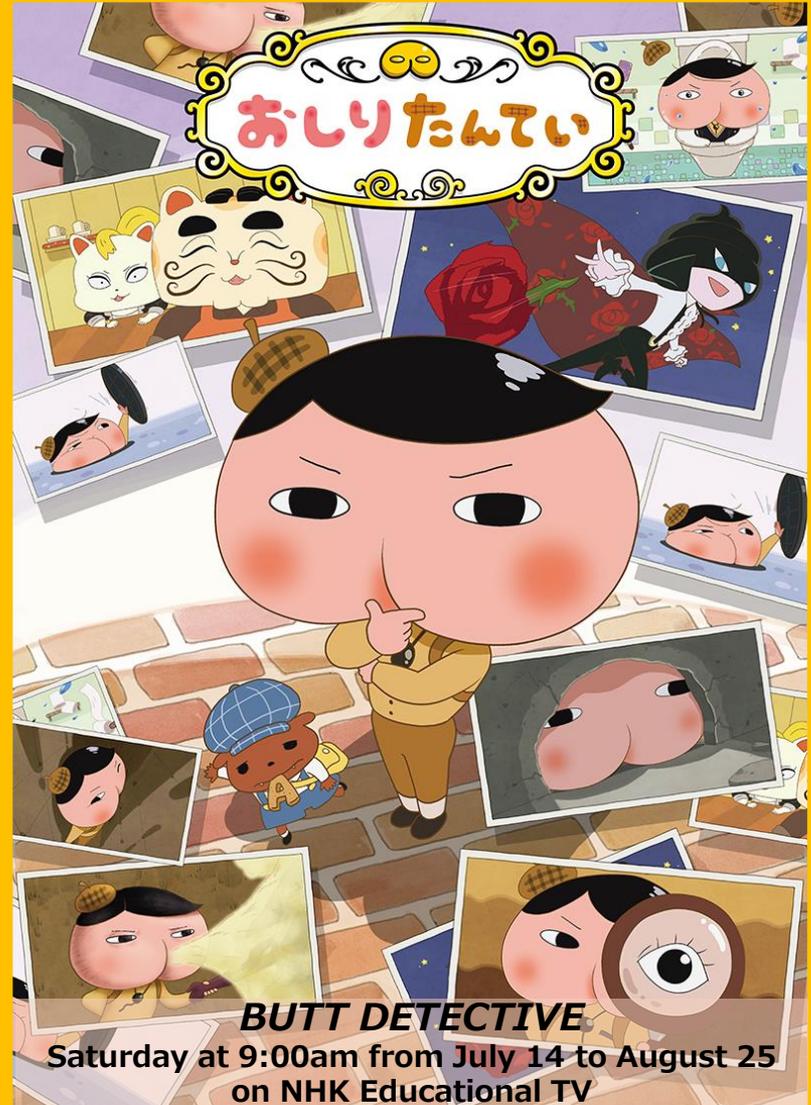


TOEI ANIMATION CO., LTD

For FY Ended June 30, 2018 (April 1, 2018 to June 30, 2018)



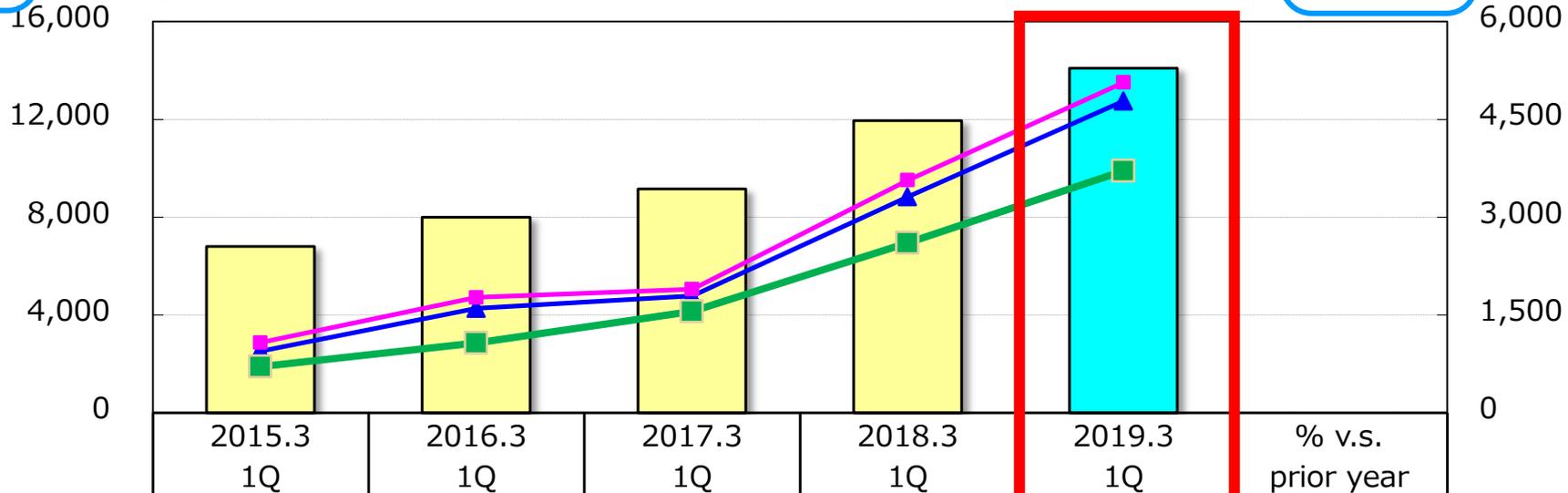
FY 2019.3 First Quarter Results – Consolidated

- Net sales and each income item hit first-quarter record highs for the third consecutive year.
- Sales of game development rights, including *DRAGON BALL Z DOKKAN BATTLE*, were strong in Japan and overseas.
- Sales of major online distribution rights for China increased and sales of online distribution rights for North America were also favorable.

Net Sales

(Million Yen)

Income



Net Sales	6,806	7,999	9,154	11,948	14,092	17.9%
Cost of Sales	4,464	5,135	5,929	7,237	7,534	4.1%
SG&A	1,393	1,261	1,433	1,398	1,775	27.0%
Operating Income	948	1,602	1,791	3,312	4,781	44.4%
Ordinary Income	1,079	1,769	1,897	3,569	5,067	42.0%
Net Income	709	1,073	1,555	2,606	3,711	42.4%

FY2019.3 1Q Results Segment Breakdown – Consolidated

(Million Yen)		FY2018.3 1Q	FY2019.3 1Q	% v.s. prior year
FILM	Net Sales	4,236	5,097	20.3%
	Segment Income	911	1,922	110.8%
Licensing	Net Sales	6,402	7,993	24.8%
	Segment Income	2,986	3,701	23.9%
Sales of Goods	Net Sales	1,064	888	-16.5%
	Segment Income	9	-17	-288.5%
Others	Net Sales	296	140	-52.8%
	Segment Income	14	-21	-249.0%
TOTAL	Net Sales	11,948	14,092	17.9%
	Operating Income	3,312	4,781	44.4%

*Numbers for each segment includes intra-company sales.

FY2019.3 1Q Results Segment Analysis (1) (Film)

(Million Yen)		FY18.3 1Q	FY19.3 1Q
Net Sales		11,948	14,092
Film		4,236	5,097
	Movies	77	142
	TVs	934	582
	DVDs	262	128
	Overseas	2,278	3,498
	Others	683	744
Licensing		6,402	7,993
	Japan	3,440	4,094
	Overseas	2,961	3,898
Sales of Goods		1,064	888
Others		296	140

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

Film (↑ 20.3% year on year)

- In Movies, revenues rose sharply backed by the hit movies *Pretty Cure Super Stars!* and *Digimon Adventure tri. Chapter 6*.
- In TV Anime, revenues fell sharply due to a decrease in the number of new titles aired or distributed.
- In DVDs, revenues fell sharply with the absence of Blu-ray/DVD equivalent to *Sailor Moon Crystal* in the same period of the previous fiscal year.
- In the Overseas segment, revenues increased substantially thanks to strong sales of online distribution rights in China and North America.
- In the Others segment, revenues increased due to strong sales of the app game SAINT SEIYA Galaxy Spirits.

FY2019.3 1Q Results Segment Analysis (2)

(Licensing/Sales of Goods/Others)

(Million Yen)		FY18.3 1Q	FY19.3 1Q
Net Sales		11,948	14,092
Film		4,236	5,097
	Movies	77	142
	TVs	934	582
	DVDs	262	128
	Overseas	2,278	3,498
	Others	683	744
Licensing		6,402	7,993
	Japan	3,440	4,094
	Overseas	2,961	3,898
Sales of Goods		1,064	888
Others		296	140

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

Licensing (↑ 24.8% year on year)

- In domestic licensing, revenues increased substantially because revenues from the app game DRAGON BALL Z DOKKAN BATTLE increased above the strong sales in the previous fiscal year.
- In overseas licensing, revenues increased substantially, reflecting the start of online distribution for the app game DRAGON BALL LEGENDS and strong sales mainly for home-use games such as DRAGON BALL Z DOKKAN BATTLE and DRAGON BALL FIGHTERS.

Sales of Goods (↓ 16.5% year on year)

- Revenues declined substantially because there was no collaborative products equivalent to ONE PIECE and DRAGON BALL Super in the same period of the previous fiscal year, despite strong sales of shop business such as "Pretty Cure Pretty Store".

Others (↓ 52.8% year on year)

- Revenues declined substantially because of the absence of events equivalent to those related to DRAGON BALL Super in the same period of the previous fiscal year.

FY2019.3 First Quarter Results Review

(Million Yen)	FY18.3 1Q	FY19.3 1Q	+ -	% v.s. prior year
Net Sales	11,948	14,092	2,143	17.9%
Costs of Sales	7,237	7,534	297	4.1%
Gross Profit	4,710	6,557	1,846	39.2%
SG & A	1,398	1,775	377	27.0%
Operating Income	3,312	4,781	1,469	44.4%
Non-Operating Income	260	286	26	10.3%
Non-Operating Expense	3	0	-2	-72.5%
Ordinary Income	3,569	5,067	1,498	42.0%
Extraordinary Gain and Loss	-	-	-	-
Net Income before tax	3,569	5,067	1,498	42.0%
Income Taxes	790	1,228	438	55.5%
Income Taxes Adjustment	172	127	-44	-25.8%
Minority Interest	-	-	-	-
Net Income	2,606	3,711	1,104	42.4%

Net Sales

- Businesses with sharp increases in revenues
 - 1)Film Overseas[1,220] ⇒ 2)Licensing Overseas[936] ⇒ 3)Licensing Japan[653]
- Businesses with significant declines in revenues
 - 1)TV[-352] ⇒ 2)Sales of Goods[-176] ⇒ 3)Events[-156]

Cost of Sales / Gross Profit

- Gross profit to net sales: 46.5%
(Gross profit to net sales last year:39.4%)
Gross profit to net sales improved because the cost rate of the film business was normalized.
The ratio of sales for the profitable overseas business/licensing business grew significantly.

SG&A

- SG&A[+377]
 - 1)Taxes and dues[+122] (from 85 in the previous FY to 208 in the current FY)
 - 2)Personnel expenses[+62](from 379 in the previous FY to 442 in the current FY)

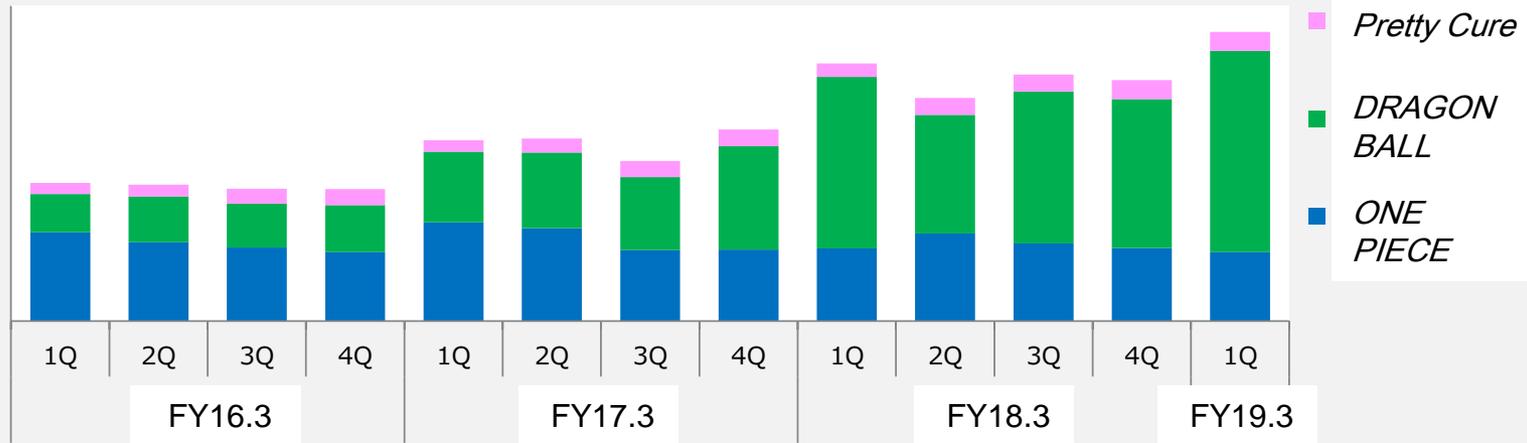
Extraordinary Gain and Loss

- Extraordinary gain [+26]
 - 1)Equity in net income of affiliated companies[+14] (from 11 in the previous FY to 25 in the current FY)
 - 2)Dividend income[+14] (from 161 in the previous FY to 175 in the current FY)

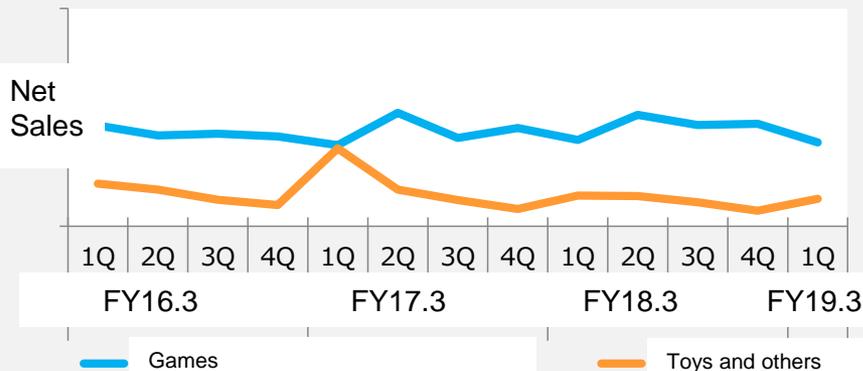
Trends in Domestic Licensing for Major Titles

- Revenues from the *DRAGON BALL* app game remained strong.
- Reliance on the app game development rights increased further.

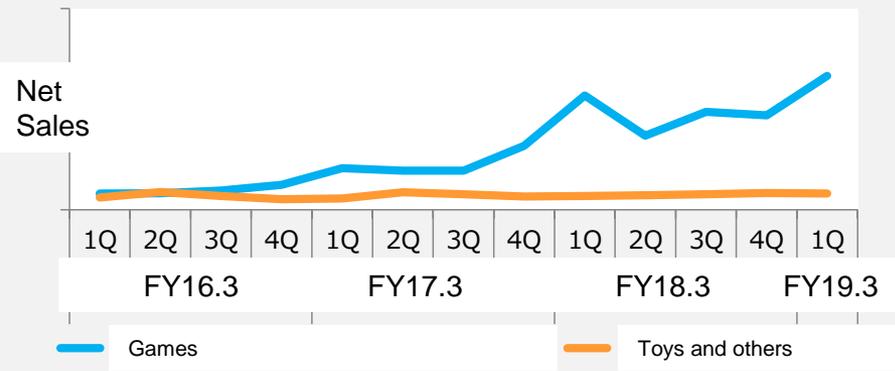
Trends in Domestic Licensing Revenues for the Three Major Titles



Trends in Domestic Licensing Revenues for *ONE PIECE*



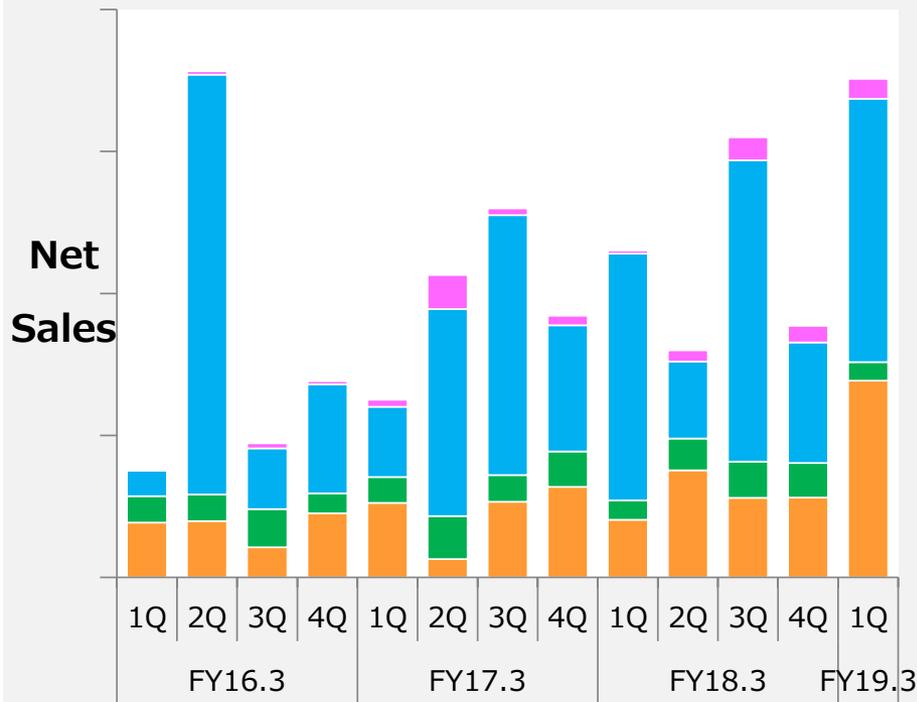
Trends in Domestic Licensing Revenues for *DRAGON BALL*



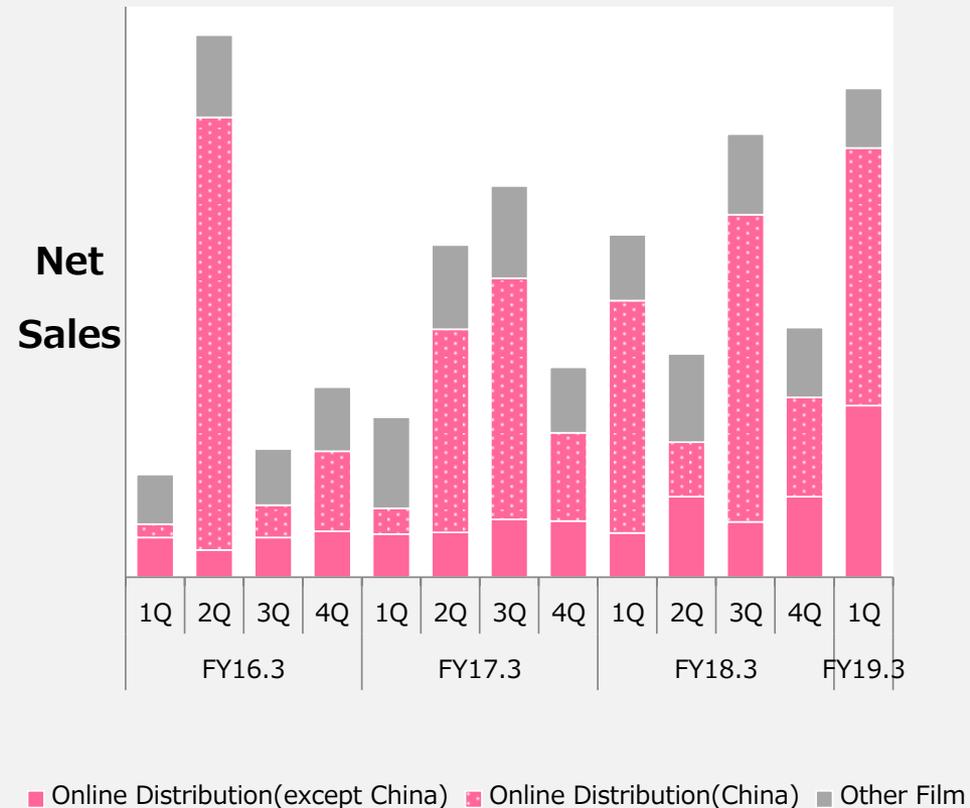
Trends in Film Overseas

- Sales volume of major online distribution rights for China increased.
- Revenues increased temporarily because of the conclusion of a multi-year contract for online distribution rights for North America.

Trends in Net Sales of Film Overseas



Breakdown of Net Sales by Business



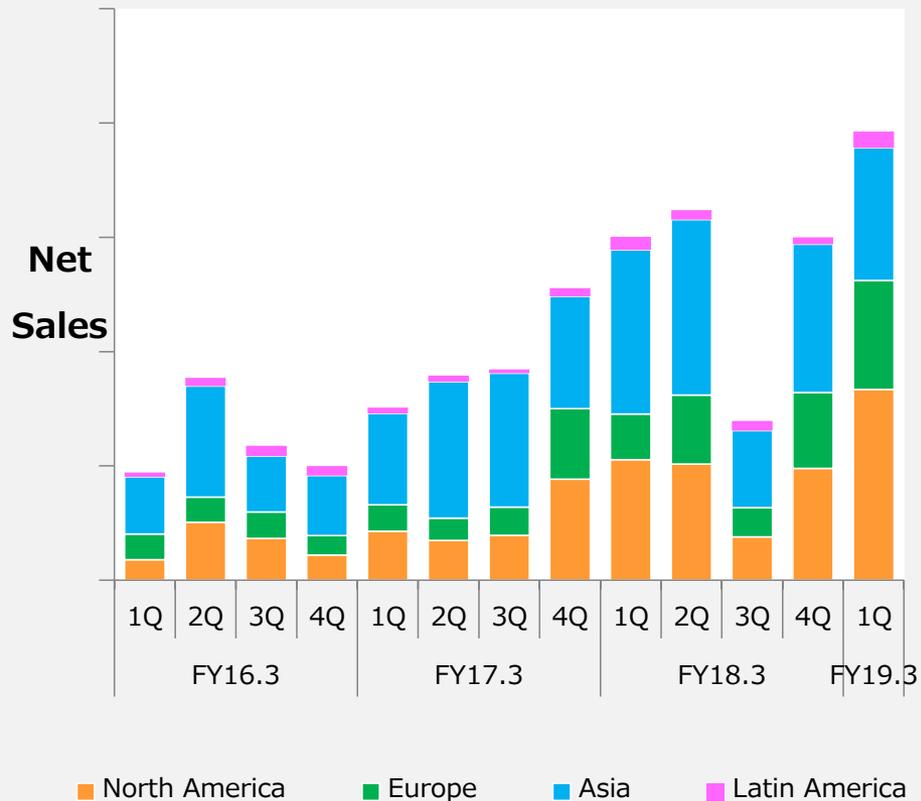
■ North America
 ■ Europe
 ■ Asia
 ■ Latin America

■ Online Distribution(except China)
 ■ Online Distribution(China)
 ■ Other Film

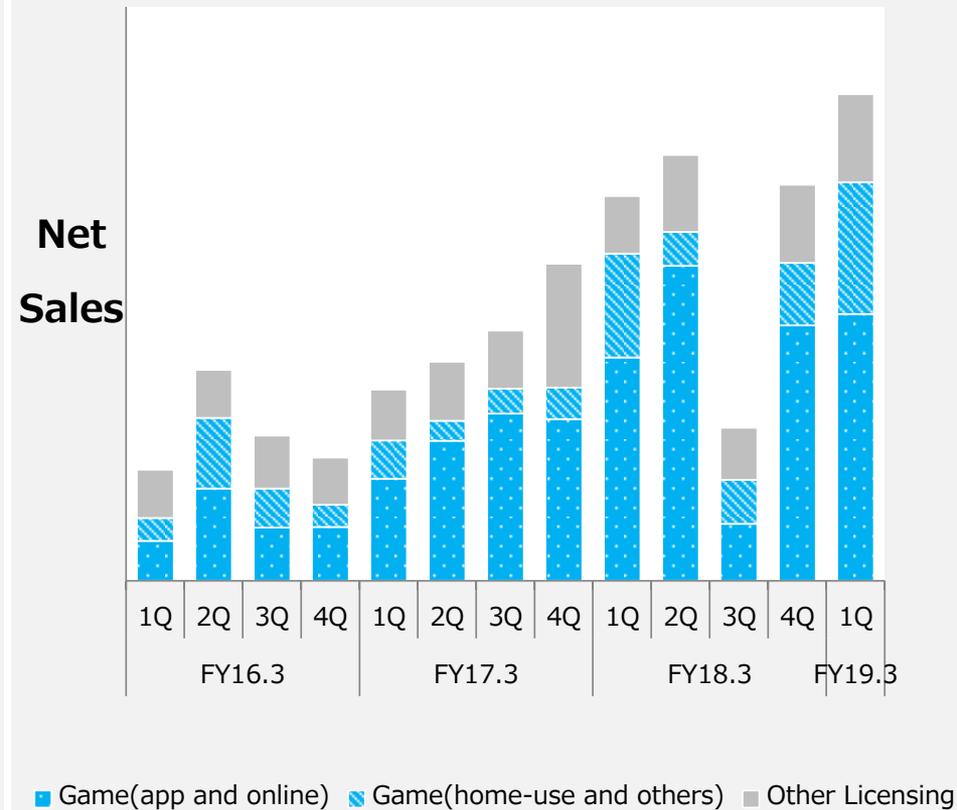
Trends in Licensing Overseas

- Sales of game development rights for *DRAGON BALL* performed strongly worldwide.
- Online distribution began for the new app game *DRAGON BALL LEGENDS*.

Trends in Net Sales of Licensing Overseas



Breakdown of Net Sales by Business



Progress toward Earnings Estimates for FY2019.3

(Million Yen)	FY19.3 Initial estimates(full year) Disclosed on May 14, 2018		FY19.3 Revised estimates (first-half) Disclosed on July 27, 2018		FY19.3 Revised estimates(full year) Disclosed on July 27, 2018	
	Estimates	Progress	Estimates	Progress	Estimates	progress
Net Sales	40,000	35.2%	24,800	56.8%	48,000	29.4%
Operating Income	9,000	53.1%	6,500	73.6%	12,000	39.8%
Ordinary Income	9,300	54.5%	6,800	74.5%	12,300	41.2%
Net Income	6,300	58.9%	4,600	80.7%	8,500	43.7%
Film	15,600	32.7%				
Movies	1,500	9.5%				
TVs	2,800	20.8%				
DVDs	400	32.1%				
Overseas	8,700	40.2%				
Others	2,200	33.9%				
Licensing	19,100	41.8%				
Japan	10,900	37.6%				
Overseas	8,200	47.5%				
Sales of Goods	4,600	19.3%				
Others	700	20.0%				

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

Future Initiatives

Schedule

Film Licensing
Sales of Goods Others

FY19.3 1Q	Start of broadcast of <i>Ge-Ge-Ge no Kitaro</i> [Apr.1]
	Release of <i>MAZINGER Z : INFINITY</i> in Latin America [April]
	<i>Digimon Adventure tri. Chapter 6</i> to be put on theaters [May.5]
	Distribution of <i>DRAGON BALL LEGENDS</i> worldwide app game [May.31]
FY19.3 2Q	Distribution of <i>Digimon ReArise</i> app game [Jun.25]
	<i>DRAGON BALL FighterZ World Tour</i> [Jun.29-]
	Broadcast of <i>BUTT DETECTIVE</i> [Jul.14-Aug.25]
	HTML game <i>DRAGON BALL Z Butchigiri Match</i> [July]
	Broadcast of <i>ONE PIECE TVSP EPISODE OF SKIPIEA</i> [Aug.25]
	<i>Sailor Moon</i> pop-up store in Asia [2018 summer]
FY19.3 3Q~	Holding <i>DRAGON BALL North America tour</i> [2018 summer]
	Release of <i>HUG! Pretty Cure The Movie All Stars Memories (tentative)</i> [Oct.27]
	Start of broadcast of <i>Bar Hunter (tentative)</i> [2018 Autumn]
	Release of <i>DRAGON BALL SUPER: BROLY</i> [Dec.14]
	Scheduled distribution of <i>DRAGON BALL Awakening</i> app game for China [2018]
	<i>PS4 ONE PIECE WORLD SEEKER</i> [2018]
Start of closed beta test of <i>ONE PIECE</i> app game for China [2018]	
Scheduled distribution of <i>DRAGON BALL</i> app game for China [2018]	
Scheduled distribution of <i>Digimon</i> app game for China [2018]	

Topics

Development of Games

- **App Game *DRAGON BALL LEGENDS***
-Started distribution from May, 2018
-More than 10 million downloads in the world
- **Multiple App Games for China Scheduled to be released**
-Two *DRAGON BALL* app games
-*ONE PIECE*
-*Digimon*
- **Worldwide Home-use Game *DRAGON BALL FighterZ***
-More than 2.5 million shipments worldwide (*including the DL version).
-*DRAGON BALL FighterZ World Tour*
Starting in Las Vegas on June 29, a tournament will be held worldwide (UK, France, Mexico, Singapore and more).

Development of New Titles

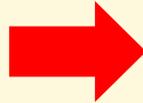
- ***Digimon Adventure tri. Chapter 6***
To be put on theaters on May 5, 2018
- ***BUTT DETECTIVE***
Scheduled broadcast on NHK Educational TV 9:00am every Saturday from July 14 to August 25
- ***Bar Hunter (tentative)***
Scheduled broadcast in Autumn, 2018
- ***DRAGON BALL SUPER: BROLY***
Scheduled to be released on December 14, 2018



Initiatives Aimed for Medium and Long-Term Growth

Prepare a variety of titles based on the portfolio (Area x Title x Business) strategy.

- The environment surrounding our company is changing at an accelerated pace.
- It is necessary to develop a recovery model in response to the market environment regardless of the existing business.



① Netflix original series
"Knights of the Zodiac:
SAINT SEIYA (tentative)"
worldwide distribution



② Collaboration with Saudi
Arabia-based Manga
Productions



③ Create a new business model for overseas planning.
Globally execute fundraising, planning, entertainment, and secondary use voluntarily.

Expand new suppliers and develop novel secondary use through business development.

- Although the latest performance is good, it is weighted in specific titles and businesses.



"BUTT DETECTIVE"
Children's book published
by POPLAR Publishing is
being broadcast on NHK
Educational TV.



"Bar Hunter"
Collaborative project between BANDAI,
Shogakukan, and TOEI ANIMATION.
Scheduled to be deployed in cross media, such as
manga, toys, anime broadcasting and others.

Make efforts toward appropriate production cost management.

- Appropriate production cost management is required to continuously promote new challenges in the future.



In addition to building a new studio and introducing a new system, establish an organization for cost management and the development of young people.

Build a structure to promote a new business scheme in response to the market environment.

- Develop a new business scheme tailored to titles by immediately responding to changes in the market environment, and aim to maximize the contents value.



Within the company, consider the role of organizations.
As a trial organization for each title, newly establish Development & Production Dept. #3.

Reference (1) Lineup of Titles Being Broadcast



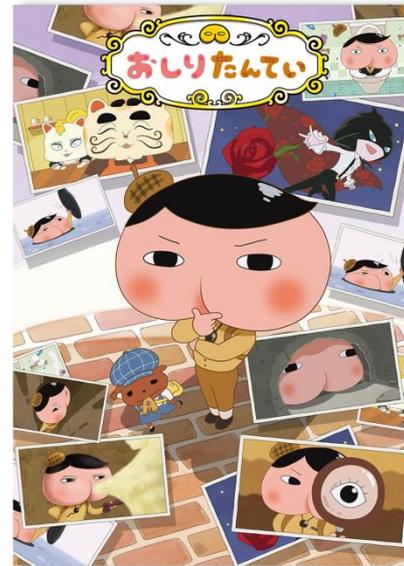
SUN at 8:30am on
ABC/TV Asahi Network
HUG! Pretty Cure



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
(from July 14 to August 25)
BUTT DETECTIVE

Reference (2) Movies Scheduled for Release in FY2019.3

**HUG! Pretty Cure The Movie
All Stars Memories (tentative)**
To be released on October 27, 2018



DRAGON BALL SUPER: BROLY
To be released on
December 14, 2018



Bar Hunter (tentative)
Scheduled broadcast
in Autumn, 2018 on TV Tokyo





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.