

TOEI ANIMATION CO., LTD.

For FY Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

Dragon Ball Super: Super Hero
Scheduled to be released on Saturday,
June 11, 2022



原作・脚本・キャラクターデザイン

鳥山明

2022dbs.com

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制作：2022ドラゴンボール超（制作委員会） © 2022ドラゴンボール超（制作委員会）

DRAGON BALL SUPER
スーパーヒーロー
SUPER HERO

6.11 SAT
ROADSHOW



歌声、赤髪。

ワンピース フィルム レッド
ONE PIECE FILM

RED

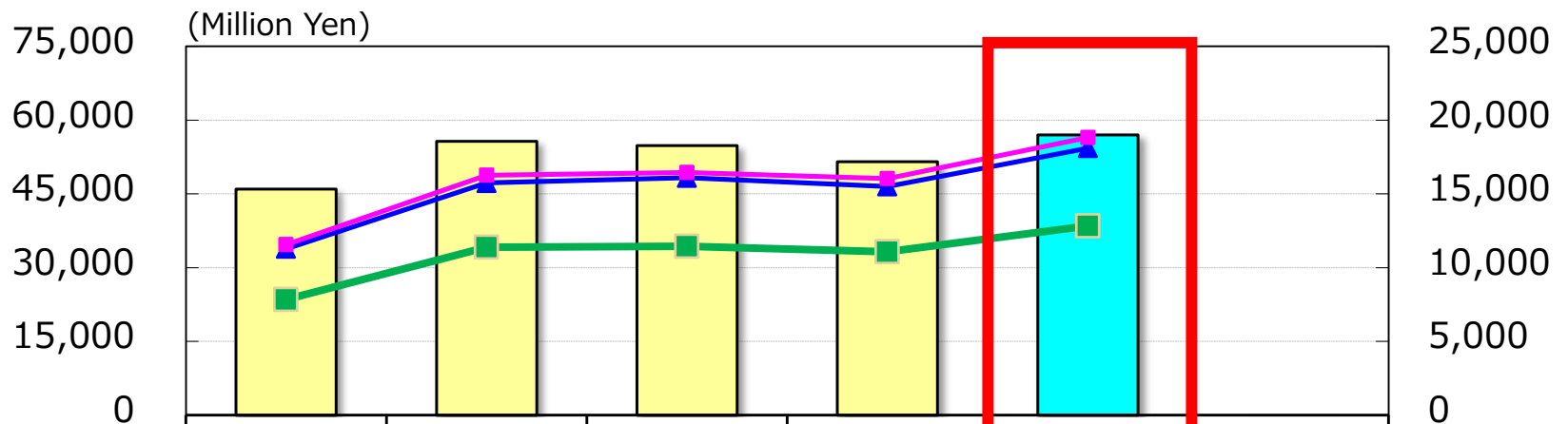
ONE PIECE FILM RED

Scheduled to be released on Saturday,
August 6, 2022

8.6
ROADSHOW

FY2022.3 Results – Consolidated

- Net Sales and each income item hit new record highs.
- Domestic and overseas sales of online distribution rights increased significantly, while sales of profitable overseas game development rights/merchandising rights were strong.
- Overseas business has grown, and the ratio of overseas sales rose to a new record high 62% in the full business year.



Net Sales

Income

	FY2018.3	FY2019.3	FY2020.3	FY2021.3	FY2022.3	% v.s. prior year
Net Sales	45,992	55,701	54,819	51,595	57,020	10.5%
Cost of Sales	28,410	32,862	31,358	28,655	30,327	5.8%
SG&A	6,309	7,097	7,367	7,436	8,585	15.5%
Operating Income	11,272	15,741	16,094	15,503	18,107	16.8%
Ordinary Income	11,561	16,265	16,455	16,040	18,822	17.3%
Net Income	7,847	11,375	11,437	11,067	12,820	15.8%

FY2022.3 Results Segment Breakdown – Consolidated

(Million Yen)		FY2021.3	FY2022.3	% v.s. prior year
Film	Net Sales	19,766	20,769	5.1%
	Segment Income	4,798	5,753	19.9%
Licensing	Net Sales	28,997	32,995	13.8%
	Segment Income	14,257	15,957	11.9%
Sales of Goods	Net Sales	2,466	2,231	-9.5%
	Segment Income	-183	-189	-
Others	Net Sales	446	1,104	147.2%
	Segment Income	-191	-253	-
TOTAL	Net Sales	51,595	57,020	10.5%
	Operating Income	15,503	18,107	16.8%

* Numbers for each segment include intra-company sales.

FY2022.3 Results Segment Analysis (1) (Film)

(Million Yen)	FY21.3 Results	FY22.3 Results
Net Sales	51,595	57,020
Film	19,766	20,769
Movies	1,010	452
TVs	2,720	3,302
DVDs	553	402
Overseas	12,664	12,747
Others	2,815	3,864
Licensing	28,997	32,995
Japan	13,207	11,958
Overseas	15,790	21,037
Sales of Goods	2,466	2,231
Others	446	1,104

Film (↗ 5.1% from FY21.3)

- In movies, revenues decreased significantly because of the decrease in the number of screenings at movie theaters and the impact of the COVID-19 pandemic.
- In TV Anime, revenues increased significantly because of the increase in the number of TV titles to be broadcast and other reasons.
- In DVDs, revenues decreased significantly due to a reactionary decline following strong sales of Blu-ray/DVD versions of *ONE PIECE STAMPEDE* in the term ended March 2021.
- In the Overseas segment, revenues remained mostly unchanged due to the reactionary decline, etc. after the delivery of theatrical movies for Saudi Arabia in the term ended March 2021, despite strong sales of online distribution rights in Asia.
- In the Others segment, revenues increased significantly due to the strong sales of domestic theatrical screening rights.

* Numbers for each segment include intra-company sales.

FY2022.3 Results Segment Analysis (2)

(Licensing/Sales of Goods/Others)

(Million Yen)		FY21.3 Results	FY22.3 Results
Net Sales		51,595	57,020
Film		19,766	20,769
	Movies	1,010	452
	TVs	2,720	3,302
	DVDs	553	402
	Overseas	12,664	12,747
	Others	2,815	3,864
Licensing		28,997	32,995
	Japan	13,207	11,958
	Overseas	15,790	21,037
Sales of Goods		2,466	2,231
Others		446	1,104

* Numbers for each segment include intra-company sales.

Licensing (↑ 13.8% from FY21.3)

- In domestic licensing, revenues declined significantly due to reasons such as the slowdown of sales of the game development rights of the *DRAGON BALL* series from the strong sales in the term ended March 2021, offsetting strong sales of merchandising rights of *ONE PIECE*, etc.
- In overseas licensing, revenues increased significantly due to the strong sales of the merchandising rights of the *DRAGON BALL* series, *ONE PIECE* and *DIGIMON* series, in addition to sales of game development rights of the *DRAGON BALL* series and *ONE PIECE*.

Sales of Goods (↘ 9.5% from FY21.3)

- Despite the success of the shop business for *World Trigger*, revenues decreased due to reasons such as a reactionary decline in sales of novelty goods and other goods for the tie-up campaign of *Sailor Moon Eternal* conducted in the term ended March 2021 in addition to the prolonged impact of the COVID-19 pandemic.

Others (↑ 147.2% from FY21.3)

- Despite of a significant increase in revenues owing to the good results of *Pretty Cure* series and *World Trigger* series events, general profitability declined because multiple events were downsized due to the prolonged impact of the COVID-19 pandemic.

FY2022.3 Results Review

(Million Yen)	FY21.3 Results	FY22.3 Results	+ -	% v.s. prior year
Net Sales	51,595	57,020	5,424	10.5%
Costs of Sales	28,655	30,327	1,671	5.8%
Gross Profit	22,939	26,693	3,753	16.4%
SG&A	7,436	8,585	1,149	15.5%
Operating Income	15,503	18,107	2,604	16.8%
Non-Operating Income	809	859	50	6.2%
Non-Operating Expense	271	144	-127	-46.9%
Ordinary Income	16,040	18,822	2,781	17.3%
Extraordinary Gain and Loss	-46	-203	-156	-
Net Income Before Tax	15,994	18,619	2,625	16.4%
Income Taxes	5,009	5,672	662	13.2%
Income Taxes Adjustment	-83	126	210	-
Minority Interest	-	-	-	-
Net Income	11,067	12,820	1,752	15.8%

Net Sales

- Businesses with sharp increases in revenues
 - 1) Licensing Overseas [5,247] ⇒ 2) Film Others [1,048] ⇒ 3) Events [657]
- Businesses with significant declines in revenues
 - 1) Licensing Japan [-1,249] ⇒ 2) Movies [-558] ⇒ 3) Sales of Goods [-235]

Cost of Sales / Gross Profit

- Gross profit to net sales: 46.8% (Gross profit to net sales in FY21.3: 44.5%)
Gross profit to net sales improved as a result of an increase in the ratio of sales in the profitable overseas business and distribution business.

SG&A

- SG&A [+1,149]
 - 1) Ad expenses [+423] (FY21.3: 520; FY22.3: 943)
 - 2) Personnel expenses [+297] (FY21.3: 2,048; FY22.3: 2,345)

Non-operating Income and Expense

- Non-operating Income and Expense [+50]
Dividends earned [+350]
- Non-operating expense [-127]
Miscellaneous expense [-100]

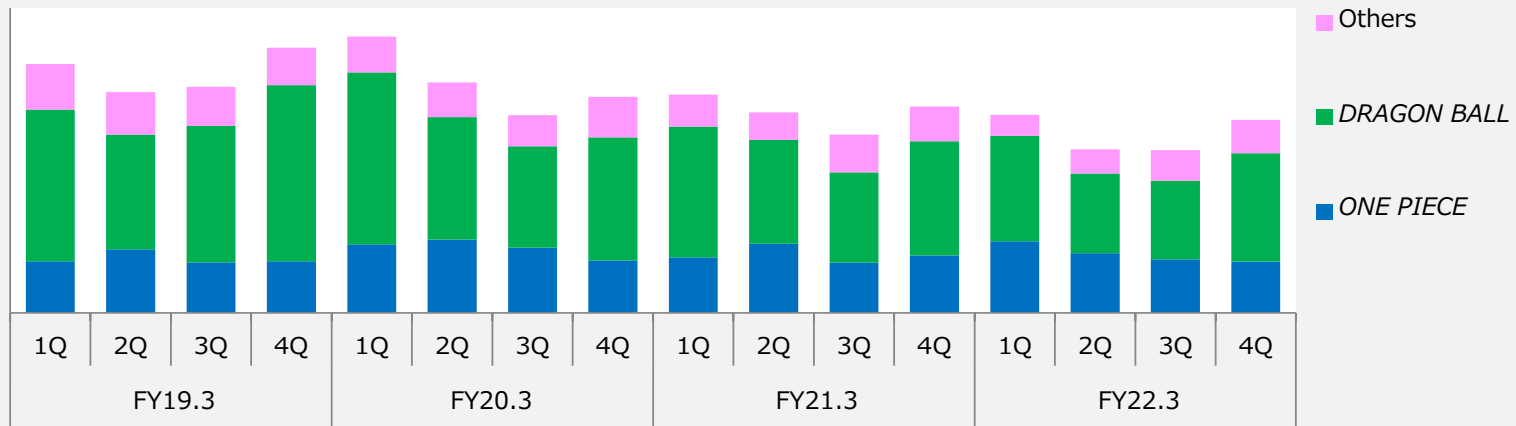
Extraordinary Gain and Loss

- Extraordinary loss [204]
Loss on valuation of investment securities

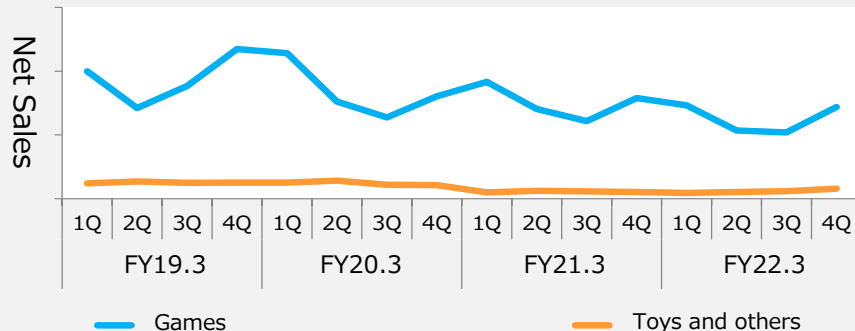
Trends in Domestic Licensing for Major Titles

- Sales of the game development rights of the *DRAGON BALL* series did not reach the level of the term ended March 2021.
- Sales of *ONE PIECE* increased slightly from the previous term due to the strong sales of the merchandising rights.
- Sales of games were sluggish as a whole with revenues decreased from the term ended March 2021.

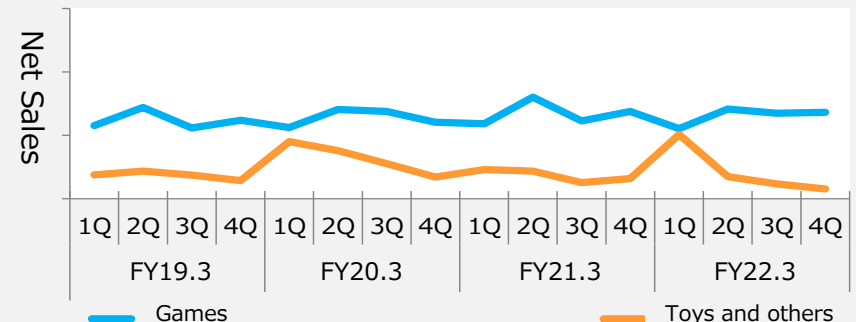
Trends in Domestic Licensing Revenues



Trends in Domestic Licensing Revenues for *DRAGON BALL*



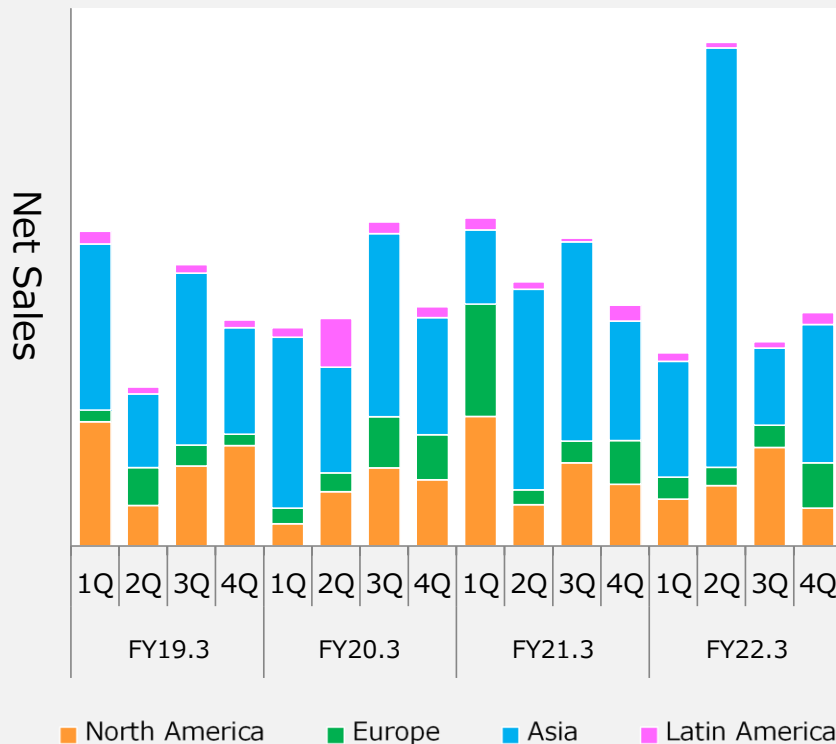
Trends in Domestic Licensing Revenues for *ONE PIECE*



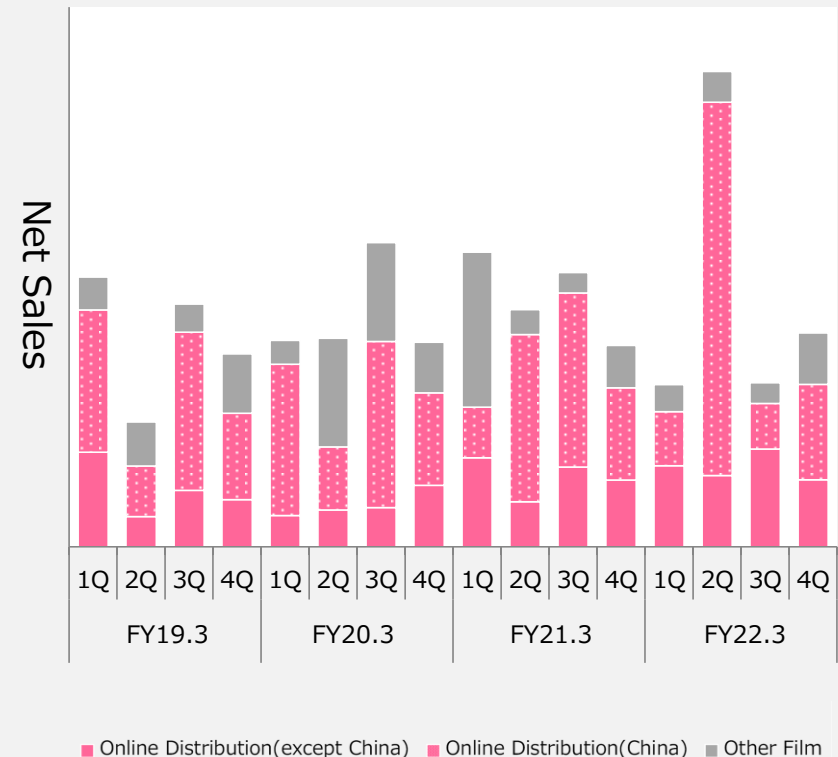
Trends in Film Overseas

- Revenues remained mostly unchanged overall due to the strong sales of online distribution rights in China and the rest of the Asian region, which offset the reactionary decline following the delivery of theatrical movies for Saudi Arabia in the term ended March 2021.
- New distribution contracts increased in Southeast Asia.
- The yen was weaker than projected, contributing to income.

Trends in Net Sales of Film Overseas



Breakdown of Net Sales by Business

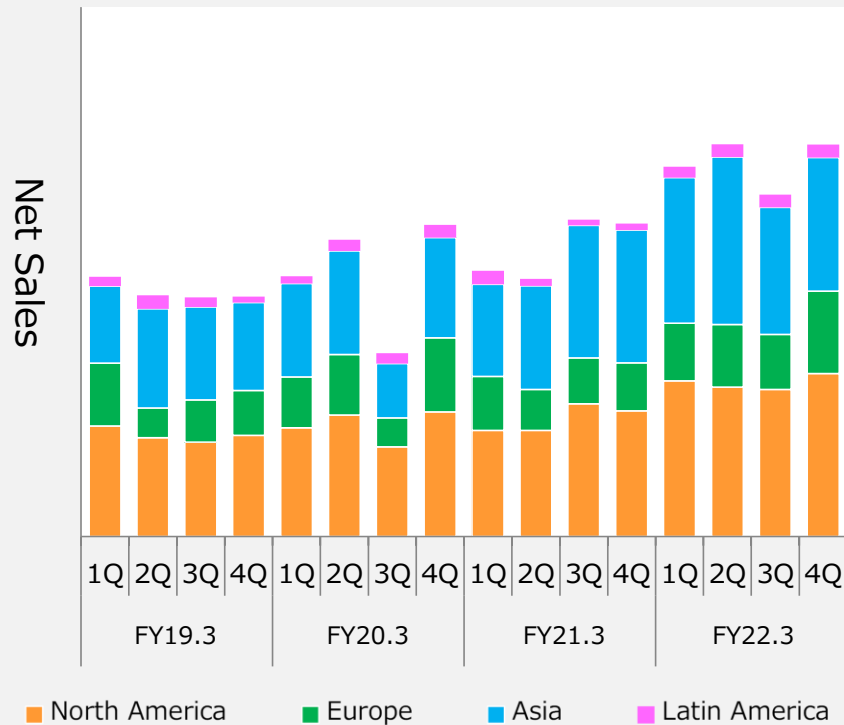


* Due to consolidated accounting for subsidiaries, the left graph shows consolidated figures while the right graph shows our non-consolidated figures.

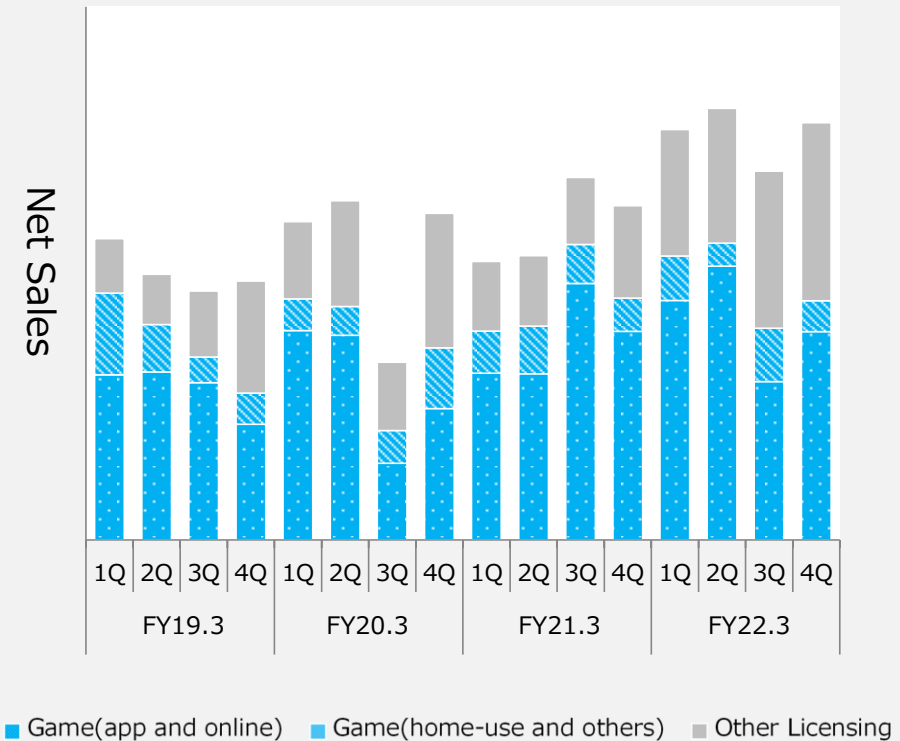
Trends in Licensing Overseas

- Revenues hit a new record high in the full business year because sales of merchandising rights have grown, in addition to the strong sales of existing app games.
- Sales of merchandising rights of the *DRAGON BALL* series and the *DIGIMON* series were strong in North America and sales of merchandising rights of *ONE PIECE* were strong in China.
- New and renewed MG of multiple app games was posted in 4Q.

Trends in Net Sales of Licensing Overseas



Breakdown of Net Sales by Business



* Due to consolidated accounting for subsidiaries, the left graph shows consolidated figures while the right graph shows our non-consolidated figures.

Earnings Estimates for FY2023.3 – Consolidated

	FY22.3 Results	FY23.3 Estimates	% increase/ decrease	(Reference) FY22.3 Initial Estimates
Net Sales	57,020	70,000	22.8%	51,000
SG&A	8,585	11,700	36.3%	9,000
Operating Income	18,107	18,300	1.1%	11,000
Ordinary Income	18,822	18,900	0.4%	11,300
Net Income	12,820	13,500	5.3%	7,600

[FY2023.3 Grounds for earnings estimates]

- Sales and income are likely to hit a new record high with the planned release of large titles in theaters and synergistic effects on businesses.
- Increase in production cost and advertising expenses for movies
- Predicted decrease in income margins from the previous year

Earnings Estimates for FY2023.3: Segment Breakdown

	FY22.3 Results	FY23.3 Estimates
Net Sales	57,020	70,000
Film	20,769	30,100
Movies	452	7,300
TVs	3,302	2,700
DVDs	402	300
Overseas	12,747	16,700
Others	3,864	3,100
Licensing	32,995	34,400
Japan	11,958	11,900
Overseas	21,037	22,500
Sales of Goods	2,231	3,900
Others	57,020	70,000

Film (↑40.9% from FY22.3)

- Revenues from Movies are likely to increase significantly with the release of plural large titles.
- In TVs, revenues are likely to decrease due to the decrease in the number of TV titles to be broadcast.
- In DVDs, revenues are set to decrease given a shrinking market.
- In the Overseas segment, revenues are likely to increase significantly due to expected strong sales of rights of screen presentation and online distribution rights accompanied by release of large titles.
- In Others, revenues are likely to decrease due to an expected reactionary decrease in sales of domestic online distribution rights that hit a new record high in the term ended March 2022 despite the prospected expansion of self-produced app games.

Licensing (↗4.3% from FY22.3)

- In licensing (Japan), revenues are expected to stay unchanged due to a foreseen challenging state of sales of the existing app game development rights despite expected increase in revenues from tie-up campaigns for movies.
- In licensing (overseas), revenues are expected to increase significantly due to results of Others related to large titles of movies and influence of weakened yen although it is hard to surpass the record-high level in the term ended March 2022.

Sales of Goods (↑74.8% from FY22.3)

- Revenues are expected to increase significantly with expected effects of release of large titles at theaters.

Others (↑44.8% from FY22.3)

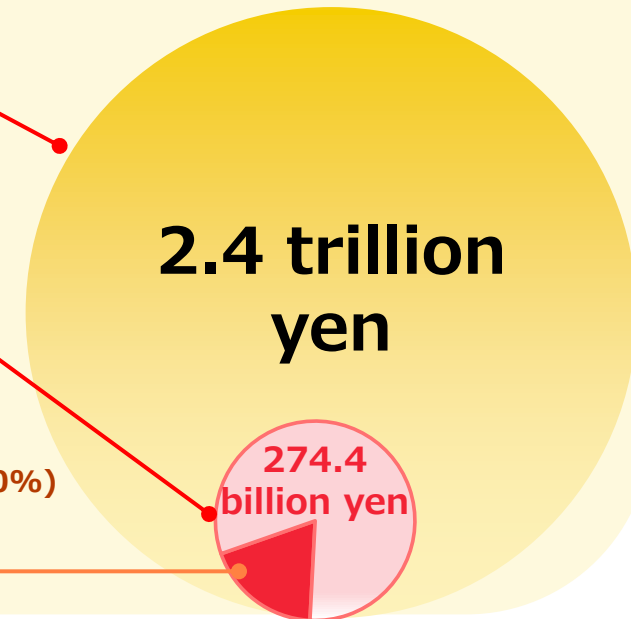
- Revenues are expected to increase with an improved operating environment for the event business.

Initiatives Aimed for Medium and Long-Term Growth (Domestic/Overseas Market Size)

Global animation market size
30.7 trillion yen¹

Japanese animation industry size²
(2020)

Japanese animation production market³
(2020)



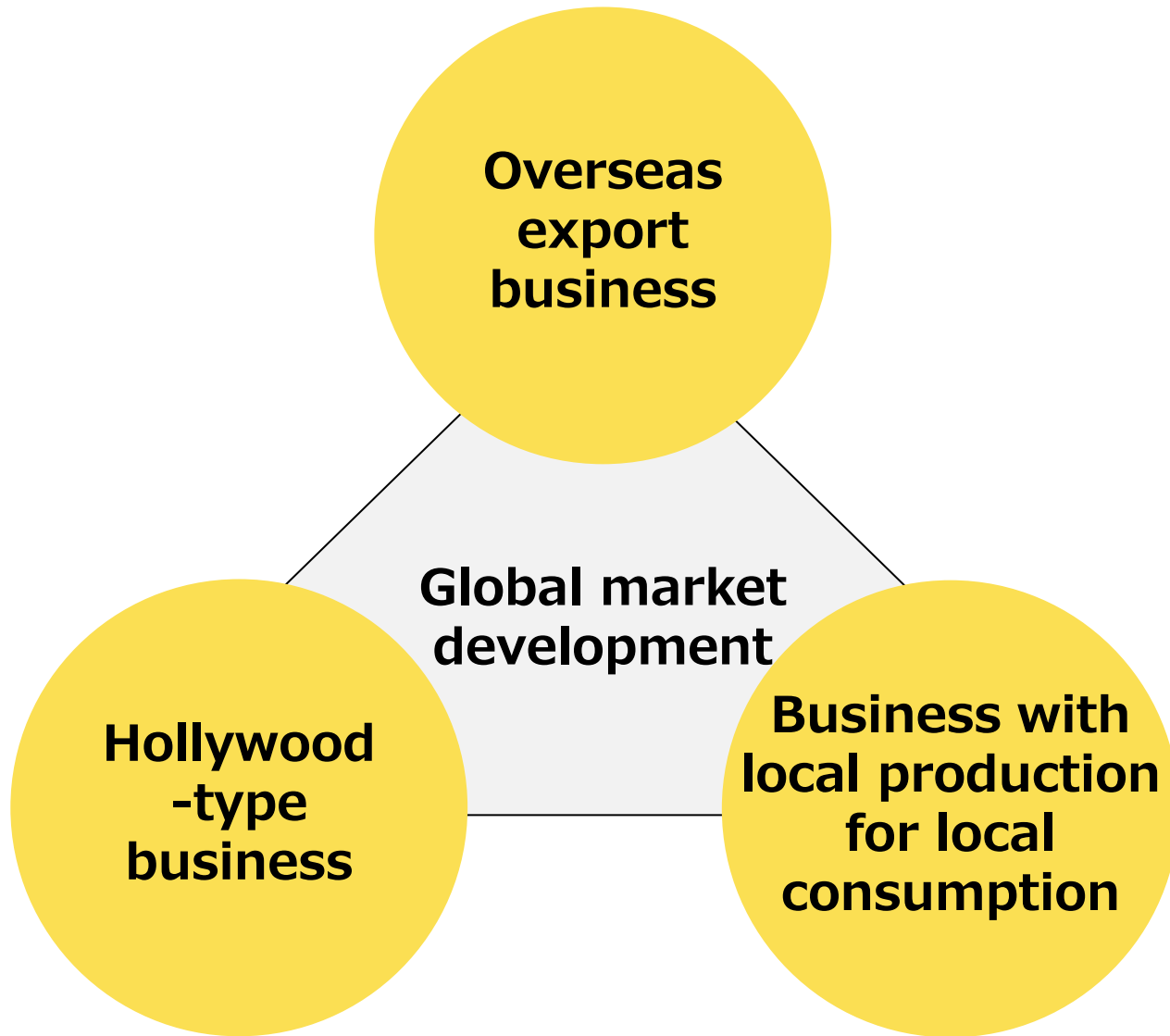
Net Sales

57 billion yen (share: 20%)

(March 31, 2022)

1. Statista, "Animation market size worldwide" (the estimate for FY2020 is \$270bn with 1 USD = 113.71 JPY).
2. The Association of Japanese Animations, "The Report on Japanese Animation Industry 2021" (animation industry market size in a broad sense with estimated amounts of money paid by users).
3. The Association of Japanese Animations, "The Report on Japanese Animation Industry 2021" (anime industry market size in a narrow sense with estimated sales of commercial animation production companies).

Initiatives Aimed at Medium and Long-Term Growth (Three Key Businesses for Overseas Market Cultivation)

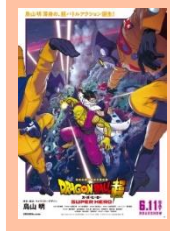


Initiatives Aimed for Medium and Long-Term Growth (Medium to long-term portfolio)

by FY2025 (FY26.3)

10 titles or so

- Large projects targeted at Hollywood
- Revival large-scale project



Overseas Markets

東映アニメーション

Focused Market

10 titles or more

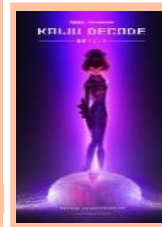
- Large projects targeted at Hollywood
- TV/movie project
- Youtube project
- High-end CG project



Share knowledge



(SAINT SEIYA)



Expand market

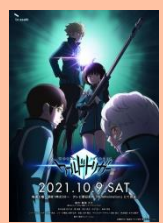
Expand market

Original work

Our own work

10 titles or so

- TV/movie/online distribution projects for grownups
- TV/movie project for kids



Share knowledge

5 titles or so

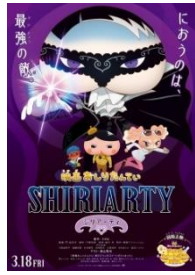
- TV projects for kids
- Projects for grown-ups
- High-end CG project



Domestic market

Initiatives Aimed for Medium and Long-Term Growth (Development of Titles)

Creating New Titles



Butt Detective the Movie: Shiriarly
Released on Friday, March 18, 2022



Miraculous: Tales of Ladybug and Cat Noir
First terrestrial broadcast on Saturday, April 2, 2022



Distribution of a short CG animation started in 2021 as the first phase of the **KAIJU DECODE** project



Scheduled release of the Hollywood live-action movie, **Knights of the Zodiac (SAINT SEIYA)**



Future's Folktales Season 2
goes into production in a collaboration with Saudi Arabia



The Monkey Prince (tentative)
Collaborative work involving Japan, China and the U.S. Animation for families created with an eye to the global market

Activation of existing content



DIGIMON Ghost Game
Started broadcast from Sunday, October 3, 2021



Delicious Party Pretty Cure
Started broadcast from Sunday, February 6, 2022



Dragon Ball Super: Super Hero
Scheduled to be released on Saturday, June 11, 2022



ONE PIECE FILM RED
Scheduled to be released on Saturday, August 6, 2022



SLAM DUNK
Scheduled to be released in fall 2022



DEVIL BOY
Scheduled worldwide exclusive streaming as a series for Netflix in 2023



Birth of KITARO: Mystery of GeGeGe
Animation movie scheduled to be released in fall 2023

Base

- Increase of Titles
 - Change to title-oriented organization
 - Increase new titles and make title lifecycles longer
- Business development and expanded local deployment
 - Enter into the Hollywood-type business
 - Establish a content planning and production company in Shanghai
 - It will promote exploitation of the Chinese and Asian markets.
- Advancement of production capabilities
 - Build a purpose-specific production system for each title
 - Integrate 2D/3D cutting-edge technologies
 - Promotion of PJ utilizing AI in the production process

Future Initiatives

Future Initiatives

Film Licensing

Sales of Goods Others

FY22.3 4Q	Release of the movie, <i>Galaxy Express 999</i> , Dolby Cinema Version [Jan.14]
	Began broadcasting <i>Delicious Party ♡Pretty Cure</i> [Feb.6]
	The movie <i>Butt Detective the Movie : Shiriarty</i> released [Mar.18]
FY23.3 1Q	Began terrestrial broadcasting of <i>Miraculous: Tales of Ladybug and Cat Noir</i> [Apr.2]
	<i>Galaxy Express 999 THE MUSICAL</i> performed [Apr.8-18]
	The company online shopping site relaunched as the official TOEI ANIMATION store [Apr.14]
	Scheduled release of the movie <i>Dragon Ball Super: Super Hero</i> [Jun.11]
	Scheduled launch of the first series of <i>ONE PIECE</i> trading cards [July 2022]
	Release of <i>Digimon Survive</i> (PS4/Switch) [July 2022]
	Scheduled release of the movie <i>ONE PIECE FILM RED</i> [Aug.6]
	Scheduled release of the movie <i>SLAM DUNK</i> [Fall 2022]
	Scheduled release of <i>ONE PIECE ODYSSEY</i> for PS5/PS4/Xbox/STEAM [2022]
	Scheduled release of <i>DRAGON BALL: THE BREAKERS</i> for PS4/Switch/Xbox One/STEAM [2022]
FY23.3 2Q-	Release of the Switch game <i>SOUKAITENKI</i> [2022]
	Release of film <i>Birth of KITARO: Mystery of GeGeGe</i> [Fall 2023]
	<i>DEVIL BOY</i> Scheduled worldwide exclusive streaming as a series for Netflix [2023]
	Scheduled release of the Hollywood live-action movie <i>Knights of the Zodiac (SAINT SEIYA)</i> [TBA]
	Scheduled release of internationally co-produced movie <i>The Monkey Prince</i> (tentative) [TBA]
	Scheduled release of Home-use game <i>Infinity Strash Dragon Quest: The Adventure of Dai</i> [TBA]

Topics

Status of Animation Works in FY2022.3

- **TV series *Miraculous: Tales of Ladybug and Cat Noir***
 - The TV 3DCG animation series broadcast in France and others from the 2010s
 - Launched in Japan in 2019 in a TOEI ANIMATION initiative
 - First terrestrial broadcast in April 2022, following satellite broadcast

Development of New Titles

- **Movie *Dragon Ball Super: Super Hero***
 - Scheduled to be released on Saturday, June 11, 2022
- **Movie *ONE PIECE FILM RED***
 - Scheduled to be released on Saturday, August 6, 2022
- **Movie *Slam Dunk***
 - Scheduled to be released in fall 2022
- **Movie *Birth of KITARO: Mystery of GeGeGe***
 - Film production of the 6th season of TV *GeGeGe no Kitaro* decided
 - Scheduled to be released in fall 2023
- **Distribution of *DEVIL BOY***
 - Scheduled worldwide exclusive streaming as a series for Netflix in 2023

Development of games

- ***DIGIMON NEW CENTURY*, the app game for the Chinese market**
 - Distributed on Thursday, October 21, 2021
 - It was number one in the free app rankings in the month it was released.
 - Sales grew steadily thereafter.

About Dividend

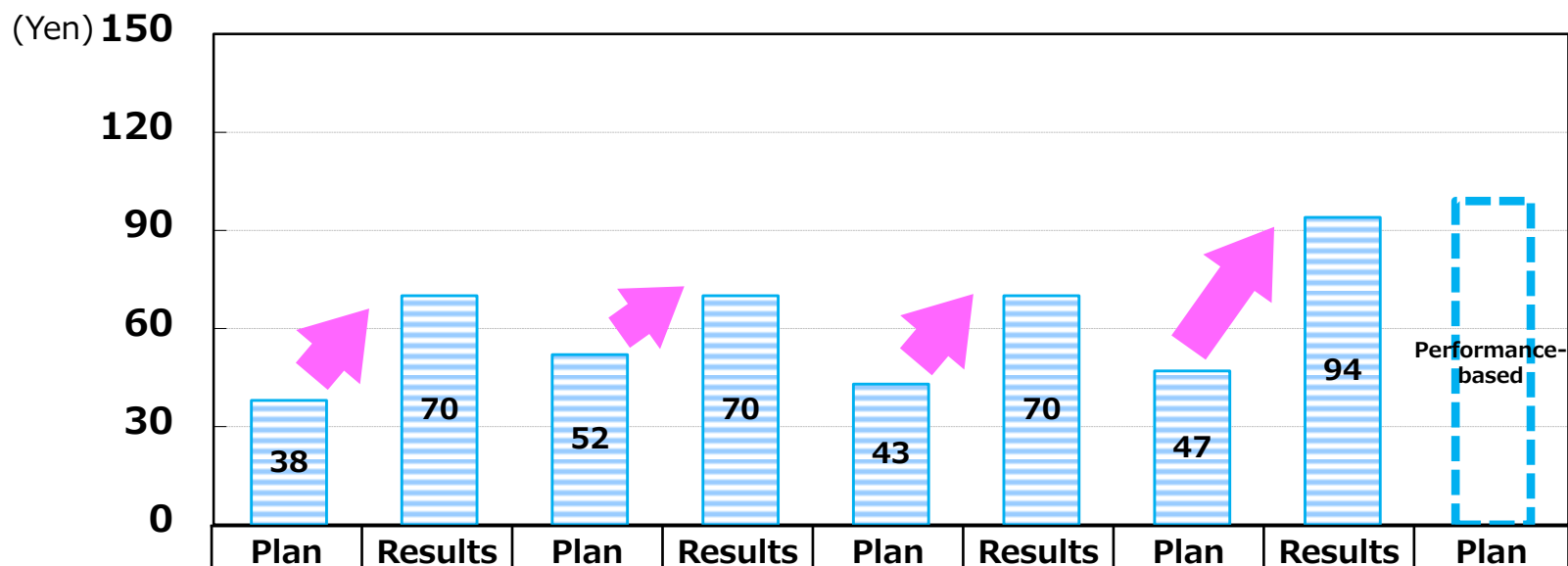
Plan for year-end Dividend

FY2022.3

¥94 per share

FY2023.3

To be determined by comprehensively considering consolidated financial results



Performance-based

Fiscal year	FY19.3		FY20.3		FY21.3		FY22.3		FY23.3
* Dividend per share	70		70		70		94		99 ¹
Payout ratio	25.2%		25.0%		25.9%		30.0%		-

1. If the payout ratio is equal to that for the current term based on the initial earnings estimates

Reference (1) Lineup of Titles Being Broadcast



SUN at 8:30am on
ABC/TV Asahi Network



SUN at 9:00am on
Fuji TV et al.



SUN at 9:30am on
Fuji TV et al.



TUE at 6:45pm on
NHK Educational TV

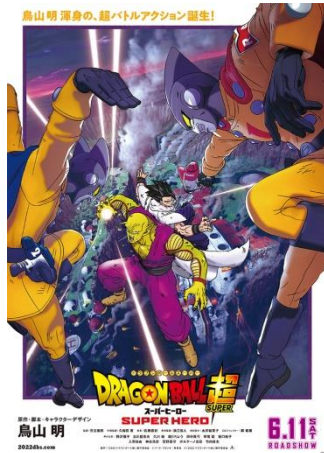


SAT at 7:30am on
TV Tokyo et al.

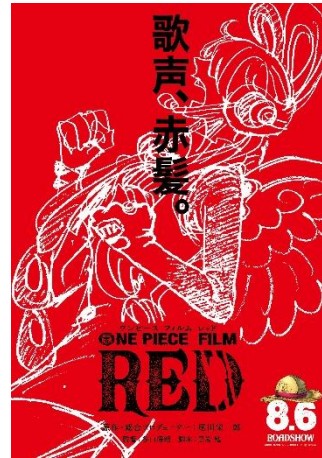


SAT at 9:30am on
TV Tokyo et al.

Reference (2) Lineup of New Titles from FY2022.3



Dragon Ball Super: Super Hero
Scheduled to be released on
Saturday, June 11, 2022



ONE PIECE FILM RED
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Saturday, August 6, 2022



SLAM DUNK
Scheduled to be
released in fall 2022



DEVIL BOY
Scheduled to be exclusively
streamed on Netflix in 2023



Birth of KITARO: Mystery of GeGeGe
Scheduled to be released in theaters in fall
2023



TOEI ANIMATION

Since 1956

[Precautions regarding outlook]

The contents described in this material are based on judgments and assumptions made with reference to information available as of the time of writing. The Company does not warrant that estimated figures, strategies or measures will necessarily be achieved.