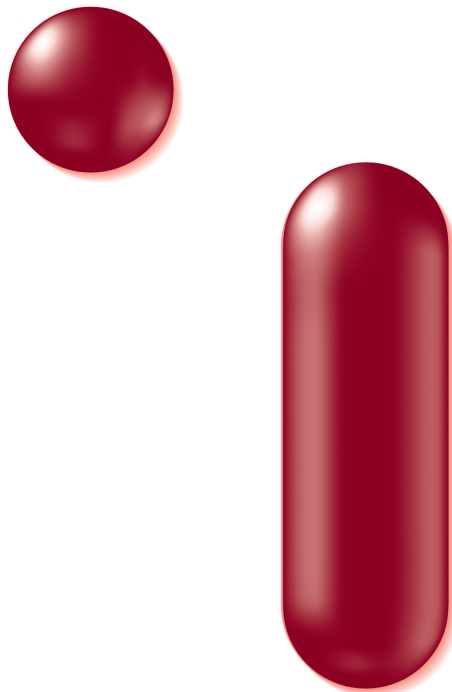




TOWCO., LTD.

Report for the 50th Business Term

(July 1, 2025 to June 30, 2026)

English Translation – Reference Purpose Only

This is an unofficial translation of the Japanese original version prepared solely for convenience.

No representation or warranty is made with respect to its accuracy, and it has no legally binding effect.

If there is any discrepancy between the Japanese original and this translation, the Japanese original will always prevail.

Securities Code: 4767

| To Our Shareholders

Overview of Business Results for the 50th Business Term

To Create Experiences for a New Era

No matter how much the times may change, as long as there are connections between people, “experiences” will remain close to general consumers and society, inspiring people body and soul, even as they continue to transform in shape and role freely.

Through a wide range of approaches, including real-world and digital methods, we will continue to create experiences and deliver inspiration, empathy, and excitement to people.



We would like to extend our sincere gratitude to all shareholders for your continued support for TOW Co., Ltd.

On June 30, 2026, the Company concluded its 50th business term (from July 1, 2025 to June 30, 2026), and it is our pleasure to present you with the report for the term.

For the realization of its purpose, “To Create Experiences for a New Era,” the TOW Group operates businesses that will move the hearts of general consumers and contribute to our clients’ brand value and business growth, based on “Experience Design” that merges real world and digital approaches. While the digitalization of marketing and the use of AI are advancing rapidly, we believe that real-world experiences that connect people to people and people to brands have taken on even greater value.

The 50th business term (FY2026) saw growth of Expo Osaka, Kansai and large-scale exhibitions and the expansion of our mainstay events work, including promotional events, and IP content, resulting in a 5.1% increase in net sales year on year. On the other hand, SG&A expenses increased significantly due to efforts aimed at sustainable future growth, including strengthening of the foundations to strengthen corporate governance, investments in working environment reforms, the acquisition of Blues Mobile Co., Ltd. and AI investments, resulting in year-on-year declines in operating income and recurring profit. Investments in human capital, which is the source of our competitiveness as a company that is heavily reliant on human resources, as well as investments in the development of the office environment, AI, and information systems are essential for infrastructure development as a listed company. While continuing these investments, we will ensure stable profitability by enhancing the value we provide and strengthening collaboration across the Group.

In February 2026, we formulated a new Medium-Term Business Growth Vision to drive the next stage of the Group’s growth. We will further evolve our business growth to date and aim to be an “Experience Partner” that, starting from experience design and spanning the promotion and real-world entertainment fields, contributes to clients’ brand value and business growth over the medium to long term.

One field that we have positioned as a new pillar for growth is real-world entertainment. With IP content, music, sport, food, and urban/commercial facilities as our five key themes, while leveraging the experience design and event production capabilities that we have cultivated in the advertising and promotions markets over the years, we will expand our business fields from a promotions-led model to also encompass business- and entertainment-led models.

Going forward, as a company that creates experiences for a new era, we will create experience value that delivers inspiration, empathy, and excitement to general consumers, while also aiming for sustainable growth and enhancement of corporate value through our evolution into an “Experience Partner” that contributes to our clients’ brand value and business growth. We would appreciate the unwavering support of our shareholders.

September 2026

Kenichi Muratsu President



Business Summary

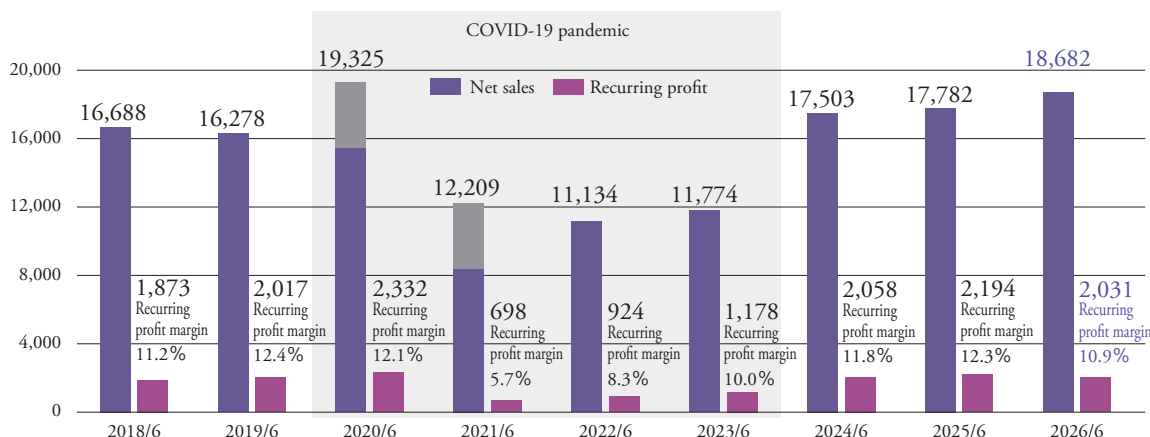
Results of the 50th Term (Consolidated)

- Net sales increased by 5.1% year on year, due to the contribution of Expo Osaka, Kansai, growth in large-scale exhibitions and other projects, as well as the expansion of mainstay event operations such as promotional events and IP content.
- In addition to investments for working environment reforms and strengthening of foundations for the strengthening of corporate governance, significant increases in unplanned investments including expenditure related to the acquisition of Blues Mobile Co., Ltd. and SG&A expenses including AI investments, led to a 6.0% decrease in operating income and a 7.4% decrease in recurring profit.
- Profit attributable to owners of parent increased by 22.3% year on year due to the absence of the previous year's extraordinary loss of 580 million yen stemming from labor system compliance issues.

	Fiscal year ended June 30, 2025		Fiscal year ended June 30, 2026		Year-on-year change
Net sales	17,782	-	18,682	-	+5.1%
Gross profit	3,183	17.9%	3,287	17.6%	+3.3%
SG&A expenses	1,030	-	1,263	-	+22.6%
Operating income	2,152	12.1%	2,024	10.8%	-6.0%
Recurring profit	2,194	12.3%	2,031	10.9%	-7.4%
Extraordinary losses	583	-	11	-	-
Profit attributable to owners of parent	1,132	6.4%	1,384	7.4%	+22.3%

(Monetary amounts: millions of yen)

Trends in Net Sales and Recurring Profit (Consolidated)



*Grey sections on 2020/6 and 2021/6 bars indicate specified BPO operations related to COVID-19

(Monetary amounts: millions of yen)

Business Review

Along with the expansion of mainstay real-world events operations, we are advancing initiatives in the promotions field that combine digital, video, and other approaches with the real-world format as the starting point. Meanwhile, there is also room for expansion of integrated promotions based on digital and video approaches, and we will strengthen these areas for the provision of value and enhancement of profitability going forward. Also, we focus on the real-world entertainment field, mainly on IP content. In addition to promotions, we are expanding our business portfolio into new growth fields.

Real-world Event-Centered Promotions Field Projects



Huawei Japan's New Products Launch



Japan Mobility Show 2025 Organizers' Program



FANCL's promotional event

Digital- and Video-Centered Promotions Field Projects



Lotte's "CRUNKY" online promotion



Ziploc integrated promotion



MATCH Vitamin Soda filmed event

Real-world Entertainment Field Projects



IP content

Pokémon Japan Championships 2026



Urban/commercial events

"LIGHT WALK ODAIBA" illumination event



Food

Nissui "FICCHURROS" pop-up shop

| New Medium-Term Business Growth Vision

Experience Partner Spanning Promotions and Real-World Entertainment



The TOW Group will evolve as an Experience Partner that, starting from experience design and spanning the promotion and real-world entertainment fields, contributes to clients' brand value and business growth by creating experience value that delivers inspiration, empathy, and excitement to general consumers.

For the realization of its purpose, “To Create Experiences for a New Era,” the Group has, until now, promoted a business growth strategy of two-pronged expansion, namely expansion of clientele and expansion of fields.

While the digitalization of marketing and the use of AI continued to progress, the value provided by real-world experiences has further increased, and the advertising and marketing markets are increasingly converging with and becoming adjacent to the entertainment market. Viewing these changes in the business environment as a new growth opportunity, in FY2026, we formulated a new Medium-Term Business Growth Vision.

We will further evolve our experience design and event production capabilities to create experience value that spans the promotions and real-world entertainment fields, delivering inspiration, empathy, and excitement to general consumers, and aim to be an Experience Partner that contributes to clients' brand value and business growth over the medium to long term.

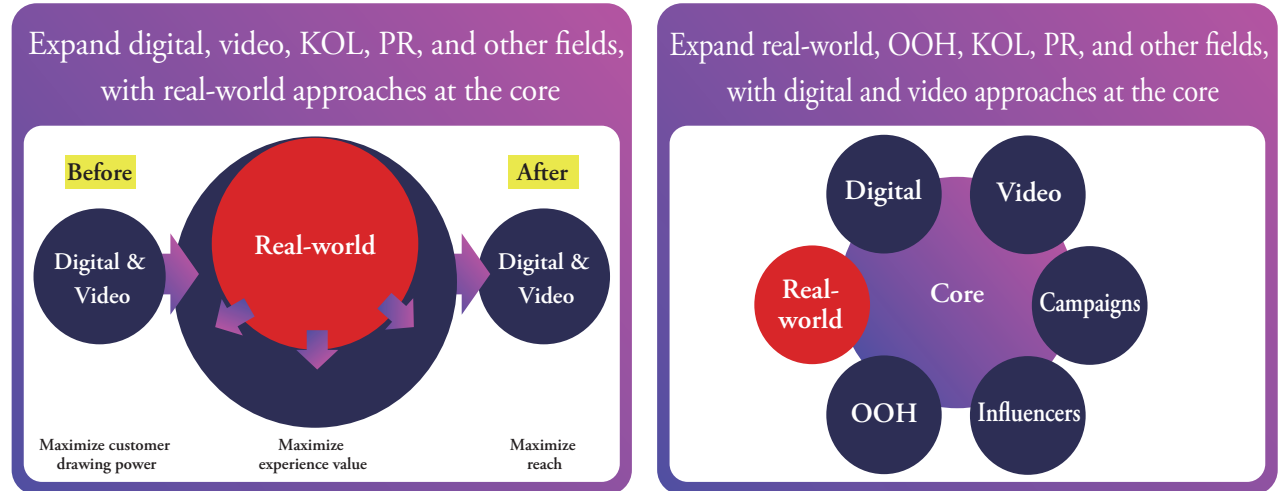
| Business Growth Strategy

Further expand the value offered in the promotions field, starting with experience design

With the production and execution capabilities in real-world events cultivated over many years as its strengths, the TOW Group has promoted experience design that merges real-world and digital approaches.

The Group will now take this further by bringing together its capabilities in production, planning, and real-world/digital integration to combine a wide range of methods, including real-world, digital, and video approaches, as well as campaigns, OOH, and influencers, to enhance the value provided by promotions as a whole.

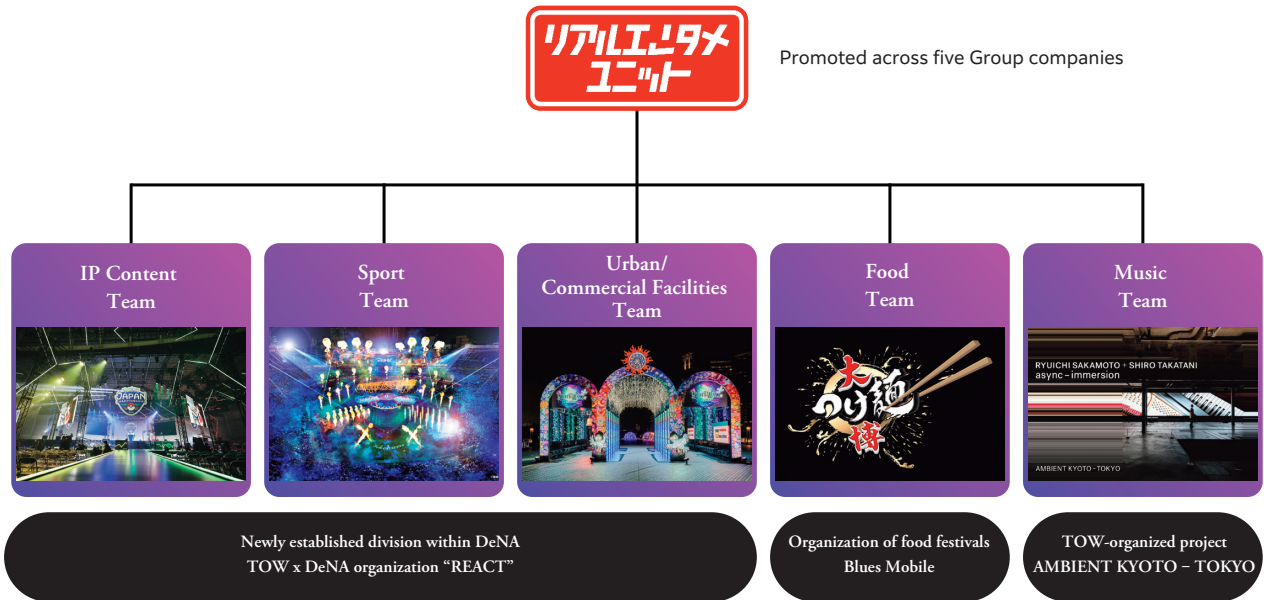
With real-world approaches at the core, we will expand not only into digital, video, and other fields, but also into real-world experiences that start with digital and video approaches, to design and implement optimal experiences that align with the client's issues and objectives.



Turn the real-world entertainment field that captivates people and generates enthusiasm into the pillar of our next phase of growth

The TOW Group has positioned the real-world entertainment field, which uses the appeal of entertainment to captivate people, encourages general consumers to proactively spend time and money to participate, and amplifies empathy and enthusiasm, as the pillar of its next stage of growth.

With IP content, music, sport, food, and urban/commercial facilities as our five key themes, leveraging our capabilities in experience design and event production cultivated in the advertising and promotion markets, we will work to create diverse real-world experiences ranging from the “promotion-led model” that supports corporate and brand marketing activities to “business- and entertainment-led models,” in which we are directly involved in businesses and entertainment.

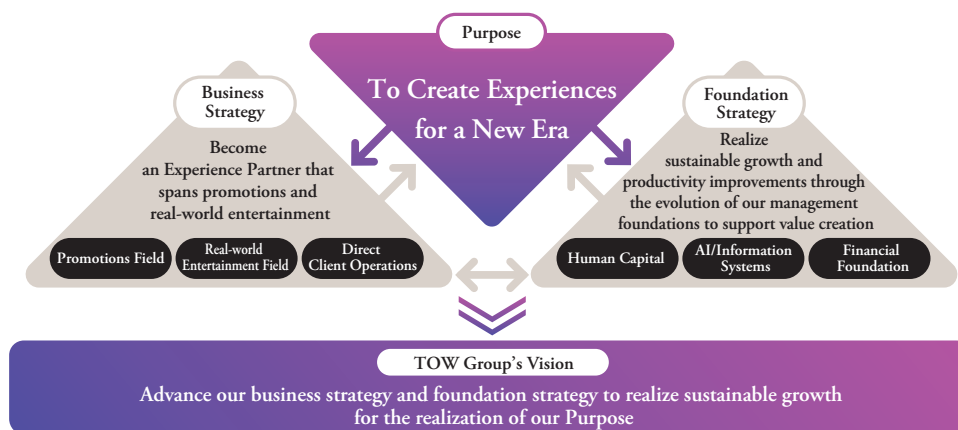


Strengthening of management foundation to support sustainable growth

Alongside business growth, we will strengthen our management foundation to support that growth

To realize our evolution into an Experience Partner and the enhancement of sustainable corporate value, alongside the expansion of our business fields, it is also essential that we strengthen our management foundations to support that expansion, including human resources, organizations, technology, and governance.

As foundations that will support medium- to long-term growth, the Group is advancing human capital investment, the adoption of AI and other technologies, and the strengthening of corporate governance and the working environment.



01 | Human Capital

We will establish a high-value-added talent base in which each individual will continuously create value

Amid changes in the business environment, such as the expansion of business fields and the evolution of AI, we view human capital strategy as an important management challenge that will support sustainable growth. In light of the business environment and organizational issues, we will pursue seven key themes, including working environment, health and safety, diversity, and governance, in an integrated manner with a focus on securing, retaining, and developing talent, and promote human resources strategy and the strengthening of the management foundation to support business growth.

Rather than approaching these themes as standalone strategies, by linking them with each other and with the business strategy, we will realize talent growth, productivity increases, and corporate value enhancement. In the development and execution of human resources strategy, we will use AI to enhance efficiency, as well as increasing productivity company-wide through AI-driven human resources development.

Basic Policy

Establishment of a high-value-added talent base in which each individual will continuously create value

1 Talent acquisition

- Strengthen recruitment capabilities based on the business strategy
- Expand and optimize diverse recruitment channels

2 Engagement

- Create opportunities for employees to excel and implement optimal placement
- Strengthen employee retention and turnover prevention through dialogue

3 Development

- Promote level-specific training and development programs
- Promote division-specific talent strategies and development policies

4 Working environment

- Continue to improve HR and labor systems to reflect actual circumstances
- Establish working environments to support productivity improvements

5 Health and safety

- Visualize and optimize working hours, promote health management
- Strengthen preventive mental health framework

6 Diversity

- Create an organization that will enable diverse talent to excel
- Promote opportunities for women, young talent, and experienced employees to excel

7 Governance

- Strengthen compliance and governance
- Promote risk management

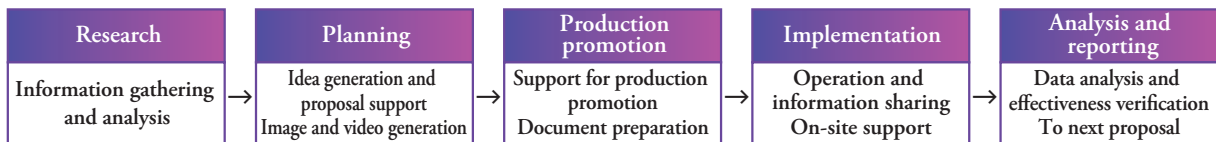
02 | AI and Technology

We believe that combined with experience design, AI will be a growth engine to further enhance our value as an Experience Partner.

To accelerate business growth, we have adopted “AI for Experience Partner” to guide the promotion of the use of AI to evolve experience value. Go beyond the improvement of operational efficiency, we are leveraging AI to evolve our thinking, proposals, experiences, and quality, while building a foundation for the creation of better experiences.

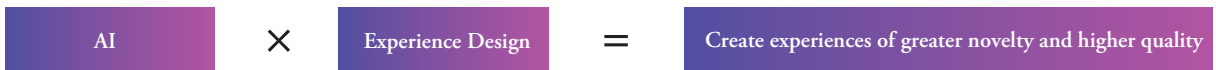
We will also incorporate AI into company-wide workflows to improve output quality and productivity and enhance experience design.

AI for Experience Partner



AI : Support individual processes and enhance speed, quality, and productivity

Efficiency and quality improvement with AI → Humans concentrate on planning, production, and co-creation with clients



Consolidated Balance Sheets

As of June 30, 2025 and 2026

Thousands of yen

	2025	2026		2025	2026
Assets			Liabilities		
Current assets:	12,255,082	12,486,460	Current liabilities:	3,880,050	3,495,857
Cash and deposits	8,128,004	8,734,135	Accounts payable - trade	1,595,965	2,109,553
Electronically recorded monetary claims – operating	57,428	1,245	Short-term loans	525,000	525,000
Notes and accounts receivable – trade, and contract assets	3,654,751	3,341,421	Current portion of long-term borrowings	16,706	128,043
Prepaid expenses for ongoing projects	114,009	89,784	Income taxes payable	352,456	143,866
Accounts receivable - other	19,499	26,243	Reserve for employees' bonuses	31,475	33,403
Prepaid expenses	270,114	285,377	Labor-related provisions	580,000	—
Other	11,323	8,452	Other	778,446	555,990
Allowance for doubtful accounts	(48)	(201)	Long-term liabilities:	447,457	431,905
Noncurrent assets:	1,964,430	2,242,309	Long-term borrowings	71,483	40,128
Tangible fixed assets:	214,015	227,126	Net defined benefit liability	308,854	322,274
Building, net	111,249	121,676	Reserve for directors' retirement allowances	44,560	51,580
Tools, furniture and fixtures, net	102,766	93,162	Other	22,560	17,923
Machinery, equipment and vehicles, net	—	2,735	Total liabilities	4,327,507	3,927,763
Leased assets, net	—	9,551	Net assets		
Intangible assets:	145,465	435,723	Shareholders' equity:	9,418,711	10,275,102
Investment and others:	1,604,948	1,579,459	Capital stock	948,994	948,994
Investments in securities	1,072,597	1,147,189	Capital surplus	1,286,974	1,348,318
Refundable insurance premium	19,765	19,825	Retained earnings	8,973,272	9,671,983
Deferred tax assets	290,672	86,659	Treasury stock	(1,790,530)	(1,694,194)
Leasehold deposits	193,123	291,801	Accumulated other comprehensive income:	462,826	515,436
Other	28,789	33,984	Net unrealized gains (losses) on other securities	462,826	515,436
			Subscription rights to shares:	10,467	10,467
			Total net assets	9,892,005	10,801,005
Total assets	14,219,513	14,728,769	Total liabilities and net assets	14,219,513	14,728,769

Note: The amounts listed above are rounded down to the nearest thousand yen.

Consolidated Statements of Income

Years ended June 30, 2025 and 2026

Thousands of yen

	2025	2026
Net sales	17,782,855	18,682,892
Cost of sales	14,599,161	15,395,224
Gross profit	3,183,694	3,287,668
Selling, general and administrative expenses	1,030,773	1,263,664
Operating income	2,152,920	2,024,004
Non-operating income	48,058	50,666
Non-operating expenses	6,760	43,250
Recurring profit	2,194,218	2,031,419
Extraordinary income	540	204
Extraordinary losses	583,283	11,490
Income before income taxes	1,611,475	2,020,133
Income taxes - current	664,285	455,740
Income taxes - deferred	(185,012)	179,772
Income before minority interests	1,132,201	1,384,620
Profit attributable to owners of parent	1,132,201	1,384,620

Note: The amounts listed above are rounded down to the nearest thousand yen.

Consolidated Statements of Cash Flows

Years ended June 30, 2025 and 2026

Thousands of yen

	2025	2026
Cash flows from operating activities	733,134	1,687,893
Cash flows from investing activities	(91,441)	(346,095)
Cash flows from financing activities	(966,589)	(735,666)
Net increase (decrease) in cash and cash equivalents	(324,895)	606,131
Cash and cash equivalents at beginning of year	8,452,900	8,128,004
Cash and cash equivalents at end of year	8,128,004	8,734,135

Note: The amounts listed above are rounded down to the nearest thousand yen.

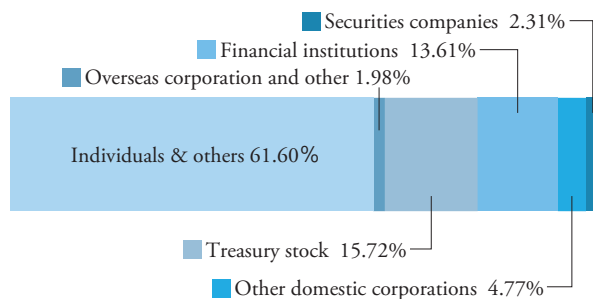
Stock Information

As of June 30, 2026

1. Number of shares authorized to be issued 120,000,000 shares | 2. Number of shares issued 48,969,096 shares | 3. Number of shareholders 18,404

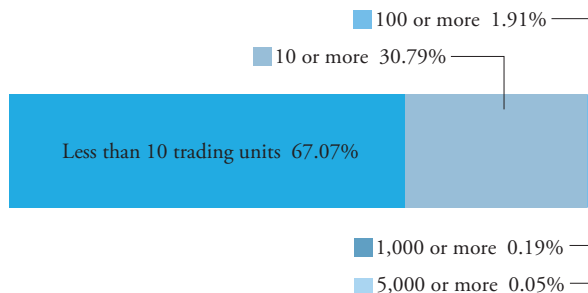
Note: 5,000,000 treasury shares were cancelled on August 31, 2026.

Shareholders by Type



Shareholders by Number of Shares Held

(Breakdown of shareholders by number of shares held.)



Dividend Policy

Dividend policy and dividend for FY2027

Basic Policy

Recognizing the return of profits to our shareholders as a key management issue, we have adopted a policy of ongoing stable dividends. From FY2026, as indicators of our dividend policy and profit distribution, we have raised the payout ratio, dividend yield, and payout ratio equivalent upper limit.

FY2027 Dividend

We have determined our minimum dividend based on the Company's dividend policy and profit distribution indicators of (1) forecast dividend per share calculated with a consolidated dividend payout ratio of 50%, or (2) per-share dividend calculated by multiplying the closing share price on the day prior to the fiscal year-end financial results announcement by a dividend yield of 5.5%, whichever is higher; with (3) an upper limit of a consolidated dividend payout ratio of 60%, based on a fundamental policy of securing internal reserves. In addition, celebrating the Company's 50th anniversary, we plan to pay a commemorative dividend of 2 yen per share as part of the interim dividend for FY2027, as a gesture of appreciation toward our shareholders.

	FY2027
Payout ratio	50%
Dividend yield	5.5%
Payout ratio equivalent upper limit	60%

	Closing price on day before results announcement	Interim	Year-end	Total
FY2026	323 yen	9.15 yen	9.15 yen	18.30 yen
FY2027	339 yen	(Forecast) 11.35 yen	(Forecast) 9.35 yen	(Forecast) 20.70 yen

Corporate Profile

As of June 30, 2026

Name: TOW Co., Ltd.

Head Office: Hulic Kamiyacho Bldg. 3F, 4-3-13
Toranomon, Minato-ku, Tokyo 105-0001 Japan

Establishment: July 6, 1976

Paid-in Capital: ¥948,994 thousand

Number of Employees: 300 (Consolidated)

Main Business Lines:

1. Planning, production, construction, creation and management of events and seminars
2. Construction of buildings and erection of other structures, interior decoration, and electrical installation work performed under contract for promotional and other events
3. Planning and production of advertising and public relations events
4. Planning, production and management of media and media content, and performance thereof under contract
5. Planning, production, acquisition, administration and sales of video and audio software
6. Planning and production of sales promotion campaigns, and planning and publishing of exhibitions and interior decoration
7. Planning, production, sales and import/export of advertisements, promotional goods and premiums related to sales promotion
8. Planning, production and publishing of various printed matters
9. Planning and production related to integrated promotion that combines 1 to 8 above (i.e., experience design)

■ Directors and Corporate Auditors (As of September 25, 2026)

President	Kenichi Muratsu
Executive Vice President (CGO/Group CHRO)	Junpei Amemiya
Managing Director/Executive Officer (CFO)	Takehito Masumori
Managing Executive Officer	Hiroki Takeshita
Managing Executive Officer	Shunichi Ebine
Senior Executive Officer	Goichi Kawamura
Executive Officer	Koji Eguchi
Executive Officer	Jun Sato
Executive Officer	Isao Tamasaki
Chief Digital Officer (CDO)	Shinya Kanamori
Outside Director, Audit and Supervisory Committee Member	Tomosada Yoshikawa
Outside Director, Audit and Supervisory Committee Member	Yuka Imanishi
Outside Director, Audit and Supervisory Committee Member	Daisuke Yanasawa

Shareholder Information

Business year: From July 1 to June 30 of the following year

Regular general meeting of shareholders: September every year

Administrator of stockholders' register and special account management institution: Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo

Contact: Corporate Agency Div., Mitsubishi UFJ Trust and Banking Corporation
1-1, Nikkocho, Fuchu-shi, Tokyo, Japan

Tel (toll free number): 0120-232-711

Mailing address: Corporate Agency Div., Mitsubishi UFJ Trust and Banking Corporation
P.O. Box No. 29, Shin-Tokyo Post Office, 137-8081, Japan

One trading unit: 100 shares

Method of public notices: <https://tow.co.jp/>
(When electronic public notices are not possible due to accidents or other unavoidable reasons, they will be made available in the newspaper, the Nihon Keizai Shimbun.)



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<https://tow.co.jp/>