing the Group's growth potential and profitability. It is paid monthly with the fixed remuneration.
Non-monetary remuneration (stock-based remuneration)	
<b>Stock-based remuneration</b>	Through the performance-based stock-based remuneration system the Company's shares are acquired through a trust funded by the Company and are delivered to individuals based on the individuals' performance and contributions to the Company's financial results for each fiscal year in accordance with the rules of stock-based remuneration system. Under this system, consolidated operating profit, which serves as a management benchmark for achieving sustainable corporate value growth, will be used as the basis for determining the metrics and performance achievement levels under the share-based compensation plan. Through Stock-based remuneration, points are awarded each June based on factors such as the individuals' performance and contributions to the Company's financial results for each fiscal year. If issuance is approved, 50% shall be issued in August of the year of approval, and the remaining 50% shall be issued in August of the third year following the year of approval.
<b>Restricted share-based compensation (RS)</b>	It is provided commensurately to services rendered to provide an incentive to continuously improve our corporate value and promote a greater degree of value sharing with shareholders. The number of shares to be granted is determined by the Remuneration Committee in accordance with the rules of restricted share-based compensation, considering the assigned role, etc. of each individual, and a restriction on those shares' transfer is applied for a certain period in accordance with the restricted share allotment agreement, and the Company shall lift the transfer restrictions and acquire shares at no charge in accordance with that agreement.

# Governance

## Internal Controls

### Compliance Promotion Structure

The Company believes compliance is an important management issue, establishing our Compliance Policy and regulations while appointing managers at each Group company to ensure thorough adherence to laws and regulations. We strive to prevent harassment, maintain sound relationships with business partners, prevent bribery, eliminate antisocial forces, and uphold fair trade practices.

The core Compliance Committee is chaired by an outside expert (attorney) and comprised of a majority of independent members (including Board members), and fosters a corporate culture that emphasizes compliance. In addition to reporting the activities of the Compliance Committee to the Board every six months, regular audits according to ethical standards are conducted with the Audit Committee members in attendance.

### Whistleblowing

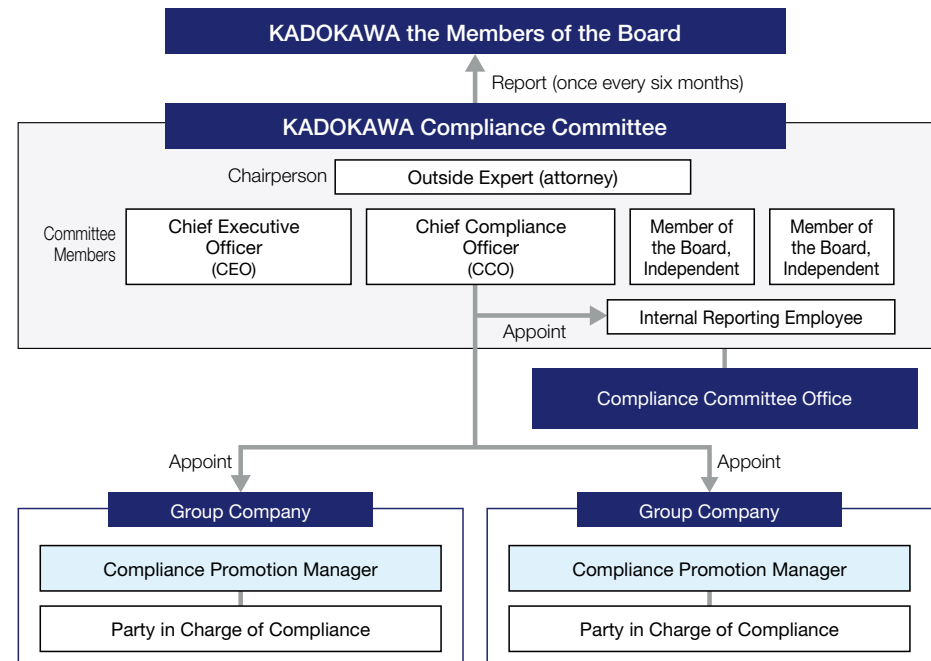
Operated in compliance with the Whistleblower Protection Act, the system provides a Group-wide common contact point for whistleblowers at a third-party organization, designed to protect whistleblowers and prevent them from being treated unfairly. Upon receiving a report, an investigation team is formed to conduct an inquiry, implement appropriate corrective measures, and report the findings from the Compliance Committee to the Board. Additionally, we conduct annual questionnaires regarding compliance to all officers and employees of the Group to understand potential compliance risks.

### Results of Awareness-raising Activities

Regular education and training are provided for the Group's officers and employees about various laws and regulations and the prevention of bribery and other corruption. To promote awareness and knowledge enhancement, education is provided with an extensive guidebook covering compliance requirements and animated videos, and tests requiring perfect scores are conducted every six months. Additionally, monthly compliance newsletters are distributed to promptly and accurately inform employees about legal revisions and the latest developments.

Training topic	Number of participants, frequency and method
Harassment	Employees of KADOKAWA and domestic consolidated subsidiaries (FY2024: Approx. 6,200) e-learning conducted once a year
Insider trading	
Elimination of antisocial forces	
Subcontracting Act	
Bribery	
Act against Unjustifiable Premiums and Misleading Representations	
Information security	

### Compliance promotion structure



- Roles of Compliance-Related Staff**
1. Raise awareness of compliance issues among officers and employees
  2. Appointment/Dismissal of the person in charge of whistleblowing investigations
  3. Makes the decisions and instructions of the Chief Compliance Officer known to officers and employees
  4. Reports compliance status and other information as requested by the Chief Compliance Officer
  5. Implementation of other instruction from the Chief Compliance Officer and Compliance Committee Office

ESG-RELATED INFORMATION: Internal Control  
[https://group.kadokawa.co.jp/global/ir/esg/governance/internal\\_control.html](https://group.kadokawa.co.jp/global/ir/esg/governance/internal_control.html)

## Risk Management System

The Company has created a Groupwide risk management system, having established the Risk Management Committee (which convenes twice a year) under the supervision of the Members of the Board. The Committee is chaired by the Chief Executive Officer, and the members are comprised of Chief Officers of each business division and other divisions. It collects and analyzes information regarding risk, focusing primarily on concerns regarding potential risks, and ascertaining risks surrounding the Group that have arisen. It then endeavors to control these risks by selecting and addressing the risks requiring priority action each year.

	Typical risks	Specific risk factors	Main countermeasures
Social Environment- Related Risks	Climate change	Increased costs for electricity, raw materials, etc. Impacts on business activities due to increasingly abnormal weather, etc.	Deliberate on and implement internal measures to conserve energy and employ renewable energy in order to reach the Group's targets for reduction of GHG emissions
	Legal violation	Reduced corporate reputation due to legal violation relating to bribery or insider trading regulations, etc.	Ensure employees' compliance with laws, regulations, and societal norms by establishing compliance regulations, providing training to raise employee awareness, etc.
Business Management- Related Risks	Business environment	Impacts on business operations due to server/network failures or cyberterrorism	IT systems are crucial to pursuing DX and work style reform; keep them up-to-date, ensuring appropriate scale and quality
		Intensified price competition due to abolition of the system of resale price maintenance contracts	Pay close attention to developments regarding this system, expand the e-books business, to which it does not apply, and develop businesses that span multiple business domains including videos and games
Risks Related to Specific Businesses	Publishing & distribution	Increased returns due to the sale-or-return system	To reduce the ratio of unsold books returned, improve the accuracy of market demand forecasts and schedule publication accordingly, and pursue small-lot, just-in-time manufacturing and delivery by means of an integrated production and distribution system
		Reduced creditworthiness among business partners due to contraction of the paper-based publishing market	In addition to meticulous credit-risk management, develop and expand an integrated production and distribution system to enable direct shipment to retail stores
	Online services	Intensified competition due to entry of Japanese and foreign businesses to the market, etc.	Leverage original ideas and advanced networking technologies to provide appealing services and content not available elsewhere
	Creation & deployment of IP for publications, videos, games, etc.	Variations in production schedules, increased production costs, etc. Increased production costs and production delays, etc. due to business failure of external service providers	Conduct market research, adhere strictly to schedules for publication, and manage projects properly Monitor external service providers by establishing their credit risk appropriately when placing orders, and continuously managing credit risk
	Changes in regulations and social conditions in each region where the Group operates globally	Keep abreast of the conditions in each region and develop businesses that span multiple business domains by using a variety of media for deploying IP	

### Typical risks

Typical risks assumed by the Group are stated above. Details are provided in the Company's Annual Securities Report.

Annual Securities Report (in Japanese only)  
<https://group.kadokawa.co.jp/ir/esg/governance/disclosure.html#cont02>



## Members of the Board

In appointing officers, we have selected candidates from the viewpoints of promoting a “Global Media Mix with Technology,” the Group’s basic management strategy, and strengthening management oversight.

Selection of a total of 12 Board Members, the majority of whom are Independent Board Members, was approved in the 11th General Meeting of Shareholders in June 2025.



**Takeshi Natsuno**

Member of the Board  
Chief Executive Officer

Apr. 1988 Joined Tokyo Gas Co., Ltd.  
Jun. 2005 Executive Director and General Manager of Multimedia Service Division of NTT Mobile Network Inc. (present NTT DOCOMO, INC.)  
May 2008 Guest Professor, Keio University Graduate School of Media and Governance  
Dec. 2008 Director of DWANGO Co., Ltd.  
Sep. 2009 Outside Director of GREE, Inc. (present GREE Holdings, Inc.) (present)  
Dec. 2010 Outside Director of U-NEXT Co., Ltd. (present USEN-NEXT HOLDINGS Co., Ltd.) (present)  
Oct. 2014 Board Member of the Company  
Jun. 2016 Outside Director (Audit and Supervisory Committee Member) of transcosmos inc. (present)  
Aug. 2016 Outside Director of Oracle Corporation Japan (present)  
Feb. 2019 Representative Director and President of DWANGO Co., Ltd. (present)  
Apr. 2020 Guest Professor and Director, Kindai University Cyber Informatics Research Institute (present)  
Jun. 2021 Board Member and President of the Company  
Jun. 2023 Board Member and Chief Executive Officer of the Company (present)



**Naohisa Yamashita**

Member of the Board  
Chief Human Resource Officer  
Chief Literature & Film Officer  
Member of the  
Nominating Committee

Jan. 1981 Joined Kadokawa Shoten Co., Ltd. (present KADOKAWA KEY-PROCESS Co., Ltd.)  
Jan. 2007 Director of Kadokawa Shoten Publishing Co., Ltd.  
Jun. 2007 Representative Director and President of Fujimi Shobo Co., Ltd.  
Apr. 2010 Representative Director and President of Kadokawa Gakugei Shuppan Publishing Co., Ltd.  
Jun. 2012 Representative Director and Senior Managing Director of Kadokawa Shoten Co., Ltd.  
Jun. 2012 Representative Director and President of KADOKAWA EDITORIAL CO., LTD. (present PERSOL MEDIA SWITCH CO., LTD.)  
Jul. 2014 Representative Director and President of Kadokawa Book Navi Co.  
Oct. 2015 Director of Building Book Center Co., Ltd.  
Jul. 2016 Director of EIGA WALKER INC. (present MOVIE WALKER Co., Ltd.)  
Jun. 2020 Board Member of the Company  
Jun. 2021 Representative Director of the Company  
Jun. 2023 Member of the Board, Chief Human Resource Officer and Chief Literature & Film Officer of the Company (present)  
Jun. 2024 Board Member of KADOKAWA DAIEI STUDIO CO., LTD. (present)



**Shinobu Murakawa**

Member of the Board  
Chief Operating Officer  
Member of the  
Remuneration Committee

Oct. 1999 Joined Kadokawa Shoten Co., Ltd. (present KADOKAWA KEY-PROCESS Co., Ltd.)  
Apr. 2016 Executive Officer, General Manager of Sales Planning Department and General Manager of Sales Department of KADOKAWA CORPORATION (present KADOKAWA KEY-PROCESS Co., Ltd.)  
Nov. 2018 Representative Director and President of Kadokawa Book Navi Co.  
Nov. 2018 Director of Gzbrain Inc. (present KADOKAWA Game Linkage Inc.)  
Nov. 2018 Director of Building Book Center Co., Ltd.  
Jul. 2019 Corporate Officer, Deputy Head of Product Marketing Headquarters of the Company  
Apr. 2022 Representative Director and President of Building Book Center Co., Ltd. (present)  
Jun. 2022 Member of the Board and Corporate Officer of the Company  
Jun. 2023 Member of the Board, Chief Operating Officer of the Company (present)  
Jun. 2023 Director of Kadokawa Media House Inc. (present)  
Oct. 2023 Outside Director of Rakuten Books Network Co., Ltd. (present)



**Noriko Kase**

Member of the Board

Apr. 1985 Joined ASCII Corporation  
Apr. 2006 General Manager of Corporate Business Department of ASCII Corporation  
Apr. 2017 Manager of 7th editorial division of KADOKAWA ASCII Mediaworks of KADOKAWA CORPORATION (present KADOKAWA KEY-PROCESS Co., Ltd.)  
Apr. 2018 General Manager of ASCII Division of KADOKAWA ASCII Research Laboratories, Inc.  
Jul. 2018 Member of the Board of KADOKAWA ASCII Research Laboratories, Inc.  
Jul. 2019 Chief Executive Officer of KADOKAWA ASCII Research Laboratories, Inc. (present)  
Jun. 2020 Board Member of the Company (present)  
Jun. 2023 Director of KADOKAWA Global Marketing Co., Ltd. (present)



**Nobuo Kawakami**

Member of the Board

Apr. 1991 Joined Software Japan Co., Ltd.  
Aug. 1997 Representative Director and President of DWANGO Co., Ltd.  
Sep. 2000 Representative Director and Chairperson of DWANGO Co., Ltd.  
Jun. 2013 Managing Director of khara, Inc. (present)  
Jun. 2014 Member of the Board of KADOKAWA ASCII Research Laboratories, Inc.  
Oct. 2014 Representative Director and Chairman of the Company  
Jun. 2015 Representative Director and President of the Company  
Jul. 2017 Director of Gzbrain Inc. (present KADOKAWA Game Linkage Inc.)  
Dec. 2017 Director & CTO of DWANGO Co., Ltd.  
Feb. 2019 Advisor of DWANGO Co., Ltd. (present)  
Feb. 2019 Board Member of the Company (present)  
Oct. 2020 Director and Chairperson of VirtualCast, Inc. (present)  
Jun. 2022 Executive President of the KADOKAWA Culture Promotion Foundation



**Hiroo Unoura**

Member of the Board,  
Independent  
Chairperson of the Board  
Chairperson of the Nominating  
Committee

Apr. 1973 Joined Nippon Telegraph and Telephone Public Corporation (present NTT, Inc.)  
Jun. 2002 Senior Vice President and Director of Department I of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2005 Senior Vice President and Director of Department V of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2007 Executive Vice President, Director of the Corporate Strategy Planning Department, and Executive Manager of the Corporate Business Strategy Division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2008 Senior Executive Vice President and Director of the Strategic Business Development Division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2012 President and Chief Executive Officer Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2018 Senior Advisor of NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2019 Outside Director and Audit and Supervisory Committee Member of Mitsubishi Heavy Industries, Ltd. (present)  
Jun. 2021 Independent Board Member of the Company (present)  
Jul. 2021 Senior Advisor of NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present)



### Ruth Marie Jarman

Member of the Board,  
Independent  
Chairperson of the  
Remuneration Committee  
Member of the  
Nominating Committee

Dec. 1988 Joined Recruit Co., Ltd.  
Dec. 2000 Joined Space Design Inc.  
Apr. 2008 Director of Space Design Inc.  
Apr. 2012 Representative Director and President of Jarman International KK (present)  
Jun. 2012 Director of HRM Association (present)  
Jun. 2019 Outside Director of Fujibo Holdings, Inc. (present)  
Jun. 2020 Independent Board Member of the Company (present)  
Jun. 2023 Director of Japan Association for Women's Education (present)  
Mar. 2024 Outside Director of Earth Corporation (present)  
Apr. 2024 Member of NHK International Broadcast Programs Council (present)



### Tadaaki Sugiyama

Member of the Board,  
Independent  
Member of the  
Nominating Committee  
Member of the  
Audit Committee

Apr. 1980 Joined Kao Soap Co., Ltd. (present Kao Corporation)  
Mar. 2003 General Manager of Legal Affairs Department of Legal and Compliance of Kao Corporation  
Jun. 2012 Executive Officer and Senior Vice President of Legal and Compliance of Kao Corporation  
Mar. 2014 Executive Officer, Senior Vice President of Legal and Compliance and in charge of Enterprise Information Solutions of Kao Corporation  
Mar. 2014 Director of Kanebo Cosmetics Inc.  
Mar. 2014 Member of the Board of Kao USA Inc.  
Mar. 2014 Supervisory Board Member of Kao Germany GmbH  
Jun. 2023 Independent Board Member of the Company (present)



### Yu Sasamoto

Member of the Board,  
Independent  
Member of the Remuneration  
Committee  
Member of the  
Audit Committee

Apr. 1988 Joined Recruit Co., Ltd.  
Dec. 2002 Representative Director, President and CEO of MTV Japan Inc. (present Paramount Global Japan K.K.)  
Jan. 2007 Executive Officer of Microsoft Corporation  
Feb. 2009 Managing Executive Officer of Microsoft Corporation  
Feb. 2014 Representative Director of Twitter Japan K.K. (present X Corp. Japan K.K.)  
Jan. 2017 Vice President in charge of Client Solutions Business of JPKR of Twitter, Inc. (present X Corp.)  
May 2021 Vice President in charge of Client Solutions Business of JAPAC of Twitter, Inc. (present X Corp.)  
Jun. 2021 Outside Director of Sanrio Company, Ltd. (present)  
Jun. 2023 Independent Board Member of the Company (present)  
Feb. 2024 Chief Executive Officer of DAZN Japan Investment GK (present)



### Ayumi Uzawa

Member of the Board,  
Independent  
Member of the  
Audit Committee

Oct. 1990 Joined Asahi Shinwa Accounting Corporation (present KPMG AZSA LLC)  
Aug. 1994 Registered as a certified public accountant  
Aug. 1995 Joined Deloitte Touche Tohmatsu (present Deloitte Touche Tohmatsu LLC)  
Apr. 1999 2nd Investigation Division of Criminal Affairs Bureau of Metropolitan Police Department (Financial Investigator and Inspector)  
Nov. 2004 Special Investigation Division of Secretariat of Securities and Exchange Surveillance Commission  
Mar. 2011 Representative of Uzawa CPA Office (present)  
Jul. 2011 Registered as a certified fraud examiner  
Jul. 2011 Advisor of Financial and Securities Expert Committee of Supreme Public Prosecutors' Office (present)  
Jun. 2012 Director of Japan Association of Certified Fraud Examiners  
Jun. 2013 Outside Director of Meiji Machine Co., Ltd.  
Jun. 2022 Outside Director of Toshiba Corporation  
Jun. 2023 Independent Board Member of the Company (present)  
Dec. 2023 Outside Corporate Auditor of Toshiba Corporation



### Etsuko Okajima

Member of the Board,  
Independent  
Member of the  
Nominating Committee  
Member of the Remuneration  
Committee

Apr. 1989 Joined Mitsubishi Corporation  
Jan. 2001 Joined McKinsey & Company, Inc.  
Jul. 2005 Representative Director and President of GLOBIS Management Bank, Inc.  
Jun. 2007 Representative Director and President of ProNova Inc. (present)  
Jun. 2014 Outside Director of Astellas Pharma Inc.  
Jun. 2014 External Director of MARUI GROUP CO., LTD. (present)  
Nov. 2015 Outside Director of LANCERS, INC. (present)  
Dec. 2015 Outside Director of SEPTENI HOLDINGS CO., LTD.  
Mar. 2016 Outside Director of Link and Motivation Inc.  
Jul. 2018 External Director of Yappli, Inc.  
Dec. 2018 External Director of Euglena Co., Ltd.  
Feb. 2019 External Director of Money Forward, Inc.  
Dec. 2020 Director of Euglena Co., Ltd. (present)  
Jun. 2024 Independent Board Member of the Company (present)



### Koichi Kusano

Member of the Board,  
Independent  
Chairperson of the Audit  
Committee

Apr. 1980 Registered as an attorney at law  
Jun. 1994 Audit and Supervisory Board Member of KOITO MANUFACTURING CO., LTD.  
Nov. 1999 Outside Director, Rakuten, Inc. (present Rakuten Group, Inc.)  
Jan. 2004 Senior Partner of Nishimura & Partners (present Nishimura & Asahi)  
Apr. 2007 Visiting Professor, Graduate Schools for Law and Politics, Faculty of Law, The University of Tokyo  
Apr. 2013 Professor, Keio University Law School  
Sep. 2014 Visiting Professor, Harvard Law School  
Feb. 2019 Justice of the Supreme Court  
Mar. 2025 Registered again as attorney at law  
Jun. 2025 Independent Board Member of the Company (present)

## Members of the Board (Skills Matrix)

The Group has defined its basic strategy as the promotion of a “Global Media Mix with Technology.” In selecting Board Members of the Company, candidates shall be considered based on those with business experience closely related to the above fundamental strategy or with knowledge of governance, and the overall composition shall be balanced, with diversity, expertise, and knowledge.

Name	Abilities and reason for selection	Attendance at meeting by the Members of the Board (FY2024)	Expertise								
			Corporate management	Content creation	Sales Marketing	IT Technology	Finance Accounting	Legal affairs Governance	Human affairs Human resources development	International experience	Other industries Diversity
<b>Takeshi Natsuno</b> Member of the Board Chief Executive Officer	Mr. Takeshi Natsuno serves as Member of the Board and Chief Executive Officer of the Company, and Representative Director and President of DWANGO Co., Ltd., which is a subsidiary of the Company. He contributes to the advancement of the basic policy in its Mid-term Management Plan of “Global Media Mix with Technology,” and assists the Company in achieving sustained growth. He has also served as an executive of many companies and has abundant experience and extensive knowledge gained as a corporate manager.	100% 19/19 meetings	●			●				●	●
<b>Naohisa Yamashita</b> Member of the Board Chief Human Resource Officer Chief Literature & Film Officer Member of the Nominating Committee	Mr. Naohisa Yamashita serves as Member of the Board and Representative Executive Officer of the Company. He also served as Director of the Company and its subsidiaries, thus, he is well versed in the business of the Company and its subsidiaries. He also has abundant experience and extensive knowledge in management, the publishing field and in personnel and general affairs.	100% 19/19 meetings	●	●	●					●	
<b>Shinobu Murakawa</b> Member of the Board Chief Operating Officer Member of the Remuneration Committee	Mr. Shinobu Murakawa serves as Member of the Board and Chief Officer of the Company. In addition to helping solve issues in a wide range of fields, including sales and marketing as well as corporate planning. He also served as Director of the Company's subsidiaries, thus he is well-versed in the business of the Company and its subsidiaries and has abundant experience and knowledge.	100% 19/19 meetings		●	●						
<b>Noriko Kase</b> Member of the Board	Ms. Noriko Kase serves as Member of the Board of the Company. She was also engaged in various fields including book editing and corporate marketing and now serves as Chief Executive Officer of KADOKAWA ASCII Research Laboratories, Inc. She has abundant experience and extensive knowledge.	100% 19/19 meetings	●	●	●						
<b>Nobuo Kawakami</b> Member of the Board	Mr. Nobuo Kawakami serves as Member of the Board of the Company. He also established DWANGO Co., Ltd., which is a subsidiary of the Company, served as Representative Director of said company for years, and currently serves as its Advisor. He has abundant experience and extensive knowledge.	84.2% 16/19 meetings	●	●	●	●					
<b>Hiroo Unoura</b> Member of the Board, Independent Chairperson of the Board Chairperson of the Nominating Committee	Mr. Hiroo Unoura has abundant expertise and experience as a top management executive working on strengthening competitiveness and profitability of the domestic business as well as expanding the global business at NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present NTT, Inc.). Also at the Company, he leads discussions as the Chairperson of the Board and the Chairperson of the Nominating Committee.	100% 19/19 meetings	●					●		●	●



Name	Abilities and reason for selection	Attendance at meeting by the Members of the Board (FY2024)	Expertise							
			Corporate management	Content creation	Sales Marketing	IT Technology	Finance Accounting	Legal affairs Governance	Human affairs Human resources development	International experience
<b>Ruth Marie Jarman</b> Member of the Board, Independent Chairperson of the Remuneration Committee Member of the Nominating Committee	Ms. Ruth Marie Jarman has, as CEO of Jarman International KK, abundant experience and extensive knowledge in global expansion, inbound businesses, and support for women's activities. Also at the Company, she leads discussions as the Chairperson of the Remuneration Committee, and she provides valuable input from an objective perspective as a member of the Nominating Committee as well.	94.7% 18/19 meetings	●		●				●	●
<b>Tadaaki Sugiyama</b> Member of the Board, Independent Member of the Nominating Committee Member of the Audit Committee	Mr. Tadaaki Sugiyama has broad experience and extensive knowledge in the areas of legal affairs and compliance, having served for many years as the head of Legal and Compliance at Kao Corporation and as the Chairman of the Association of Corporate Legal Departments, a corporate legal organization. Also at the Company, he provides valuable input from an objective perspective as a member of the Audit Committee and Nominating Committee.	100% 19/19 meetings						●		●
<b>Yu Sasamoto</b> Member of the Board, Independent Member of the Remuneration Committee Member of the Audit Committee	Mr. Yu Sasamoto has abundant experience and extensive knowledge as a top management executive in various fields including IT and technology, having served as the Chief Executive Officer of DAZN Japan Investment GK, Representative Director of Twitter Japan K.K. and the Vice President of JAPAC of Twitter, Inc., and Managing Executive Officer of Microsoft Corporation, having contributed to business growth of each company. Also at the Company, he provides valuable input from an objective perspective as a member of the Remuneration Committee and Audit Committee.	89.5% 17/19 meetings	●		●	●			●	
<b>Ayumi Uzawa</b> Member of the Board, Independent Member of the Audit Committee	Mr. Ayumi Uzawa has a high degree of professionalism in finance and accounting as a certified public accountant and has abundant experience and extensive knowledge in fields such as finance and accounting, having served as an Outside Director or a third-party committee member at a number of companies. Also at the Company, he provides valuable input from an objective perspective as a member of the Audit Committee.	100% 19/19 meetings					●	●		●
<b>Etsuko Okajima</b> Member of the Board, Independent Member of the Nominating Committee Member of the Remuneration Committee	Ms. Etsuko Okajima has abundant experience and extensive knowledge in strengthening management structures, having served as Representative Director and President of ProNova Inc., and being involved as a consultant in providing development support for next generation corporate managers and developing human resources, and also having served as an outside director at a number of companies. Also at the Company, she provides valuable input from an objective perspective as a member of the Nominating Committee and Remuneration Committee.	100% 16/16 meetings	●						●	●
<b>Koichi Kusano</b> Member of the Board, Independent (newly appointed) Chairperson of the Audit Committee	Mr. Koichi Kusano has achieved remarkable success as a lawyer over many years, particularly in the fields of mergers and acquisitions and corporate law, and he also served as a justice of the Supreme Court, demonstrating a high level of expertise. He has acted as an outside officer of companies and taught at law schools in Japan and abroad, possessing extensive experience and deep insight not only in legal affairs and governance but also in international matters and across diverse industries. Also at the Company, he promotes auditing of business activities as the Chairperson of the Audit Committee.	—						●	●	●

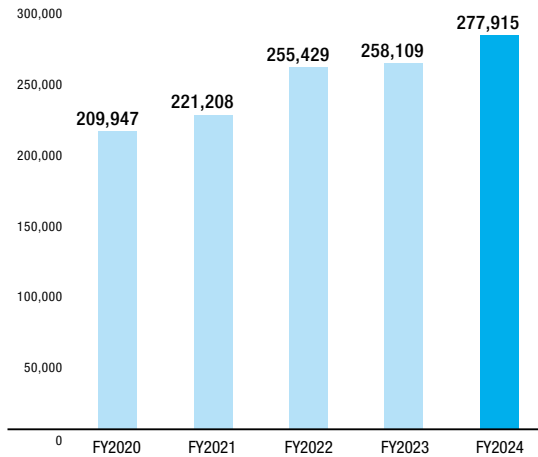
\*As of June 26, 2025

## Financial Highlights and Non-Financial Highlights

### Financial Highlights (consolidated)

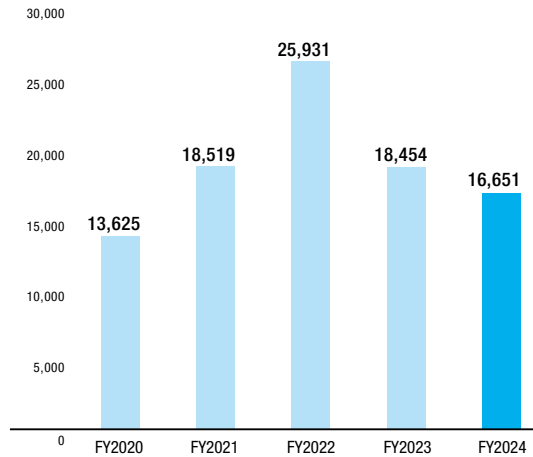
#### Net sales

(Million yen)



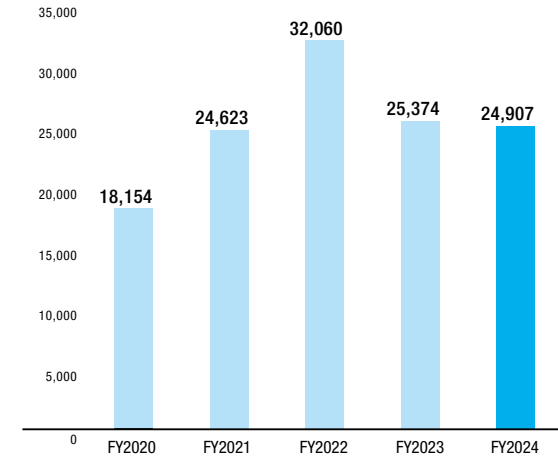
#### Operating profit

(Million yen)



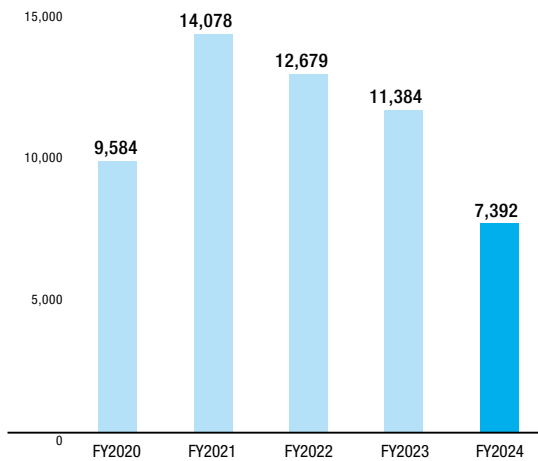
#### EBITDA

(Million yen)



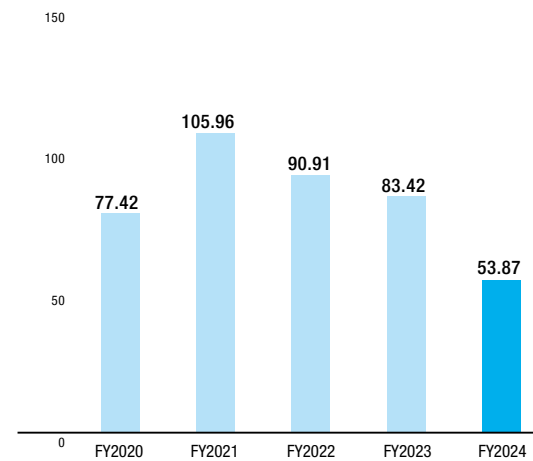
#### Profit attributable to owners of parent

(Million yen)



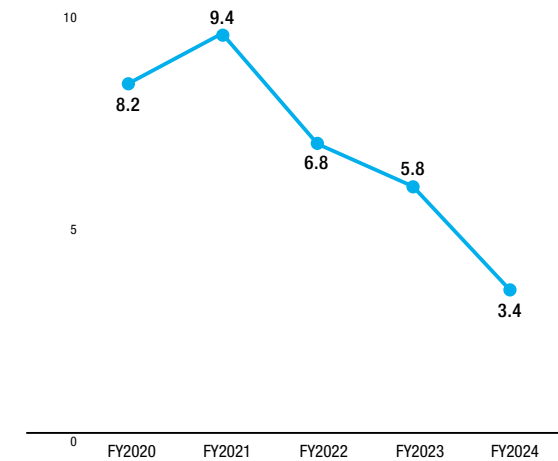
#### Net income per share

(Yen)



#### Return on equity (ROE)

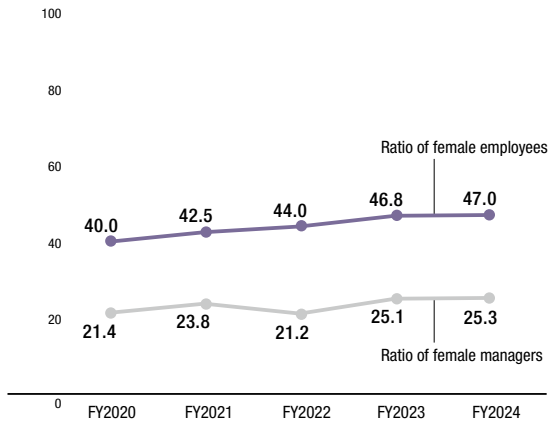
(%)



On January 1, 2022, the Company split its common stock 2 for 1. Net assets per share are calculated on the assumption that the stock split was conducted at the beginning of FY2020.

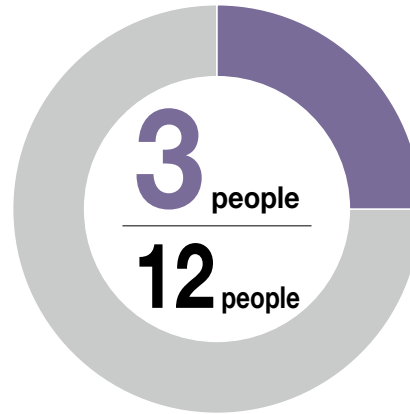
## Non-Financial Highlights

Ratio of female employees and ratio of female managers (%)

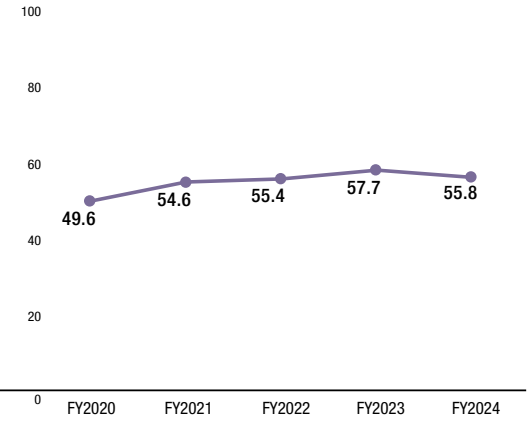


Scope: KADOKAWA CORPORATION (parent company only)

Number of female Board Members \*KADOKAWA CORPORATION

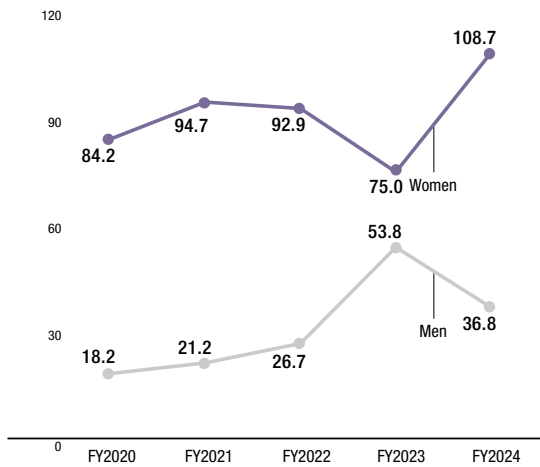


Paid leave acquisition rate (%)



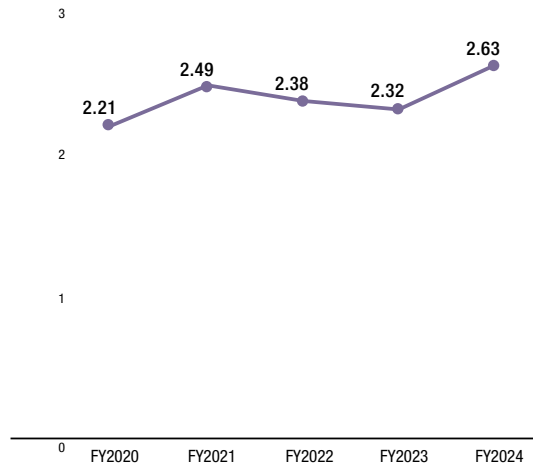
Scope: KADOKAWA CORPORATION (parent company only)

Childcare leave acquisition rate (%)



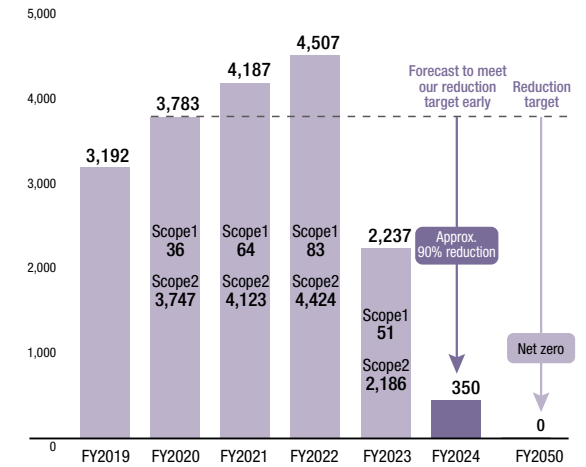
Scope: KADOKAWA CORPORATION (parent company only)  
The childcare leave acquisition rate for women indicates the ratio of employees who gave birth among those who took childcare leave. The ratio may exceed 100% due to differences between the year of childbirth and the year childcare leave commenced.

Employment rate of employees with disabilities (%)



In FY2024, the employment rate of persons with disabilities across our entire special group met the statutory employment rate for private companies in Japan.

GHG emissions (t-CO<sub>2</sub>)



Scope: KADOKAWA CORPORATION (parent company only)

# Consolidated Financial Statements

## Consolidated Balance Sheets

	(Unit: Million yen)	
	FY2023	FY2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	105,351	145,494
Notes receivable - trade	1,414	1,785
Accounts receivable - trade	60,998	67,800
Contract assets	2,716	1,671
Securities	—	808
Inventories	30,537	34,757
Prepaid expenses	2,621	3,695
Deposits paid	5,249	4,088
Others	12,699	12,558
Allowance for doubtful accounts	(141)	(211)
Total current assets	221,448	272,447
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures	44,426	47,355
Accumulated depreciation	(13,359)	(15,762)
Buildings and structures, net	31,066	31,592
Machinery and equipment	6,943	7,609
Accumulated depreciation	(3,010)	(3,654)
Machinery and equipment, net	3,933	3,955
Tools, furniture and fixtures	9,444	9,232
Accumulated depreciation	(6,732)	(6,817)
Tools, furniture and fixtures, net	2,711	2,415
Land	26,287	28,250
Construction in progress	180	24
Others	1,082	1,268
Accumulated depreciation	(530)	(584)
Other, net	552	684
Total property, plant and equipment	64,732	66,922
Intangible assets		
Software	9,274	11,021
Goodwill	1,734	5,333
Others	2,662	4,149
Total intangible assets	13,671	20,504
Investments and other assets		
Investment securities	29,224	38,397
Retirement benefit asset	15	—
Deferred tax assets	5,261	3,713
Insurance funds	1,620	1,727
Guarantee deposits	3,349	4,183
Others	1,236	2,366
Allowance for doubtful accounts	(249)	(233)
Total investments and other assets	40,458	50,154
Total non-current assets	118,862	137,581
<b>Total assets</b>	340,310	410,029

	(Unit: Million yen)	
	FY2023	FY2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable – trade	34,084	35,411
Short-term borrowings	—	451
Current portion of long-term borrowings	178	15,292
Accounts payable - other	14,455	14,976
Income taxes payable	4,632	4,631
Contract liabilities	15,078	16,647
Deposits received	9,640	8,774
Provision for bonuses	5,636	6,106
Refund liabilities	6,446	6,685
Provision for share-based remuneration	264	261
Provision for share-based remuneration for directors (and other officers)	1,163	1,103
Others	5,798	6,691
Total current liabilities	97,378	117,033
<b>Non-current liabilities</b>		
Long-term borrowings	25,171	10,946
Deferred tax liabilities	372	637
Retirement benefit liability	3,096	2,368
Others	1,725	1,634
Total non-current liabilities	30,365	15,587
<b>Total liabilities</b>	127,744	132,621
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	40,624	65,613
Capital surplus	76,028	85,223
Retained earnings	82,586	85,913
Treasury shares	(21,276)	(5,619)
Total shareholders' equity	177,964	231,130
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	8,762	14,042
Foreign currency translation adjustment	3,597	4,222
Remeasurements of defined benefit plans	269	392
Total accumulated other comprehensive income	12,629	18,658
Share acquisition rights	—	2,426
<b>Non-controlling interests</b>	21,973	25,192
<b>Total net assets</b>	212,566	277,408
<b>Total liabilities and net assets</b>	340,310	410,029

## Consolidated Statements of Income

(Unit: Million yen)

	FY2023	FY2024
Net sales	258,109	277,915
Cost of sales	171,496	178,840
Gross profit	86,613	99,075
Selling, general and administrative expenses	68,158	82,423
Operating profit	18,454	16,651
<b>Non-operating income</b>		
Interest income	1,501	1,521
Dividend income	658	485
Share of profit of entities accounted for using equity method	554	725
Foreign exchange gains	1,763	—
Gain on sale of goods	111	114
Others	214	421
Total non-operating income	4,804	3,269
<b>Non-operating expenses</b>		
Interest expenses	63	80
Share issuance costs	—	275
Foreign exchange losses	—	1,794
Donations	2,900	—
Others	59	27
Total non-operating expenses	3,022	2,178
<b>Ordinary profit</b>	20,236	17,742
<b>Extraordinary income</b>		
Gain on sale of non-current assets	96	2
Gain on sale of investment securities	2,359	2,861
Gain on sale of shares of subsidiaries and associates	124	—
Gain on liquidation of subsidiaries and associates	—	166
Total extraordinary income	2,579	3,031
<b>Extraordinary losses</b>		
Impairment losses	2,507	63
Expenses for dealing with system failure	—	2,413
Loss on retirement of non-current assets	55	203
Loss on valuation of investment securities	498	258
Extra retirement payments	—	549
Cancellation penalties	17	—
Others	42	94
Total extraordinary losses	3,121	3,581
<b>Profit before income taxes</b>	19,694	17,192
Income taxes – current	8,230	7,862
Income taxes – deferred	(1,559)	(608)
Total income taxes	6,671	7,253
<b>Profit</b>	13,023	9,938
<b>Profit attributable to non-controlling interests</b>	1,638	2,545
<b>Profit attributable to owners of parent</b>	11,384	7,392

## Consolidated Statements of Comprehensive Income

(Unit: Million yen)

	FY2023	FY2024
Profit	13,023	9,938
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(1,218)	5,280
Foreign currency translation adjustment	1,287	1,058
Remeasurements of defined benefit plans, net of tax	12	141
Share of other comprehensive income of entities accounted for using equity method	18	23
Total other comprehensive income	98	6,503
<b>Comprehensive income</b>	13,121	16,441
<b>Comprehensive income attributable to</b>		
Comprehensive income attributable to owners of parent	11,248	13,422
Comprehensive income attributable to non-controlling interests	1,873	3,019

# Consolidated Financial Statements

## Consolidated Statements of Cash Flows

(Unit: Million yen)

	FY2023	FY2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	19,694	17,192
Depreciation	6,735	7,679
Impairment losses	2,507	63
Amortization of goodwill	184	576
Share-based payment expenses	—	2,443
Share issuance costs	—	275
Expenses for dealing with system failure	—	2,413
Loss (gain) on sale of investment securities	(2,359)	(2,861)
Loss (gain) on valuation of investment securities	498	258
Loss on retirement of non-current assets	55	203
Increase (decrease) in retirement benefit liability	(410)	(540)
Increase (decrease) in refund liabilities	571	3
Increase (decrease) in provision for bonuses	686	467
Interest and dividend income	(2,160)	(2,007)
Foreign exchange losses (gains)	(1,242)	1,670
Share of loss (profit) of entities accounted for using equity method	(554)	(725)
Decrease (increase) in trade receivables and contract assets	(11,327)	(4,697)
Decrease (increase) in inventories	(4,712)	(2,643)
Increase (decrease) in trade payables	4,604	537
Increase (decrease) in contract liabilities	1,186	1,182
Other, net	(881)	43
<b>Subtotal</b>	<b>13,076</b>	<b>21,535</b>
Interest and dividends received	2,448	2,957
Interest paid	(70)	(74)
Expenses paid to address system failures	—	(2,349)
Income taxes paid	(7,156)	(8,227)
<b>Net cash provided by (used in) operating activities</b>	<b>8,298</b>	<b>13,841</b>
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	10,042	6,777
Purchase of property, plant and equipment	(3,128)	(6,639)
Purchase of intangible assets	(5,824)	(7,494)
Purchase of investment securities	(99)	(2,886)
Proceeds from sale of investment securities	3,707	4,397
Purchase of shares of subsidiaries resulting in a change in scope of consolidation	(1,020)	(3,353)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	6	213
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	23	—
Other, net	(212)	545
<b>Net cash provided by (used in) investing activities</b>	<b>3,494</b>	<b>(8,440)</b>

(Unit: Million yen)

	FY2023	FY2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(1)	32
Repayments of long-term borrowings	(40,478)	(426)
Proceeds from issuance of shares	—	49,700
Proceeds from share issuance to non-controlling shareholders	—	73
Purchase of treasury shares	(20,001)	(0)
Dividends paid	(4,253)	(4,065)
Other, net	(1,066)	(1,194)
<b>Net cash provided by (used in) financing activities</b>	<b>(65,800)</b>	<b>44,117</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>2,459</b>	<b>313</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(51,547)</b>	<b>49,832</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>131,389</b>	<b>79,841</b>
<b>Cash and cash equivalents at the end of period</b>	<b>79,841</b>	<b>129,674</b>

## Key Performance Indicators, etc. (Consolidated)

Fiscal Year	1st Fiscal Year	2nd Fiscal Year	3rd Fiscal Year	4th Fiscal Year	5th Fiscal Year	6th Fiscal Year	7th Fiscal Year	8th Fiscal Year	9th Fiscal Year	10th Fiscal Year	11th Fiscal Year
Closing date	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	March 2022	March 2023	March 2024	March 2025
Net sales (Million yen)	100,566	200,945	205,717	206,785	208,605	204,653	209,947	221,208	255,429	258,109	277,915
Operating profit (Million yen)	1,391	9,124	8,419	3,144	2,707	8,087	13,625	18,519	25,931	18,454	16,651
Ordinary profit (Million yen)	2,472	10,189	7,407	3,716	4,205	8,787	14,369	20,213	26,669	20,236	17,742
Profit (loss) attributable to owners of parent (Million yen)	14,055	6,845	5,767	1,038	(4,085)	8,098	9,584	14,078	12,679	11,384	7,392
Comprehensive income (Million yen)	15,205	6,704	7,560	1,316	(1,604)	7,878	13,702	18,497	15,441	13,121	16,441
Net assets (Million yen)	104,248	104,526	111,724	109,128	103,411	107,375	129,524	175,740	223,171	212,566	277,408
Total assets (Million yen)	205,673	201,609	246,949	239,881	240,072	242,995	269,648	325,319	382,898	340,310	410,029
Net assets per share (Yen)	728.91	764.72	810.05	814.69	801.04	855.77	987.83	1,234.46	1,450.27	1,417.63	1,704.48
Net income (loss) per share (Yen)	100.01	49.56	42.52	7.76	(31.97)	65.06	77.42	105.96	90.91	83.42	53.87
Diluted earnings per share (Yen)	99.60	—	—	—	—	—	—	105.96	90.89	83.40	52.47
Equity ratio (%)	50.2	51.4	44.5	44.7	42.2	43.3	47.2	52.8	52.9	56.0	60.9
Return on equity (ROE) (%)	22.5	6.6	5.4	1.0	—	7.8	8.2	9.4	6.8	5.8	3.4
Price earnings ratio	9.42	17.50	18.77	71.43	—	10.47	27.74	30.39	31.00	31.79	65.98
Cash flows from operating activities (Million yen)	7,765	6,733	11,968	1,608	5,864	16,516	15,586	21,708	17,516	8,298	13,841
Cash flows from investing activities (Million yen)	(9,049)	(4,673)	(10,394)	(18,765)	(13,058)	(29,908)	(5,931)	(7,940)	(16,259)	3,494	(8,440)
Cash flows from financing activities (Million yen)	24,385	(8,775)	37,200	(6,421)	(4,236)	(4,359)	7,933	26,690	30,728	(65,800)	44,117
Cash and cash equivalents at the end of period (Million yen)	59,201	52,175	91,140	67,407	56,123	38,151	55,887	97,579	131,389	79,841	129,674
Number of employees [Number of temporary employees on average (Not included above)]	3,857 [1,834]	3,984 [1,915]	4,179 [2,012]	4,330 [2,046]	4,546 [2,141]	4,492 [2,097]	4,910 [2,162]	5,349 [2,229]	5,856 [2,632]	6,269 [2,798]	6,967 [3,197]

### (Notes)

- The first fiscal year is six months from October 1, 2014 to March 31, 2015.
- In the calculation of net assets from the 2nd year onward, the shares in the Company held by the stock acquisition, management and delivery trust are included in the treasury stock. The said shares are included in the treasury stock that is deducted in the calculation of the average number of shares during the fiscal year to calculate earnings (loss) per share and diluted earnings per share. In addition, the said shares are included in treasury stock that is deducted in the calculation of the number of shares at the end of the fiscal year to calculate net assets per share.
- On January 1, 2022, the Company split its common stock 2 for 1. Net assets per share, basic earnings (loss) per share, and diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the 1st fiscal year.
- Diluted earnings per share from the 2nd fiscal year to the 7th fiscal year are not stated because there was no potential dilution.
- Return on equity and price earnings ratio for the 5th fiscal year are not stated since there is recorded loss attributable to owners of parent.
- Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018) have been applied from the beginning of the 5th fiscal year, and main consolidated financial indicators, etc. for the 4th fiscal year are indicators, etc. after the said accounting standard is retroactively applied.
- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the 8th fiscal year.
- The number of employees is the number of full-time employees excluding employees loaned outside of the Group (including employees concurrently loaned outside of the Group) and including loaned employees to the Company and Corporate Officers. The number of employees in the brackets [] is the average number of temporary employees per year (limited-term employees and temporary staff members from staffing agencies).

## Stock Information

### Status of Shares (as of March 31, 2025)

#### Basic information

Securities code	9468
Issue	KADOKAWA CORPORATION
Share trading unit	100
Listed stock exchange	Tokyo Stock Exchange Prime Market

#### Overview of shareholding matters

Closing date	March 31 of each year
General Meeting of Shareholders	June of each year
Record date of year-end dividends	March 31 of each year
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation 1-4-5 Marunouchi, Chiyoda-ku, Tokyo
Office for handling business	Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation 1-4-5 Marunouchi, Chiyoda-ku, Tokyo
Mailing address	Post Office Box 29, Shin-Tokyo Post Office, 137-8081 Japan Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation
Inquiries	Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation Tel. +81-42-204-0303

#### (Notes)

- With electronic stock certificates, any procedures such as changing a shareholder's address or making a purchase request should be, in principle, carried out with the account management institution (securities company, etc.) where the shareholder has an account. Shareholders are asked to contact the securities company, etc., where they have an account. Please be aware that the shareholder registry administrator (Mitsubishi UFJ Trust and Banking Corporation) will not be able to handle these procedures.
- For the various procedures related to shares recorded in a special account, as Mitsubishi UFJ Trust and Banking Corporation is the account management institution, please use its contact information. Guidance is also provided on the following website.  
<https://www.tr.mufg.jp/daikou/>  
Brokerage services are also carried out at all domestic branches of Mitsubishi UFJ Trust and Banking Corporation.
- Unreceived dividends will be paid at the main office and branches of Mitsubishi UFJ Trust and Banking Corporation.
- Due to amendments to the Companies Act, the electronic provisioning system has been implemented during the General Meeting of Shareholders which was held in June 2023. When the electronic provision system is implemented, information on the exercise of voting rights during the General Meeting of Shareholders will be available on our website. If you wish to receive the convocation notice in writing as in the past, please contact the shareholder registry administrator (Mitsubishi UFJ Trust and Banking Corporation) or the account management institution (securities company, etc.) where you opened your account (the procedure must be completed by the end of March, the record date for the General Meeting of Shareholders).

### Details of Shares and Major Shareholders (as of March 31, 2025)

Number of shares authorized to be issued by the Company .....**520,000,000 shares**

Number of outstanding shares .....**148,990,296 shares**

(including 1,358,558 treasury shares)

Number of shareholders .....**38,169**

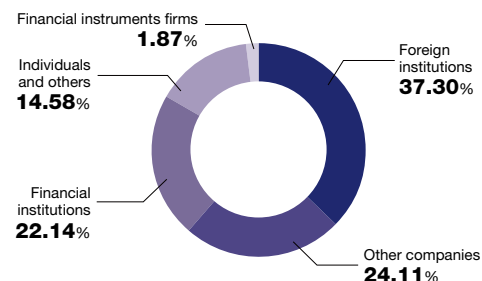
#### Major shareholders (top ten)

Name	Number of shares held (thousand shares)	Ratio of equity participation (%)
KOREA SECURITIES DEPOSITORY-SAMSUNG (Permanent Agent: Citibank, N.A., Tokyo Branch)	15,403	10.43
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,913	10.10
Sony Group Corporation	14,899	10.09
GOLDMAN SACHS INTERNATIONAL(Permanent Agent: Goldman Sachs Japan Co., Ltd.)	12,690	8.60
Custody Bank of Japan, Ltd. (Trust Account)	9,886	6.70
Nobuo Kawakami	6,036	4.09
NIPPON TELEGRAPH AND TELEPHONE CORPORATION	4,080	2.76
Nippon Life Insurance Co. (Permanent Agent: The Master Trust Bank of Japan, Ltd.)	3,428	2.32
Bandai Namco Holdings Inc.	3,060	2.07
CyberAgent, Inc.	2,844	1.93

#### (Notes)

- The Company holds 1,358,000 treasury shares. These 1,358,000 treasury shares do not include the 1,083,000 shares held by Custody Bank of Japan, Ltd. (Trust Account) as trust assets of the share-based compensation plan for Directors of the Company and its consolidated subsidiaries, as well as the ESOP for the employees.
- The treasury shares are excluded in the calculation of the ratio of equity participation shown above.

#### Breakdown by type of shareholder

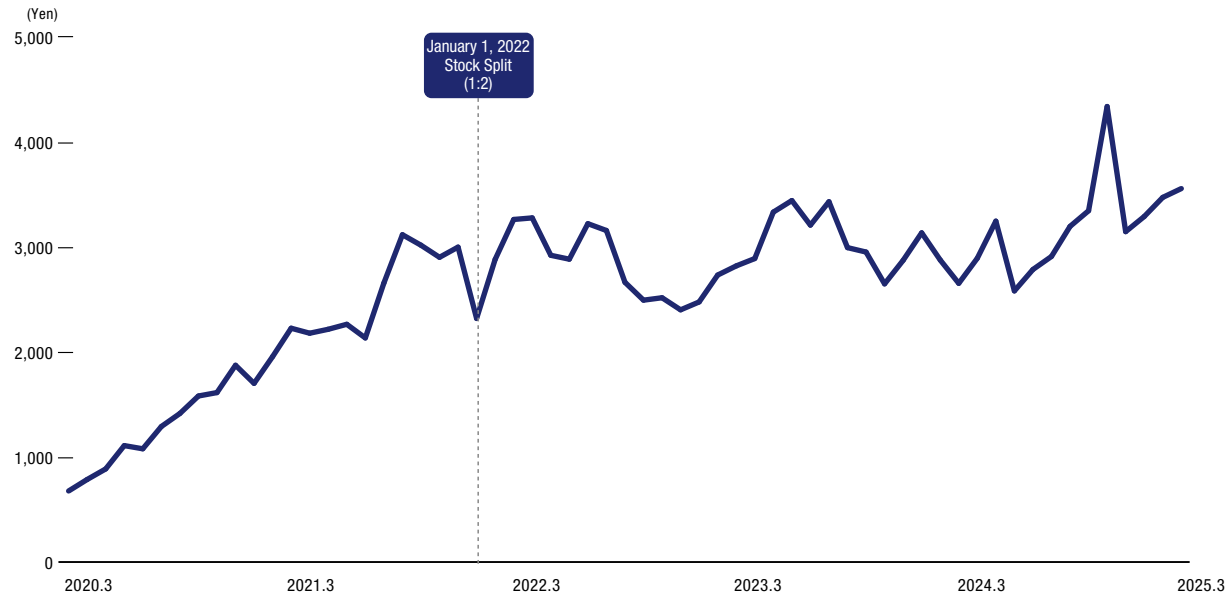


Type	Number of shares held	Ratio (%)
Foreign institutions	554,671	37.30
Other companies	358,598	24.11
Financial institutions	329,300	22.14
Individuals and others	216,748	14.58
Financial instruments firms	27,810	1.87
Government and local public organization	—	—

Note: The treasury stock is included in "Individuals and others."



## Stock Price Chart



(Note)

On January 1, 2022, the Company split its common stock 2 for 1. The graph shows the figures after taking this stock split into consideration.

## Shareholder Benefit Program

For details on our shareholder benefit program, please refer to the following website (in Japanese only).

<https://group.kadokawa.co.jp/ir/stock.html>



## Total Shareholder Return (TSR)

Closing date	March 2021	March 2022	March 2023	March 2024	March 2025
Total Shareholder Return (%)	318.8	480.6	426.0	406.0	542.8
Index: TOPIX (Dividend included) (%)	142.1	145.0	153.4	216.8	213.4

Note: Company values and TOPIX values are based on closing price of March 31, 2020 set at 100.

## Company Profile and List of Group Companies (as of June 30, 2025)

### COMPANY PROFILE

Corporate Name	KADOKAWA CORPORATION
Head Office	2-13-3 Fujimi, Chiyoda-ku, Tokyo 102-8177 JAPAN
Website	<a href="https://group.kadokawa.co.jp/global/">https://group.kadokawa.co.jp/global/</a>
Date of Establishment	October 1, 2014
Common Stock	¥65.6 Billion

### CONSOLIDATED SUBSIDIARIES

ARCLIGHT, Inc.	Glovision Inc.	GUANGZHOU TIANWEN KADOKAWA ANIMATION & COMICS CO., LTD.
ACQUIRE Corp.	Gotcha Gotcha Games Inc.	KADOKAWA HONGKONG LTD.
Yellow Jam Inc.	SHINKIGENSHA Co Ltd	KADOKAWA QINGYU (SHANGHAI) CULTURE & CREATION CO., LTD.
ENGI Co.Ltd.	Studio KADAN Co.Ltd.	KADOKAWA TAIWAN CORPORATION
Custom Cast, Inc.	Spike Chunsoft Co., Ltd.	ANIME NEWS NETWORK LLC
KADOKAWA Architecture Co., Ltd.	Chiptune, Inc.	BOOKWALKER TAIWAN CO., LTD.
KADOKAWA ASCII Research Laboratories, Inc.	CHOUBUNSHA PUBLISHING CO., LTD.	Edizioni BD S.r.l.
KADOKAWA UPLINK INC.	Doga Kobo inc.	First Page Pro Company Limited
KADOKAWA KEY-PROCESS Co., Ltd.	DWANGO Co., Ltd.	JNC Nina GmbH
KADOKAWA CRAFT INC.	Japan Film Fund Co., Ltd.	KADOKAWA AMARIN COMPANY LIMITED
KADOKAWA Global Marketing Co., Ltd.	Virtual Cast, Inc.	KADOKAWA GEMPAK STARZ SDN. BHD.
KADOKAWA KPLUS Co., Ltd.	PUBLUS Corporation	KADOKAWA GEMPAK STARZ(S) PTE.LTD.
KADOKAWA Game Linkage Inc.	Vantan Inc.	KADOKAWA HOLDINGS ASIA LTD.
KADOKAWA DAIEI STUDIO CO., LTD.	Building Book Center Co., Ltd.	KADOKAWA WORLD ENTERTAINMENT, INC.
Kadokawa Book Navi Co.	FromSoftware, Inc.	M12 Media LLC
Kadokawa Media House Inc.	BELLNOX FILMS Co. Ltd.	O'FAN HOUSE Co., Ltd.
KADOKAWA LifeDesign Inc.	MOVIE WALKER Co., Ltd.	PT PHOENIX GRAMEDIA INDONESIA
GeeXPlus, Inc.	RagingBull Inc.	Spike Chunsoft, Inc.
Cool Japan Travel, Inc.		VEGA SAS
		YEN PRESS, LLC

## EQUITY-METHOD AFFILIATED COMPANIES

Karaksa Media Partner Corporation  
KINEMA CITRUS Co.,Ltd.  
CPS Co., Ltd.  
STUDIO CHIZU LLP  
STUDIO WHITE LLP

DOCOMO ANIME STORE, INC.  
Japan Digital Library Service Co.,Ltd.  
PERSOL MEDIA SWITCH CO., LTD.  
PRODUCTION ACE CO., LTD.

ANIMATE OVERSEA CO., LTD.  
IZE PRESS, LLC

## OTHER SUBSIDIARIES

Win Graffiti Inc.  
HACONIWA FARM INC.

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