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April 14, 2026

To whom it may concern,

Company name:	Shochiku Co., Ltd.
Name of representative:	Toshihiro Takahashi, Representative Director and President
	(Code: 9601; TSE Prime, Sapporo Securities Exchange, Fukuoka Stock Exchange)
Inquiries:	Kazunori Moriguchi, Executive Officer
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Notice Concerning Extraordinary Losses Due to Commencement of Demolition Work of Osaka Shochikuza Theatre Building

Shochiku Co., Ltd. (the “Company”) resolved at the Board of Directors meeting held today to commence demolition of the Osaka Shochikuza Theatre Building. In accordance with the resolution, the Company plans to record impairment losses on fixed assets and provision for loss on theater closures as extraordinary losses for the fiscal year ending February 2027, as follows.

1. Regarding Impairment Losses and Provision for Loss on Theatre Closures

It has been about 30 years since the Osaka Shochikuza Theatre, owned by the Company, was opened, and due to the deterioration of various facilities, it has become difficult to operate the theatre in its current facilities. The Company concluded its performance at the Osaka Shochikuza Theatre in May 2026, and at the Board of Directors meeting held today decided to commence demolition work of the building as soon as discussions with relevant parties and various procedures have been completed.

As a result, the Company plans to record an impairment loss of approximately 2.4 billion yen, which is the amount obtained by reducing the book value of fixed assets related to the building to the recoverable amount, and an extraordinary loss for the fiscal year ending February 2027. Furthermore, following the conclusion of the demolition contract, we plan to record an amount of approximately 2 billion yen—representing the estimated cost of building demolition and related expenses—as a provision for loss on theater closures, and to recognize this as an extraordinary loss in the financial year ending February 2027.

After the dismantling, as stated in the “Notice Concerning Osaka Shochikuza Theatre” announced on March 31, 2026, we will work to realize a new center for the dissemination of cultural performing arts.

2. Impact on Business Performance

The posting of impairment losses and provision for loss on theater closures had no impact on the Company’s consolidated financial results for the fiscal year ended February 2026. These impairment losses and the provision for loss on theater closures affect the Company’s earnings forecasts for the fiscal year ending February 2027 and are reflected in the earnings forecasts in the financial statements released today.