



November 27, 2025

Press Release

Head office address	8-4-14 Akasaka, Minato-ku, Tokyo
Company name	Broadmedia Corporation (Code: 4347)
Representative	Representative CEO Taro Hashimoto
Contact for inquiries	Executive Director CFO Hideaki Oshio

Notice Regarding Establishment of a Subsidiary Through Company Split (Simplified Incorporation-Type Company Split)

Broadmedia Corporation (the "Company") announces that, at the Board of Directors' meeting held on November 27, 2025, it resolved to transfer, as of April 1, 2026 (scheduled effective date), the rights and obligations related to certain production operations currently conducted by the Company's Studio & Production Group—including the production of Japanese subtitles, dubbing, subtitles for the hearing impaired, audio descriptions for the blind and visually impaired, and program promotion, among other activities—to a newly established subsidiary, Broadmedia Studios Corporation, through a company split (incorporation-type company split).

Please note that, as this company split will be a simplified incorporation-type company split conducted solely by the Company, certain disclosure items and details have been omitted.

1. Purpose of the Incorporation-Type Company Split

The Company announced its "Medium-Term Initiatives" in the "Summary of Financial Results for the Fiscal Year Ended March 31, 2024" dated May 10, 2024, and set a medium-term goal of "growing with sustainable and ethical businesses." As part of these initiatives, we are targeting a consolidated operating profit ratio of 10% and a return on equity (ROE) of 30%. To achieve these targets, we aim not only to further grow our "Education" and "Technology" segments—which are currently driving the performance of the Group—but also to take fundamental measures for certain existing businesses, including consideration of strategic options, to improve overall Group performance and capital efficiency.

Against this backdrop, the production operations conducted by the Studio & Production Group will be better suited for independent operation under a newly established company, from the perspectives of clarifying profit and loss management and enabling a flexible structure to consider strategic options. Accordingly, we have decided to undertake this incorporation-type company split.

2. Overview of the Incorporation-Type Company Split

(1) Schedule of the Incorporation-Type Company Split

Resolution of the Board of Directors:	November 27, 2025
Company Split Due Date (Effective date):	April 1, 2026 (planned)

Note: This incorporation-type company split will be conducted in accordance with Article 805 of the Companies Act as a simplified incorporation-type company split and will not require approval from the General Meeting of Shareholders.

(2) Method of the Incorporation-Type Company Split

The Company will be the splitting company, and a newly established company, established through this incorporation-type company split, will be the succeeding company. The new company will become a wholly owned subsidiary of the Company.

(3) Details of the Allotment Related to the Incorporation-Type Company Split

The new company will issue 2,000 shares of common stock at the time of the incorporation-type company split, all of which will be allotted and delivered to the Company.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights Related to the Incorporation-Type Company Split

The Company has not issued any stock acquisition rights or bonds with stock acquisition rights.

(5) Capital Increase or Decrease as a Result of the Incorporation-Type Company Split

There will be no increase or decrease in the capital of the Company as a result of this incorporation-type company split.

(6) Rights and Obligations Succeeded by the New Company

Assets, liabilities, contracts, and other rights and obligations related to the business subject to this split will be succeeded by the new company in accordance with the incorporation-type company split plan dated November 27, 2025.

(7) Prospects for Performance of Obligations

We have judged there are no issues with the prospect of the new company's ability to perform the obligations it will bear after the incorporation-type company split.

3. Overview of the Companies Involved in the Incorporation-Type Company Split

	Splitting Company (as of September 30, 2025)	Successor Company (scheduled for April 1, 2026)
Company Name	Broadmedia Corporation	Broadmedia Studios Corporation
Location	8-4-14 Akasaka, Minato-ku, Tokyo	1-14-7 Tsukishima, Chuo-ku, Tokyo
Representative	Taro Hashimoto, President and CEO	Taro Hashimoto, President and CEO
Business Outline	Provision of online high school education, Japanese language education, AI and programming education, production of Japanese subtitles and dubbing, Akamai (cybersecurity) services, digital cinema services, and a variety of other solution services	Production of Japanese subtitles and dubbing, audio description for the visually impaired, subtitles for the hearing impaired, program promotion, and related production services
Paid-in Capital	600 million yen	50 million yen
Establishment	June 25, 1973	April 1, 2026
Number of shares issued	7,500,000 shares	2,000 shares

	Splitting Company (as of September 30, 2025)	Successor Company (scheduled for April 1, 2026)
Fiscal year-end	March 31	March 31
Major shareholders and shareholding ratio (*shareholding ratio is calculated by deducting treasury stock.)	AVI Japan Opportunity Trust PLC 25.16%	Broadmedia Corporation 100.00%
	Goldman Sachs International 6.99%	
	Japan Securities Finance Co., Ltd. 3.00%	
	The Bank of New York GCM Client Account JPRD ISG FE-AC 2.64%	
	SG/UCITS V/INV 2.52%	

(Financial Position and Operating Results of the Splitting Company for the Most Recent Fiscal Year)

Fiscal Year Ended March 31, 2025 (Consolidated)	
Net assets	5,780,993 thousand yen
Total assets	11,300,042 thousand yen
Net assets per share	649.95 yen
Revenue	15,533,925 thousand yen
Operating income	707,020 thousand yen
Ordinary income	719,576 thousand yen
Net income attributable to owners of parent	335,267 thousand yen
Net income per share	46.86 yen

4. Overview of the Business to be Split

(1) Description of the Business

Production of Japanese subtitles and dubbing, subtitles for people with hearing impairments, audio descriptions for people with visual impairments, program promotion, and related services.

(2) Performance of the Business (Results for Fiscal Year Ended March 31, 2025)

Revenue: 1,556,782 thousand yen

(3) Assets and Liabilities to be Split and Their Amounts (as of October 31, 2025)

Assets		Liabilities	
Current assets	212,852 thousand yen	Current liabilities	41,936 thousand yen
Fixed assets	232,677 thousand yen	Fixed liabilities	85,776 thousand yen
Total amounts	445,529 thousand yen	Total amounts	127,712 thousand yen

Note: The actual amounts of assets and liabilities to be split will be determined by adding or deducting any changes up to the effective date of the incorporation-type company split.

5. Status After the Incorporation-Type Company Split

There will be no changes to the Company's name, head office location, representative's title and name, business description, capital, or fiscal year-end following the incorporation-type company split.

6. Outlook

The impact of this incorporation-type company split on the Company's consolidated performance is expected to be minimal. However, should any matters arise in the future that require public disclosure, we will provide timely notifications.

End

For inquiries regarding this press release:

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