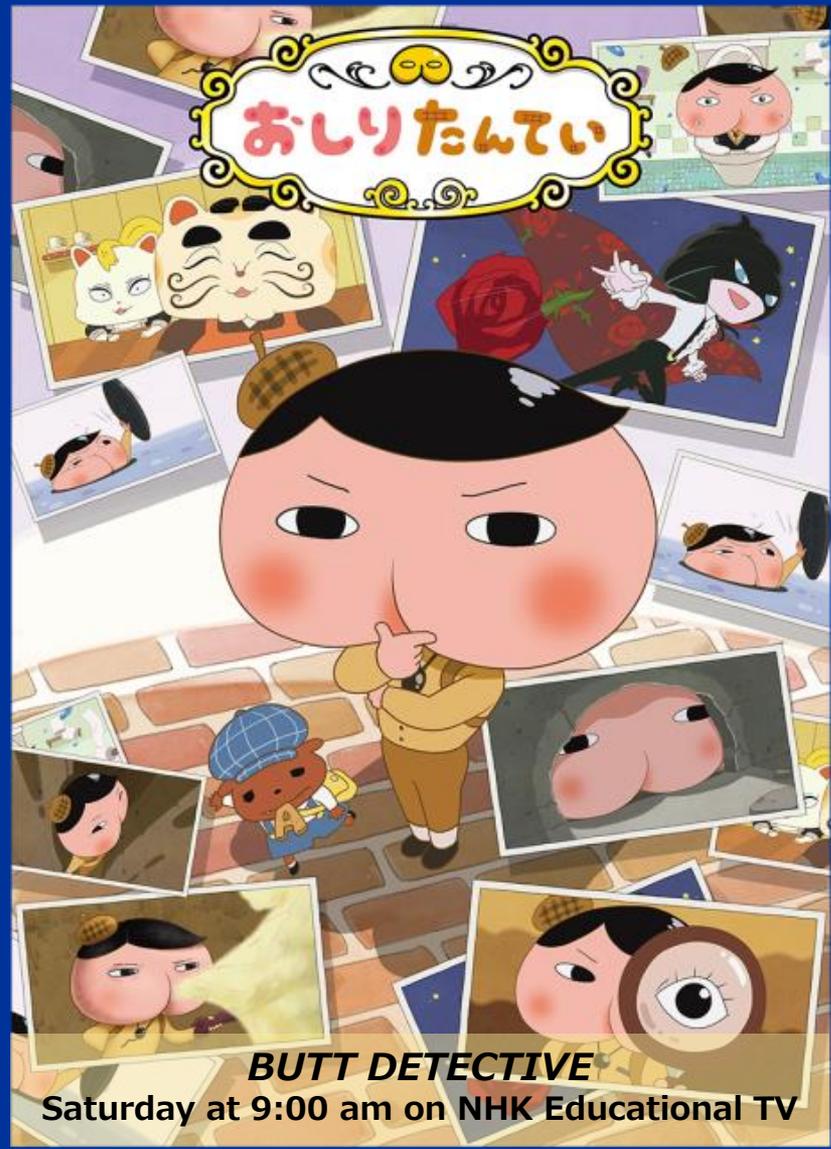


TOEI ANIMATION CO., LTD

For FY Ended September 30, 2019 (April 1, 2019 to September 30, 2019)

Star Twinkle Pretty Cure the Movie
Released on October 19, 2019



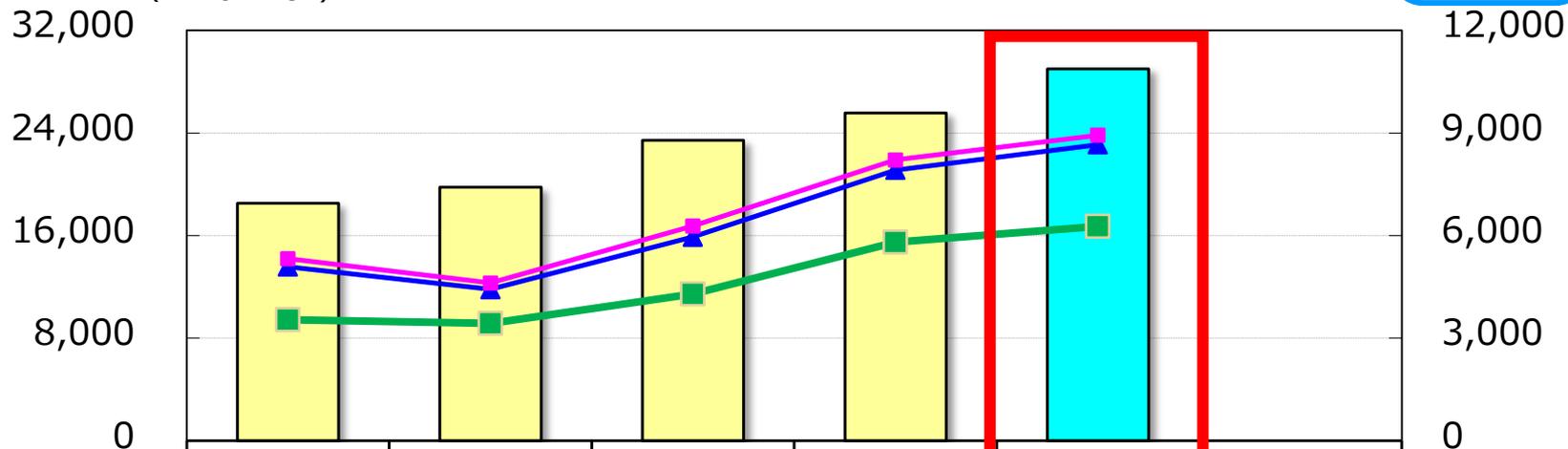
FY2020.3 Second Quarter Results – Consolidated

- Net sales and each income item hit new second-quarter record highs.
- Sales of game development rights, particularly those of app games, were strong in Japan and overseas.
- Sales of the merchandising rights of *ONE PIECE* showed strong performance thanks to the hit of the movie *ONE PIECE STAMPEDE*.

Net Sales

(Million Yen)

Income



	2016.3 2Q	2017.3 2Q	2018.3 2Q	2019.3 2Q	2020.3 2Q	% v.s. prior year
Net Sales	18,519	19,774	23,444	25,579	29,010	13.4%
Cost of Sales	10,838	12,612	14,620	14,222	16,825	18.3%
SG&A	2,596	2,736	2,861	3,437	3,522	2.5%
Operating Income	5,085	4,426	5,962	7,918	8,662	9.4%
Ordinary Income	5,320	4,612	6,281	8,215	8,937	8.8%
Net Income	3,541	3,433	4,291	5,809	6,271	7.9%

FY2020.3 2Q Results Segment Breakdown –Consolidated

(Million Yen)		FY2019.3 2Q	FY2020.3 2Q	% v.s. prior year
FILM	Net Sales	8,365	10,121	21.0%
	Segment Income	2,528	2,206	-12.8%
Licensing	Net Sales	14,719	16,143	9.7%
	Segment Income	6,907	7,880	14.1%
Sales of Goods	Net Sales	2,148	2,387	11.1%
	Segment Income	19	12	-35.4%
Others	Net Sales	416	447	7.3%
	Segment Income	-47	3	-
TOTAL	Net Sales	25,579	29,010	13.4%
	Operating Income	7,918	8,662	9.4%

*Numbers for each segment includes intra-company sales.

FY2020.3 2Q Results Segment Analysis (1) (Film)

(Million Yen)		FY19.3 2Q	FY20.3 2Q
Net Sales		25,579	29,010
Film		8,365	10,121
	Movies	184	1,054
	TVs	1,240	1,697
	DVDs	271	281
	Overseas	5,277	4,959
	Others	1,390	2,129
Licensing		14,719	16,143
	Japan	7,663	8,402
	Overseas	7,056	7,741
Sales of Goods		2,148	2,387
Others		416	447

* The figures for each segment include intra-company sales.

Film (↑ 21.0% year on year)

- In Movies, revenues rose sharply backed by the hit movie *ONE PIECE STAMPEDE*.
- In TV Anime, revenues rose substantially thanks to strong results, particularly of sound production for games and film production for events.
- In DVDs, revenues increased due to strong sales of Blu-ray/DVD of *Pretty Cure Miracle Universe*.
- In the Overseas segment, while sales of screen presentation rights for *DRAGON BALL SUPER: BROLY* went well, there was a decrease in revenue due to a downturn in multi-year contracts for film distribution rights intended for North America in the same period of the previous year.
- In the Others segment, revenues increased sharply due to strong sales of the online distribution rights.

FY2020.3 2Q Results Segment Analysis (2)

(Licensing/Sales of Goods/Others)

(Million Yen)		FY19.3 2Q	FY20.3 2Q
Net Sales		25,579	29,010
Film		8,365	10,121
	Movies	184	1,054
	TVs	1,240	1,697
	DVDs	271	281
	Overseas	5,277	4,959
	Others	1,390	2,129
Licensing		14,719	16,143
	Japan	7,663	8,402
	Overseas	7,056	7,741
Sales of Goods		2,148	2,387
Others		416	447

* The figures for each segment include intra-company sales.

Licensing (↗ 9.7% year on year)

- In domestic licensing, revenues rose thanks to strong sales of the app game *DRAGON BALL LEGENDS* and licensing for the tie-up promotion of the movie *ONE PIECE STAMPEDE*.
- In overseas licensing, revenues increased thanks to strong sales of the merchandising rights of the *DRAGON BALL* series and *ONE PIECE*, in addition to renewal contracts for app games and new licensing contracts, despite a reactionary fall from the licensing of *DRAGON BALL FIGHTERZ* and *DRAGON BALL LEGENDS* which performed well in the same period of the previous year.

Sales of Goods (↑ 11.1% year on year)

- Revenues increased sharply because of the strong sales of tie-up campaign-related products for *ONE PIECE STAMPEDE* and the shop business *MUGIWARA(ONE PIECE) STORE*.

Others (↗ 7.3% year on year)

- Revenues grew thanks to strong results of *BUTT DETECTIVE*'s character shows.

FY2020.3 Second Quarter Results Review

(Million Yen)	FY19.3 2Q	FY20.3 2Q	+ -	% v.s. prior year
Net Sales	25,579	29,010	3,431	13.4%
Costs of Sales	14,222	16,825	2,602	18.3%
Gross Profit	11,356	12,185	828	7.3%
SG & A	3,437	3,522	84	2.5%
Operating Income	7,918	8,662	743	9.4%
Non-Operating Income	297	330	32	11.1%
Non-Operating Expense	0	55	55	8,695.2%
Ordinary Income	8,215	8,937	721	8.8%
Extraordinary Gain and Loss	-	-22	-22	-
Net Income before tax	8,215	8,914	698	8.5%
Income Taxes	2,384	2,651	266	11.2%
Income Taxes Adjustment	21	-8	-29	-
Minority Interest	-	-	-	-
Net Income	5,809	6,271	461	7.9%

Net Sales

- Businesses with sharp increases in revenues
1)Movies[869] ⇒ 2)Film Others[738] ⇒
3)Licensing Japan[738] ⇒ 4)Licensing
Overseas[685]
- Businesses with significant declines in revenues
1)Film Overseas[-318]

Cost of Sales / Gross Profit

- Gross profit to net sales: 42.0%
(Gross profit to net sales last year: 44.4%)
Gross profit to net sales worsened slightly
because the ratio of sales for the profitable
overseas business decreased.

SG&A

- SG&A[+84]
1)Advertising expense[+81] (from 270 in the
previous FY to 351 in the current FY)
2)Supplies expense[+34] (from 53 in the
previous FY to 88 in the current FY)

Non-Operating Income and Expense

- Non-operating expense[+55]
Foreign exchange loss[+29] (from 0 in the
previous FY to 29 in the current FY)

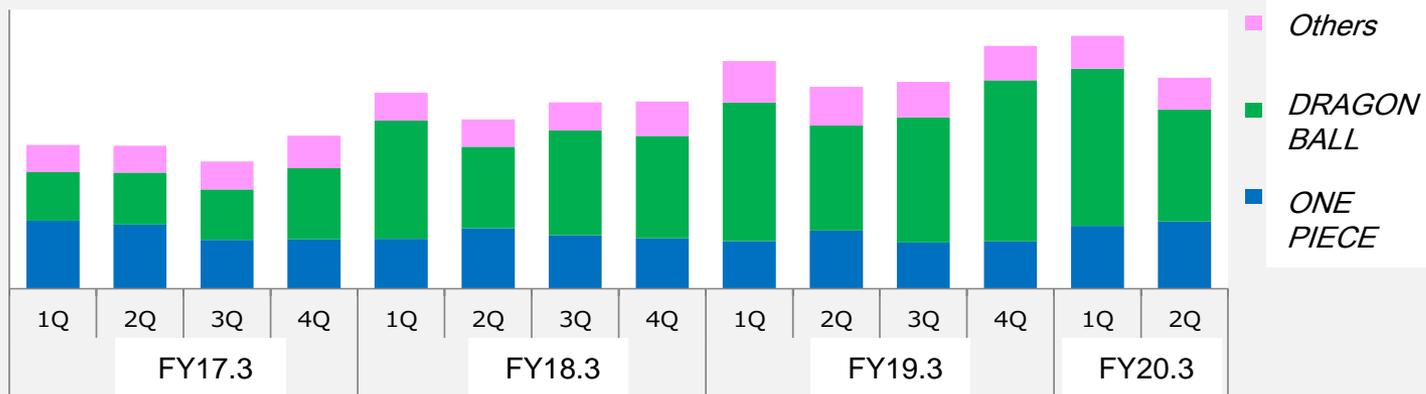
Extraordinary Gain and Loss

- Extraordinary loss[+22]
Loss on revaluation of investments in
securities

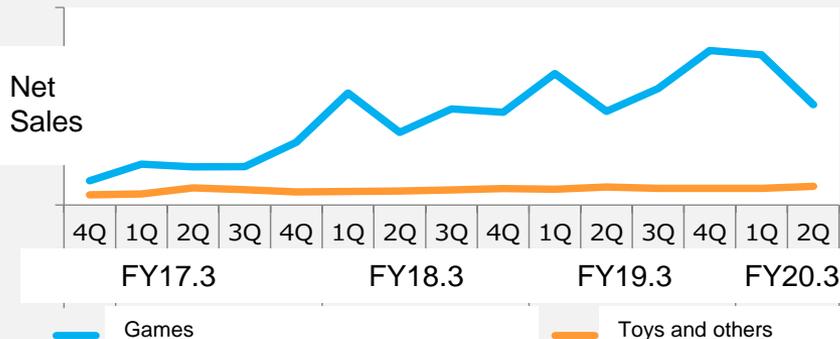
Trends in Domestic Licensing for Major Titles

- Tie-up campaign for the *ONE PIECE STAMPEDE* movie showed strong performance.
- Sales of merchandising rights also improved upon the release of *ONE PIECE* movie.
- For *DRAGON BALL*, despite a decline in momentum for *DOKKAN BATTLE, LEGENDS* was able to make up for it.

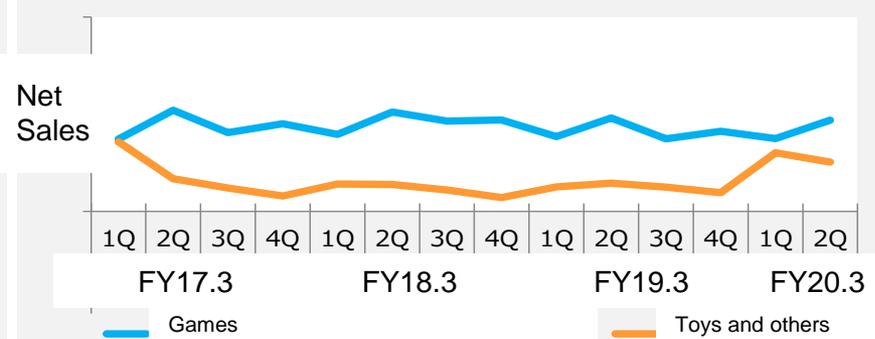
Trends in Domestic Licensing Revenues



Trends in Domestic Licensing Revenues for *DRAGON BALL*



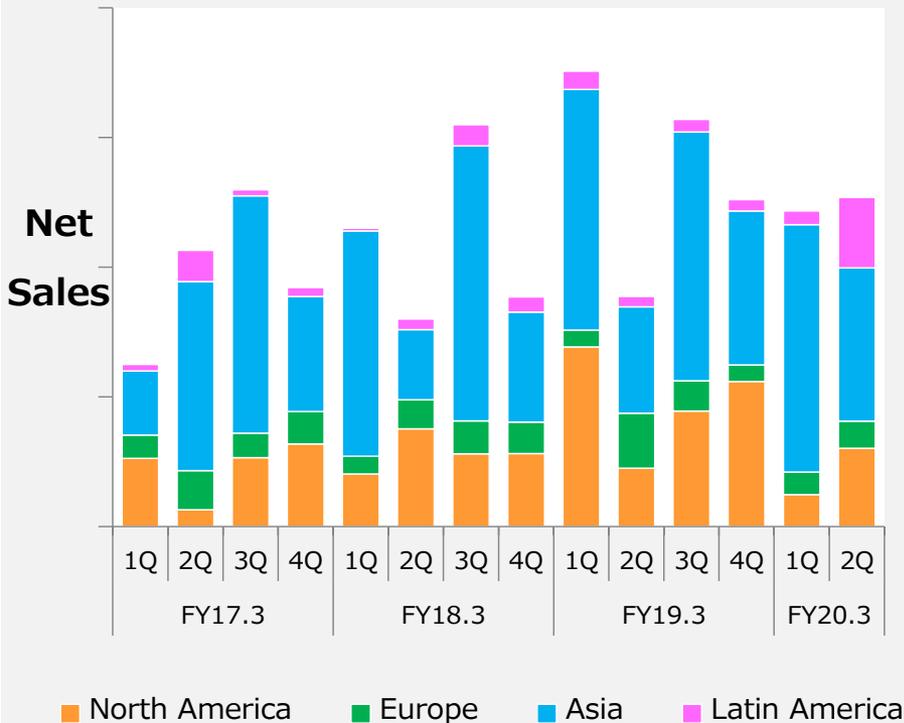
Trends in Domestic Licensing Revenues for *ONE PIECE*



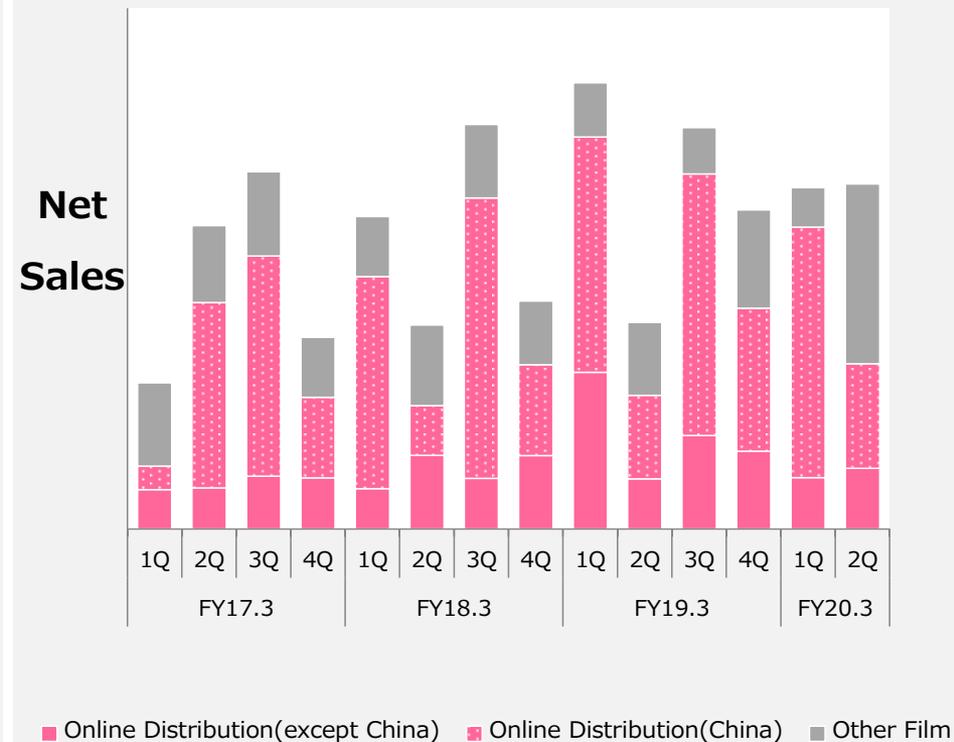
Trends in Film Overseas

- Decrease in the distribution business in a cumulative basis year on year due to a decrease in revenue due to a downturn in multi-year contracts for film distribution rights intended for North America.
- Total sales of screen presentation rights for *DRAGON BALL SUPER: BROLY* was good, mainly in Central and South America.
- The result of the collaborative animation with Saudi Arabia is likely to be posted in or after 3Q.

Trends in Net Sales of Film Overseas



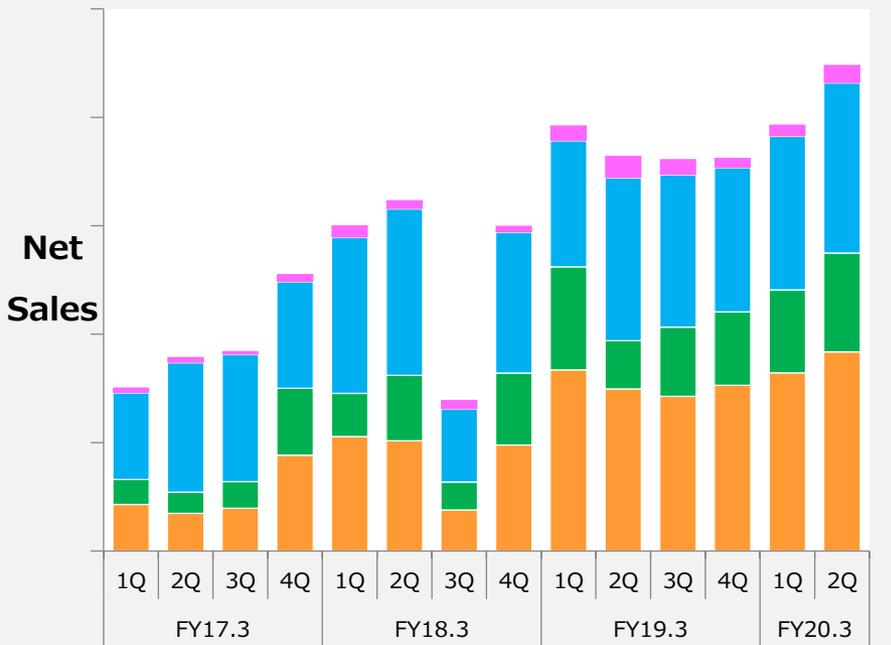
Breakdown of Net Sales by Business



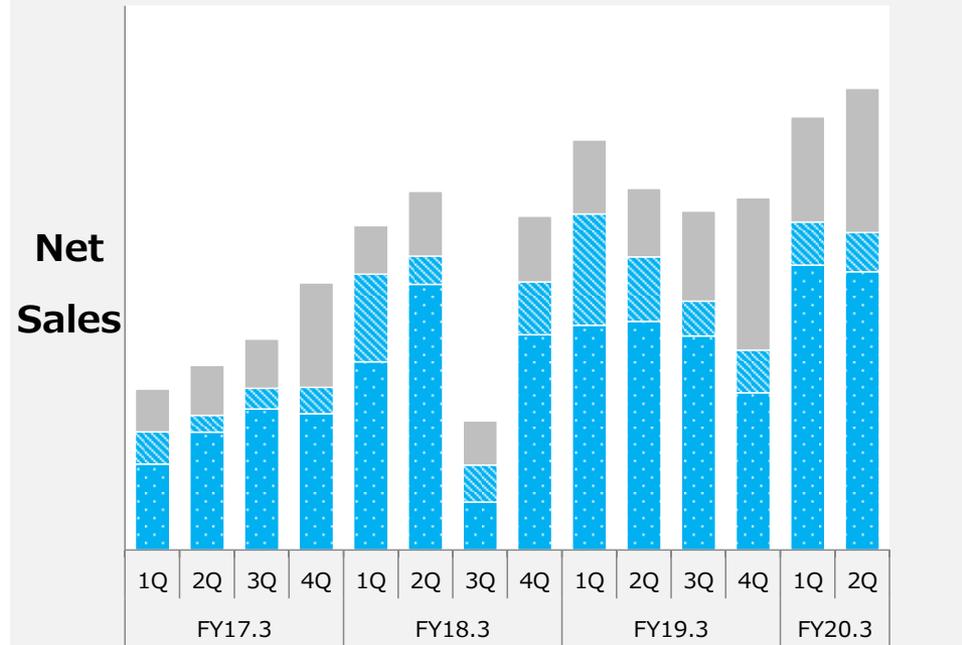
Trends in Licensing Overseas

- Sales of the merchandising rights of *DRAGON BALL* and *ONE PIECE* rose further.
- Posted multiple cases of minimum guarantees for new and renewed contracts for app games.
- App game MG = concern about a reactionary decline in profits from the 3rd quarter because profits were received in advance.

Trends in Net Sales of Licensing Overseas



Breakdown of Net Sales by Business



■ North America
 ■ Europe
 ■ Asia
 ■ Latin America

■ Game(app and online)
 ■ Game(home-use and others)
 ■ Other Licensing

Revised Estimates for FY2020.3 – Consolidated

(Million Yen)	FY20.3(full year)				
	Previous Estimates (May 14, 2019)	Revised Estimates (Oct. 23, 2019)	+ -	FY19.3 Results	+ -
Net Sales	46,200	55,000	8,800	55,701	△701
Operating Income	12,000	15,000	3,000	15,741	△741
Ordinary Income	12,300	15,300	3,000	16,265	△965
Net Income	8,500	10,700	2,200	11,375	△675

【FY2020.3 Grounds for earnings estimates】

- In addition to sales for app game development rights domestically and overseas, as sales of merchandising rights for the *DRAGON BALL* series and *ONE PIECE* and consent for domestic tie-up and sales promotions leading up to the theatrical release of *ONE PIECE STAMPEDE* transitioned well, revenue and profits are expected to exceed the previous forecast.
- Sales of app game development rights are expected to remain steady year on year, as there were no related sales for *DRAGON BALL SUPER: BROLY*, which had been released in the second half of the previous year, or any large contracts for game machines.

Recognition of Our Current State and Our Direction

Current State

Our Perception

Negative
Factors

- Stiff competition with app games
- Expanded sales dependence on the game business
- A sense of *DOKKAN BATTLE* being passed by

- There is a limit to growth in only the game business

Further Strengthen our Strengths as an Animation Production Company

Positive
Factors

- App game business activity
- Advancement of film online distribution business
- Appearance of new services through developed technology

Expansion is
limitless with a
strong IP

Initiatives Aimed for Medium and Long-Term Growth

Promoting 2-part Content Development to Become a Stronger Animation Production Company

Challenges for new titles/business



The Monkey Prince (tentative)
Collaborative work between Japan, China and the U.S. in animation for families, eyeing the global market



Jurassic!
The Company's original intellectual property created through new planning and projects initiated by young staff members. A short movie is shown from August. Event screening at the Tokyo International Film Festival



100-year Anime Project
Our first experiment advertising for anime planners and creators

Challenge for global product development/creation of new hit titles

Activation of existing content



Looking for Magical DoReMi (tentative)
20th project of *Magical DoReMi*
Scheduled to be released in early summer of 2020



Sailor Moon Eternal
Prequel and sequel are going to be released in 2020



Digimon Adventure LAST EVOLUTION (tentative)
Scheduled to be released on February 21, 2020

Crowd funding for 20th *DIGIMON ADVENTURE MEMORIAL STORY PROJECT* reached 200% of its goal in 2 weeks

- Achieved box office sales of 5.5 billion yen for *ONE PIECE STAMPEDE*, exceeding previous film

- Scheduled distribution of *Slum Dunk* app game for China

Securing profits through holding on to existing fans and taking in new fans

Future Initiatives

Schedule

Film Licensing
Sales of Goods Others

FY20.3 2Q	Distribution of <i>SAINT SEIYA: KNIGHTS OF THE ZODIAC</i> worldwide on Netflix [Jul.19]
	Release of <i>ONE PIECE STAMPEDE</i> [Aug.9]
	Release of short movie <i>Jurassic!</i> on YouTube [Aug.24]
	Release of <i>ONE PIECE STAMPEDE</i> in Taiwan, Hong Kong and Macau [August]
FY20.3 3Q	Start of 3rd closed beta test of PC browser game <i>DRAGON BALL</i> for China [Sep.19]
	Release of <i>ONE PIECE STAMPEDE</i> in China [Oct.18]
	Release of <i>Star Twinkle Pretty Cure the Movie</i> [Oct.19]
FY20.3 4Q~	Scheduled distribution of <i>DRAGON BALL</i> app game for China [2019 fall]
	Worldwide home-use game <i>DRAGON BALL Z KAKAROT</i> [Jan.16]
	Release of <i>Digimon Adventure LAST EVOLUTION</i> (tentative) [Feb.21]
	Release of <i>Looking for Magical DoReMi</i> (tentative) [early summer of 2020]
	Release of <i>ONE PIECE: Pirate Warriors 4</i> (PS4/Switch/Xbox) [2020]
	Release of <i>Digimon Survive</i> (PS4/Switch) [2020]
	Release of <i>Sailor Moon Eternal</i> [2020]
	Release of internationally co-produce movie <i>The Monkey Prince</i> (tentative) [TBA]
	Scheduled distribution of <i>Slum Dunk</i> app game for China [TBA]
Scheduled distribution of <i>Digimon</i> app game for China [TBA]	
Scheduled distribution of <i>ONE PIECE BON! BON! JOURNEY!!</i> app game [TBA]	

Topics

Development of New Movies

- ***Digimon Adventure LAST EVOLUTION* (tentative)**
-Scheduled to be released on February 21, 2020
- ***Looking for Magical DoReMi* (tentative)**
-Scheduled to be released in early summer of 2020.
-Magical DoReMi 20th anniversary movie.
- ***Sailor Moon Eternal***
-Decision to release prequel and sequel.
-Prequel is scheduled to be released on September 11, 2020.
- ***The Monkey Prince* (tentative)**
-Decision to internationally co-produce a full-scale animation film was finalized



Business in China

- ***ONE PIECE STAMPEDE***
-Released from October 18, 2019.
-Achieved development with minimal pause from release in Japan.
- **PC Browser Game *DRAGON BALL***
-Started 3rd closed beta test from September 19, 2019
- **App Game *DRAGON BALL***
-Scheduled distribution from 2019 fall
-The number of pre-registered accounts exceeded 13 million (as of October 25, 2019).
- **App Game *Slum Dunk***
-Closed beta test is put into practice
- **App Game *Digimon* is scheduled to be distributed**



About Dividend

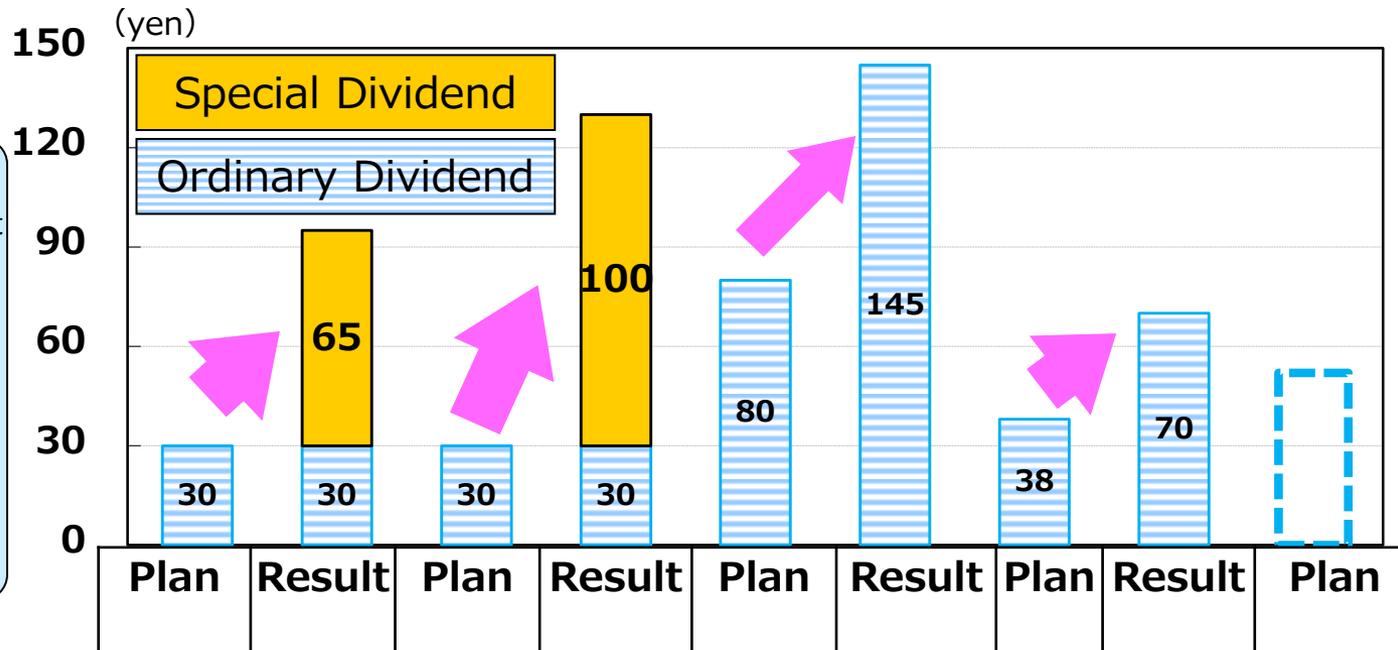
Plan for year-end Dividend

FY2019.3 ¥70 per share

FY2020.3 payout ratio will be approximately 25%, depending on the consolidated financial results.

Dividend Policy

Based on sustained and stable dividends, we decide the amount of dividend each year with comprehensive consideration of the financial results and securing internal funds for aggressive business development in the medium-to long-term. we expect the dividend payout ratio to be approximately 25%, depending on the consolidated financial results.



Fiscal year	FY16.3	FY17.3	FY18.3	FY19.3	FY20.3
※Dividend per share	95(31.7)yen	130(43.3)yen	145(48.3)yen	70 yen	52 yen
Payout ratio	25.2%	24.6%	25.2%	25.2%	25%

*The company conducted a share split on April 1, 2018. The dividend prior to the fiscal year ending March 2018 was calculated based on the assumption that shares are split at the beginning of each term, as described in parenthesis, in addition to the actual dividend. For the fiscal year ending March 2019, the dividend is described considering the influence of the share split.

Reference (1) Lineup of Titles Being Broadcast



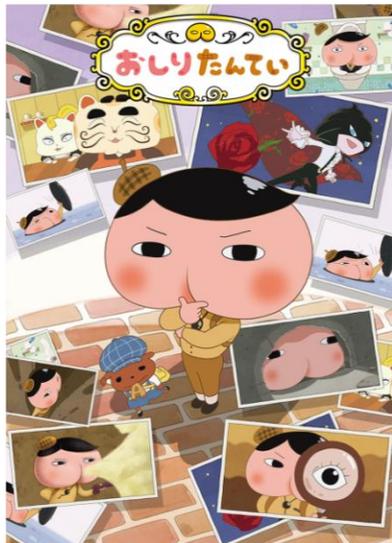
SUN at 8:30am on ABC/TV Asahi Network
Star Twinkle Pretty Cure



SUN at 9:00am on Fuji TV et al.
Ge-Ge-Ge no Kitaro



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



SAT at 9:00am on
NHK Educational TV
BUTT DETECTIVE



July 19, 2019~
on Netflix
*SAINT SEIYA:
KNIGHTS OF THE ZODIAC*

Reference (2) Lineup of New Titles in 2020

Digimon Adventure

LAST EVOLUTION (tentative)

To be released on February 21, 2020



オレたちは、ずっと一緒だ。



2.21.FRI.

デジモンと共に歩んだ、全ての“子どもたち”へ――。

監督 田口智久 脚本 大和屋 功 総作画監督 立川聖治 / スーパーバイザー 廣 弘美 キャラクターデザイン 中島謙伸 デジモンキャラクターデザイン 津路幹人
アニメーション制作 学芸舎カンパニー 配給 宮田 博典 製作 東映アニメーション

digimon-adventure.net

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Looking for Magical DoReMi (tentative)

To be released in early summer
of 2020



魔女見習い
をさがして

2020 SCREENING

監督 佐藤順一 脚本 栗山緑 キャラクターデザイン 馬越嘉彦

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Sailor Moon Eternal

To be released in 2020



劇場版 美少女戦士
セーラームーン
Eternal

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TOEI ANIMATION

Since 1956

[Precautions regarding outlook]

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The Company does not warrant that estimated figures, strategies or measures will necessarily be achieved.