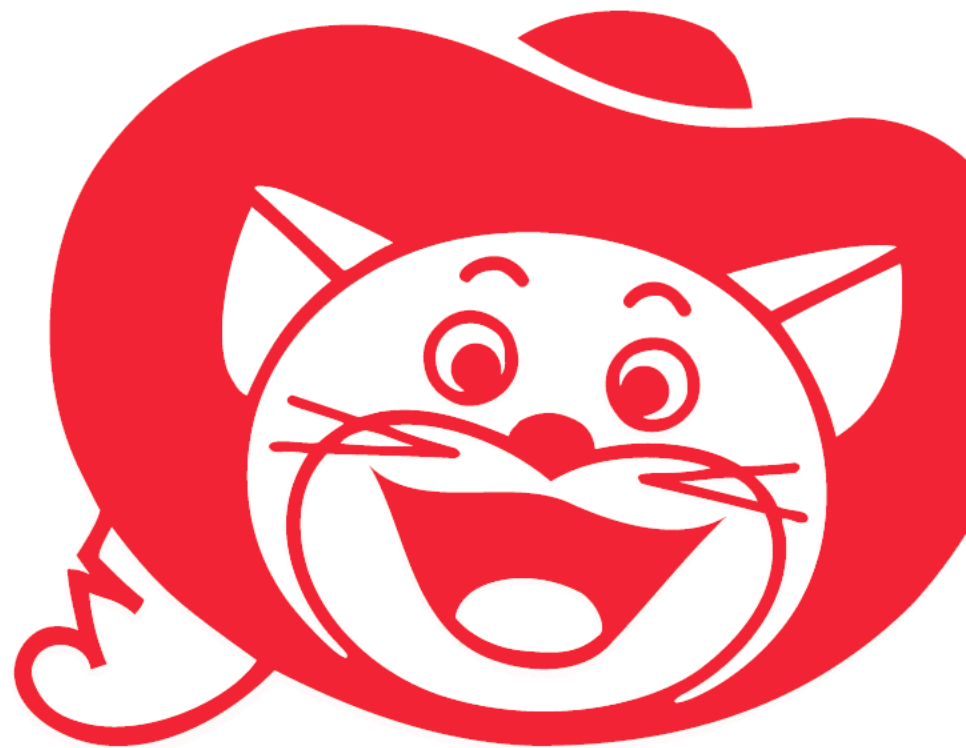


Financial Results Briefing Material

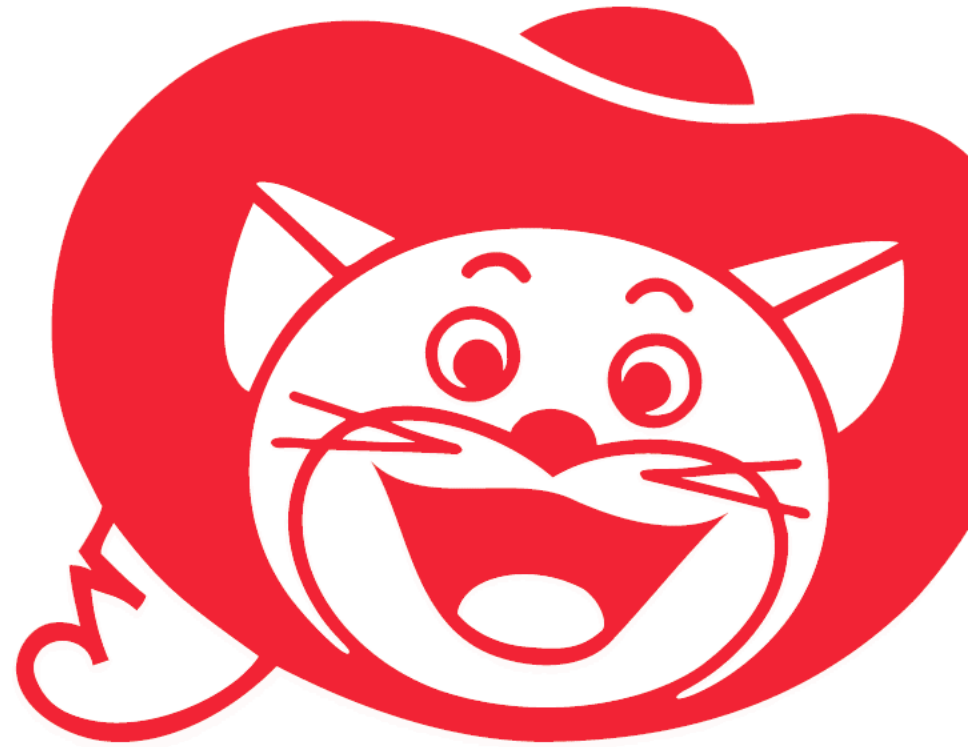


For Fiscal Year Ended March 31, 2024 (April 1, 2023, to March 31, 2024)
Toei Animation Co., Ltd.

TOEI ANIMATION CO.,LTD.

Contents

- 01. Financial Results for FY2024.3
- 02. Outlook for FY2025.3
- 03. Future Business Prospects



01. Financial Results for FY2024.3



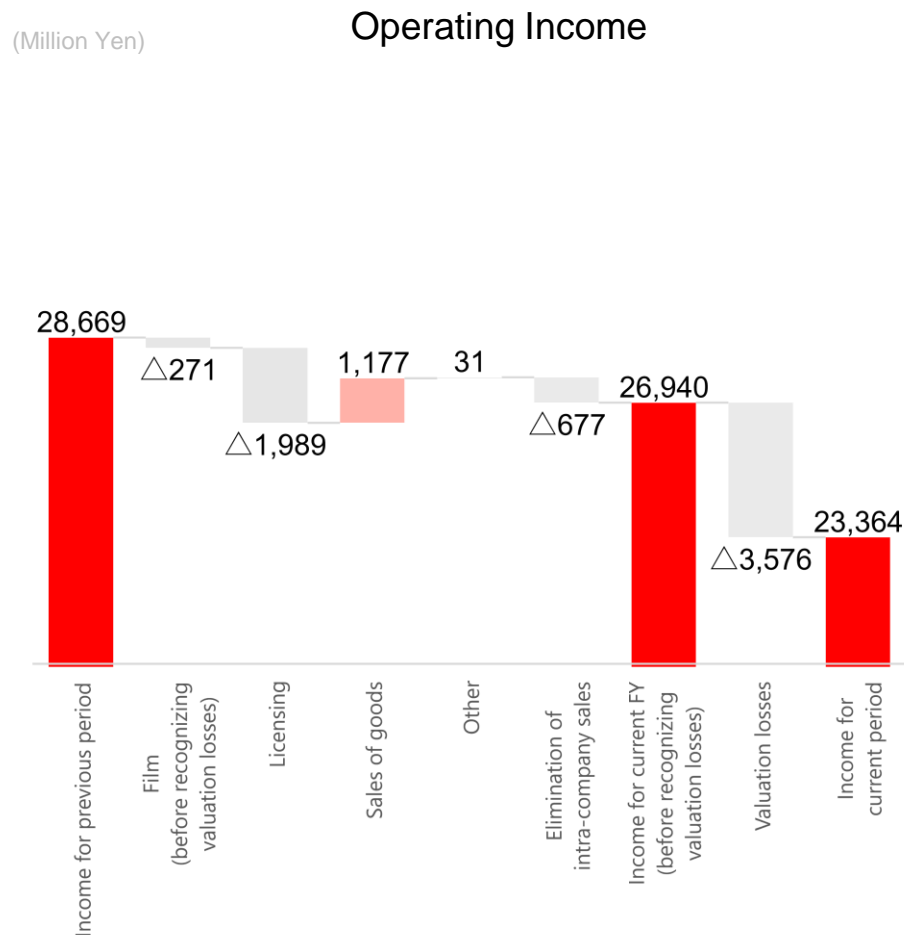
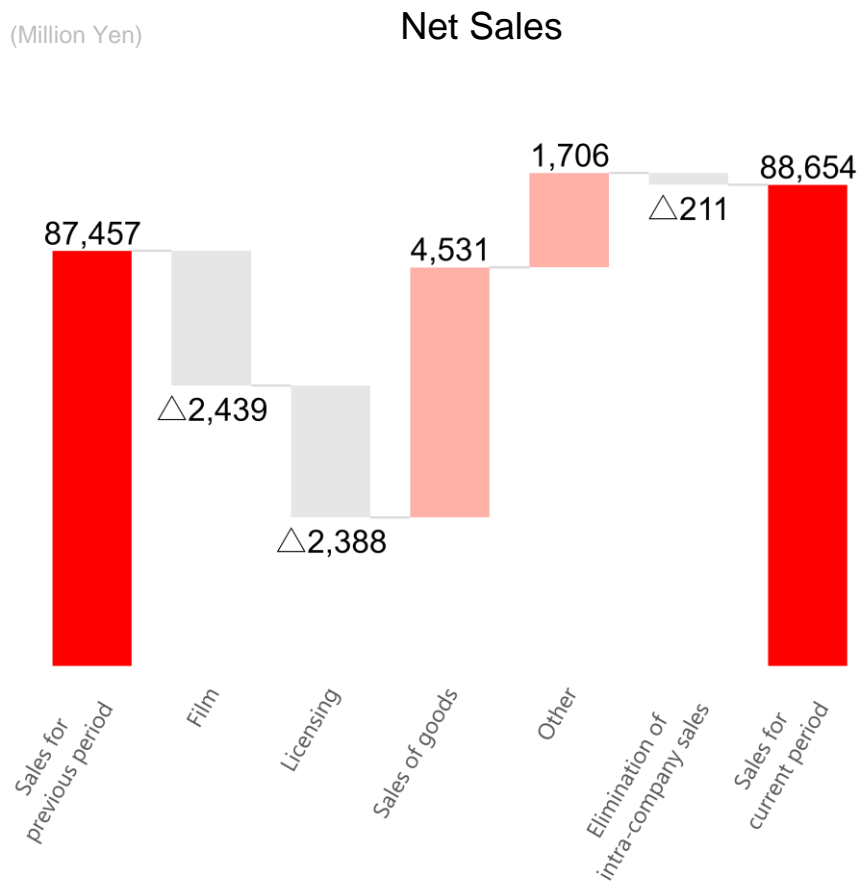
Financial Results Summary

- Net sales renewed the record for the full year; operating income reached the second-highest level
- Sales of Goods and overseas streaming rights were the performance drivers supported by the increase in IP values for “SLAM DUNK” and “ONE PIECE”, which have further increased their recognition both domestically and overseas following the blockbuster movies of the previous fiscal year
- Profit and profit margin decreased mainly due to the increase in expenses related to “Knights of the Zodiac”

(Million Yen)	FY2024.3			FY2024.3 4Q (January - March 2024)				
	Results	FY2023.3		Results	FY2023.3 4Q (January – March 2023)		FY2024.3 3Q (October – December 2023)	
		Results	YonY		Results	YonY	Results	QonQ
Net Sales	88,654	87,457	1.4%	21,537	22,392	△3.8%	20,933	2.9%
Gross Profit	37,449	40,966	△8.6%	9,562	11,222	△14.8%	9,900	△3.4%
SG&A	14,085	12,296	14.5%	3,970	4,357	△8.9%	3,493	13.7%
Operating Income (Operating Margin)	23,364 (26.4%)	28,669 (32.8%)	△18.5% (△6.4%)	5,591 (26.0%)	6,864 (30.7%)	△18.5% (△4.7%)	6,406 (30.6%)	△12.7% (△4.6%)
Operating Income *excluding the impact of valuation losses (Operating Margin)	26,940 (30.4%)	28,669 (32.8%)	△2.1% (△2.4%)	-	-	-	-	-
Ordinary Income	26,453	29,791	△11.2%	6,152	6,995	△12.0%	6,443	△4.5%
Net Income	18,795	20,900	△10.1%	4,202	4,397	△4.4%	4,352	△3.4%

Year-on-Year Changes

- Net sales saw strong performances in the Sales of Goods Business and Other, but revenues declined for the Film and Licensing Businesses due to the reactionary decline from the strong sales from the three major movie titles released in the same period of the previous fiscal year.
- Operating income declined significantly due to the recording of losses on valuation of inventories related to “Knights of the Zodiac” in 1Q and an increase in advertising expenses.
- Operating income, excluding the stated impacts was mostly the same as the record profit achieved in the previous fiscal year



FY2024.3 Results Segment Breakdown - Consolidated

- The Film segment saw a decrease in revenue due to the reactionary decline from the three major movie titles despite the strong performance of overseas distribution rights. Income declined due to the recording of losses on valuation related to “Knights of the Zodiac.”
- The Licensing Business saw a decline in revenues and income, as the sales of domestic game development rights and overseas merchandising rights for the “Dragon Ball” series did not reach the momentum of the same period of the previous fiscal year, despite the strong performance of the sales of merchandising rights for “ONE PIECE.”
- Revenues and income increased significantly for the Sales of Goods Business due to the success of the theater merchandise sales and e-commerce for the movie “THE FIRST SLAM DUNK” and shop business for the “ONE PIECE” and “Pretty Cure” series.

(Million Yen)		FY2023.3 Results	FY2024.3 Results	% Change
Film	Net Sales	37,267	34,828	△6.5%
	Segment Income	10,680	6,832	△36.0%
Licensing	Net Sales	42,060	39,671	△5.7%
	Segment Income	20,945	18,956	△9.5%
Sales of Goods	Net Sales	6,149	10,681	73.7%
	Segment Income	648	1,825	181.8%
Others	Net Sales	2,216	3,922	77.0%
	Segment Income	103	134	30.8%
Total Net Sales	Net Sales	87,457	88,654	1.4%
	Operating Income	28,669	23,364	△18.5%

*Figures for each segment include intra-company sales.

FY2024.3 Results Segment Analysis (1) Film

(Million Yen)		FY23.3 Results	FY24.3 Results
Net Sales		87,457	88,654
Film		37,267	34,828
	Movies	7,500	2,635
	TVs	2,868	2,761
	DVDs	389	1,730
	Overseas	21,917	22,532
	Other	4,592	5,169
Licensing		42,060	39,671
	Japan	16,033	15,830
	Overseas	26,027	23,841
Sales of Goods		6,149	10,681
Others		2,216	3,922

*Figures for each segment include intra-company sales.

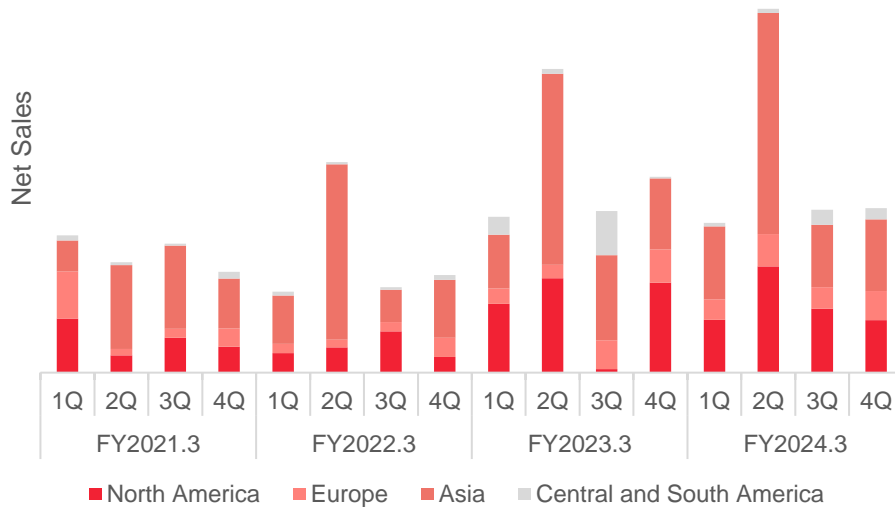
Film (↓ -6.5% year on year)

- In the Movies segment, revenues decreased significantly as the strong performance by “Pretty Cure All Stars F” and “Kitaro Tanjou: GeGeGe no Nazo” did not reach the level of sales of the big hit movies “Dragon Ball Super: SUPER HERO,” “ONE PIECE FILM RED,” and “THE FIRST SLAM DUNK,” released in the same period of the previous fiscal year.
- In the TVs segment, revenues declined slightly due to a decrease in the number of works being broadcast compared to the same period of the previous fiscal year.
- Revenues increased significantly in the DVDs segment due to the strong performance of Blu-ray/DVD versions of “THE FIRST SLAM DUNK.”
- In the Overseas segment, revenues increased due to the strong sales of overseas distribution rights for “ONE PIECE” and overseas screening rights for the movie “THE FIRST SLAM DUNK” despite the reactionary decline in sales of overseas screening rights for the movie “Dragon Ball Super: SUPER HERO” which performed well during the same period of the previous fiscal year.
- In the Others segment, revenues increased significantly year on year due to the strong performance of self-produced app games including for “Zatch Bell! Forever Bonds of Friendship.”

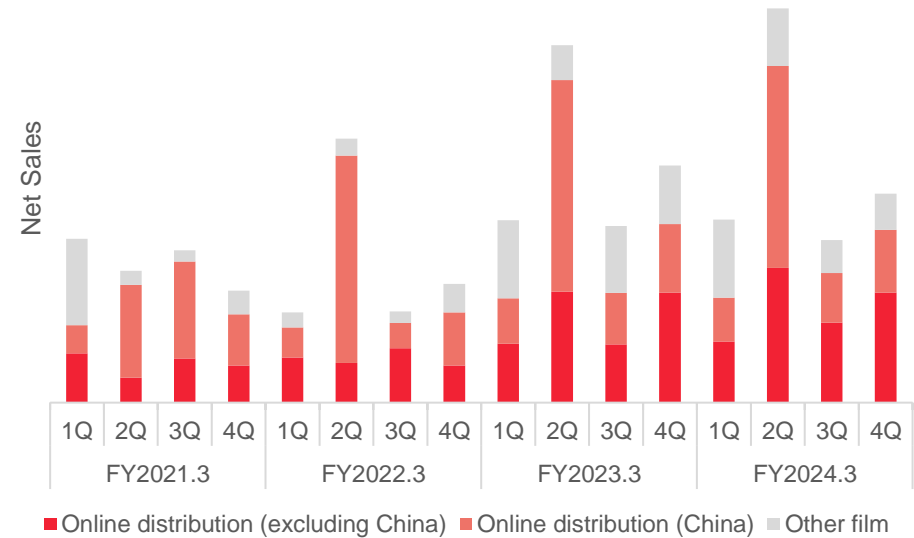
Trends in Film Overseas

- Revenues decreased in North America due to the reactionary decline in the sales of theatrical screening rights of the movie “Dragon Ball Super: SUPER HERO,” but sales of distribution rights for “THE FIRST SLAM DUNK” was strong in Asia.
- Sales of theatrical screening rights were affected by the reactionary decline in sales for multiple major movie titles. However, sales of distribution rights for “ONE PIECE” in North America and Asia were strong.

Trends in Net Sales of Film Overseas



Breakdown of Net Sales by Business



Film Business: Topics



**“The Birth of Kitaro:
The Mystery of GeGeGe”**

- Box-office revenue in Japan exceeded ¥2.7 billion
- Number of audience attendance 1.9 million
- Japan Academy Film Award, “Excellent Animation of the Year”



“THE FIRST SLAM DUNK”

- Global box-office revenue ¥38.3 billion (final)
- Long-run box-office success 39 weeks (domestic)
- Domestic video shipment volume exceeded 450,000 units



“Pretty Cure All Stars F the Movie”

- Box-office revenue in Japan exceeded ¥1.5 billion
- Number of domestic audience attendance 1.19 million
- Recorded highest box-office revenue for the series

FY2024.3 Results Segment Analysis (2) Licensing, Sale of Goods, Others

(Million Yen)		FY23.3 Results	FY24.3 Results
Net Sales		87,457	88,654
Film		37,267	34,828
	Movies	7,500	2,635
	TVs	2,868	2,761
	DVDs	389	1,730
	Overseas	21,917	22,532
	Other	4,592	5,169
Licensing		42,060	39,671
	Japan	16,033	15,830
	Overseas	26,027	23,841
Sales of Goods		6,149	10,681
Others		2,216	3,922

*Figures for each segment include intra-company sales.

Licensing (↓ -5.7% year on year)

- In domestic licensing, revenues remained flat despite the strong performance of the merchandising rights for “ONE PIECE” due to the performance of the game development rights for the “Dragon Ball” series did not reach the momentum of the same period of the previous fiscal year.
- In overseas licensing, revenues declined as the sales of merchandising rights did not reach the momentum of the same period of the previous fiscal year for the “DIGIMON” and “Dragon Ball” series, despite the strong performance of merchandising rights for “ONE PIECE.”

Sales of Goods (↑ +73.7% year on year)

- Revenues increased significantly due to the success of the merchandising rights for the movie “THE FIRST SLAM DUNK” and shop business for “ONE PIECE.”

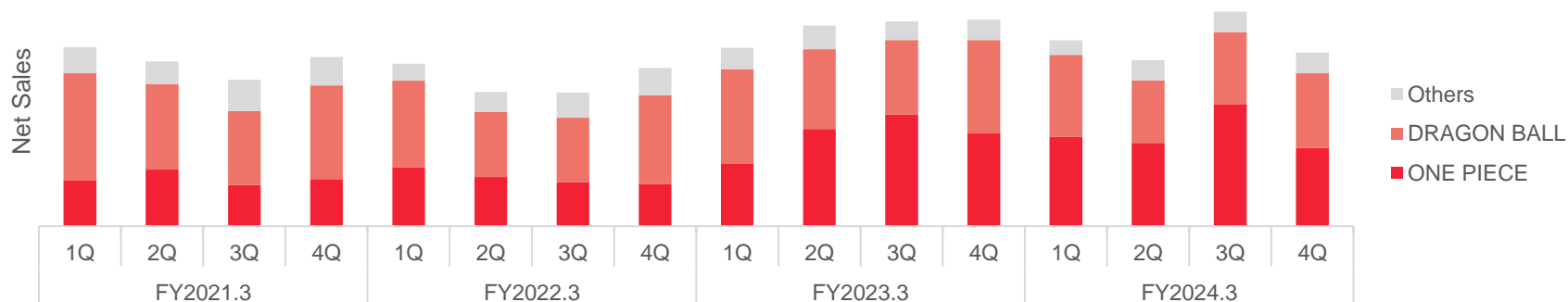
Others (↑ +77.0% year on year)

- Revenues increased greatly due to the success of the events for the “Pretty Cure” series.

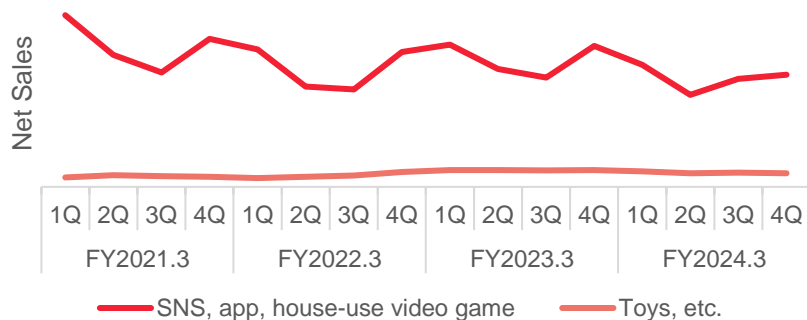
Trends in Domestic Licensing

- “ONE PIECE” is exceeding the performance of the previous fiscal year due to the strong performance of the merchandising rights driven by card games, despite the sales of game development rights not reaching the momentum of the previous year when the movie was a big hit.
- Revenues declined for the “Dragon Ball” series mainly for the game development rights as it did not reach the momentum of the previous year when the movie was a big hit.

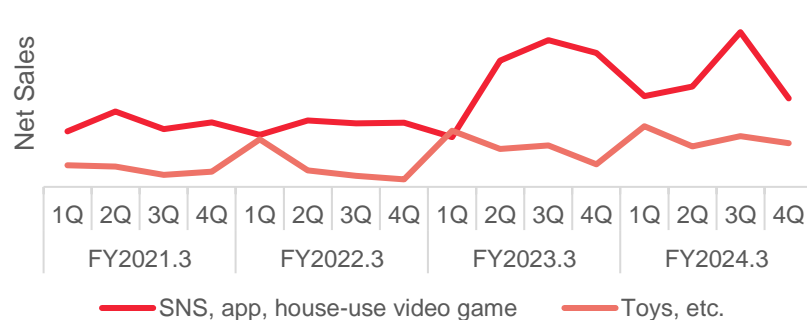
Trends in Net Sales of Domestic Licensing



Trends in Net Sales of Domestic Licensing for DRAGON BALL



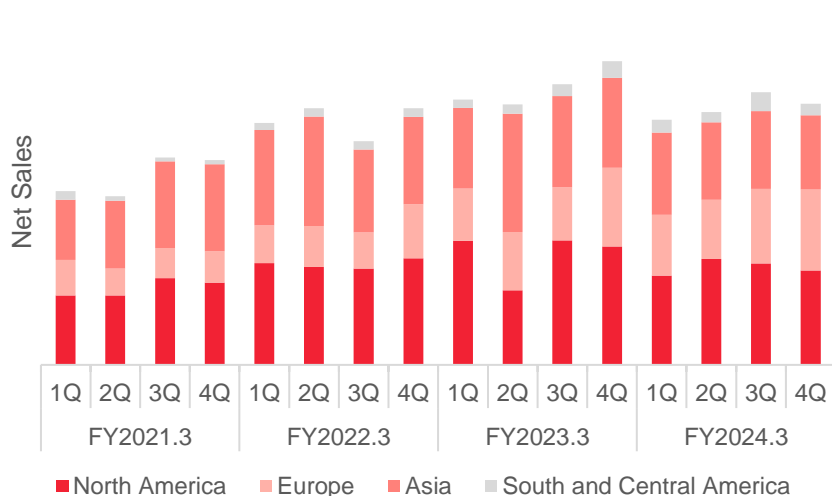
Trends in Net Sales of Domestic Licensing for ONE PIECE



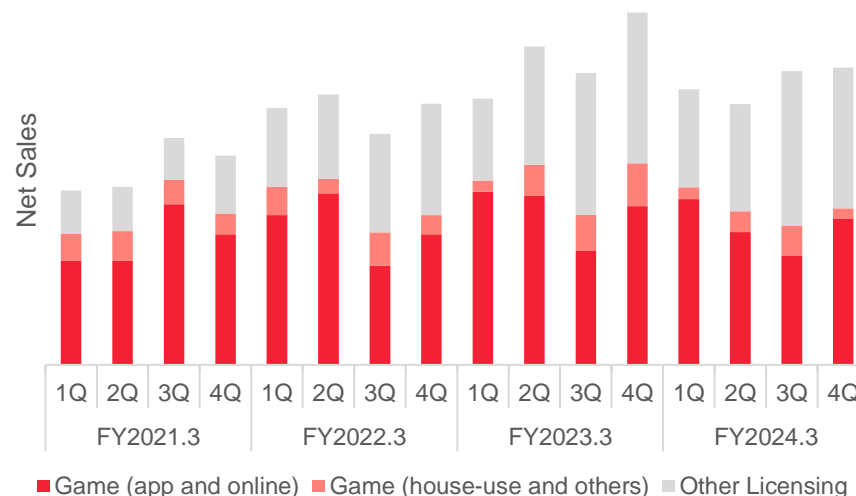
Trends in Overseas Licensing

- In Europe, sales were strong mainly for merchandising rights due to increased recognition for “ONE PIECE.” Revenues decreased in North America due to the sales of merchandising rights for the “Dragon Ball” and “Digimon” series not reaching the momentum of the previous year, despite the strong performance of the merchandising rights for “ONE PIECE.”
- Sales of merchandising rights performed strongly, mainly for “ONE PIECE” card games, but revenues decreased for game development rights due to the “Dragon Ball” series not reaching the momentum of the previous fiscal year.

Trends in Net Sales of Overseas Licensing



Breakdown of Net Sales by Business



Licensing, Sale of Goods, Others Businesses: Topics

Japan

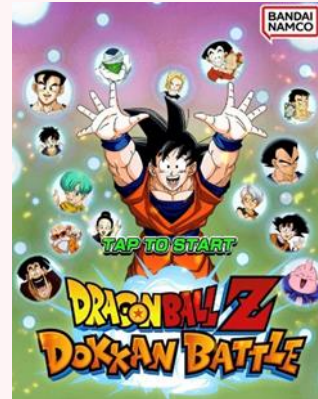


ONE PIECE Bounty Rush



Ichibankuji ONE PIECE Four Emperors

Overseas



Dragon Ball Z: Dokkan Battle



ONE PIECE CARD GAME

Sale of Goods



Mugiwara Store (Ikebukuro store)



Precure Pretty Store (Osaka store)

FY2024.3 Results Review

- Sales renewed record high for the full year driven by the Sales of Goods Business and overseas distribution rights.
- Operating income declined due to the recording of losses on valuation of inventories related to “Knights of the Zodiac” in 1Q, but operating income achieved the second-highest level.
- A large portion of non-operating income is from posting foreign exchange gains.
- Gains on sale of investment securities were recorded as extraordinary gain.

(Million Yen)

	FY23.3 Results	FY24.3 Results	Change	% Change
Net Sales	87,457	88,654	1,197	1.4%
Cost of Sales	46,490	51,205	4,714	10.1%
Gross Profit	40,966	37,449	△3,516	△8.6%
SG&A	12,296	14,085	1,788	14.5%
Operating Income	28,669	23,364	△5,305	△18.5%
Non-Operating Income	1,650	3,161	1,510	91.5%
Non-Operating Expenses	528	71	△456	△86.4%
Ordinary Income	29,791	26,453	△3,338	△11.2%
Extraordinary Gain and Loss	-	253	253	-
Net Income Before Tax	29,791	26,707	△3,084	△10.4%
Income Taxes	8,995	7,529	△1,466	△16.3%
Income Taxes Adjustment	△103	382	486	-
Minority Interest	-	-	-	-
Net Income	20,900	18,795	△2,104	10.1%

Balance Sheet Digest

- Significant decrease in finished works due to the recording of valuation losses for “Knights of the Zodiac” in 1Q.
- Non-current assets increased due to recording of gains on valuation of investment securities.
- Equity ratio of 80.9%, securing a stable financial base.

(Million Yen)

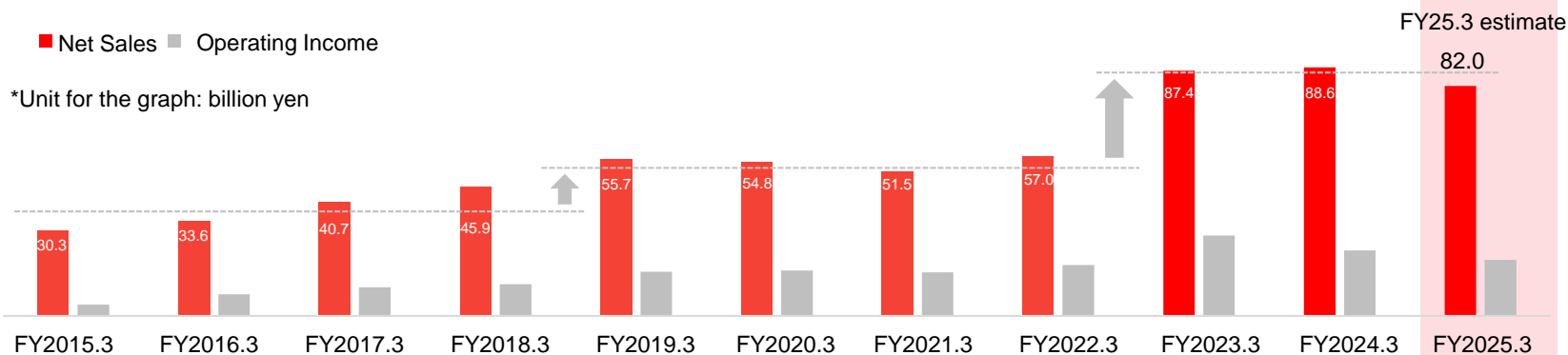
Account title	2023.3	2024.3	Change	Account title	2023.3	2024.3	Change
Cash and deposits	66,909	79,007	12,098	Notes and accounts payable - trade	22,763	20,370	△2,393
Notes and accounts receivable – trade	24,975	24,012	△962	Other	12,386	8,360	△4,026
Work in process	8,417	8,562	144	Current liabilities	35,150	28,730	△6,419
Finished works	3,716	99	△3,617	Non-current liabilities	855	2,295	1,439
Other	6,683	8,773	2,089	Total liabilities	36,006	31,025	△4,980
Current assets	110,702	120,455	9,753	Shareholders' equity	108,768	121,273	12,504
Property, plant and equipment	8,392	8,180	△211	Total accumulated other comprehensive income	5,734	10,440	4,705
Intangible assets	1,184	1,321	136	Total net assets	114,502	131,713	17,210
Investments and other assets	30,229	32,782	2,552				
Non-current assets	39,806	42,283	2,477				
Total assets	150,508	162,739	12,230	Total liabilities and net assets	150,508	162,739	12,230

02. Outlook for FY2025.3



Earnings Estimates for FY2025.3 - Consolidated

(Million Yen)	Results				Estimates	% Change
	FY2021.3	FY2022.3	FY2023.3	FY2024.3	FY2025.3	
Net Sales	51,595	57,020	87,457	88,654	82,000	△7.5%
SG&A	7,436	8,585	12,296	14,085	15,500	10.0%
Operating Income	15,503	18,107	28,669	23,364	20,000	△14.4%
Ordinary Income	16,040	18,822	29,791	26,453	20,500	△22.5%
Net Income	11,067	12,820	20,900	18,795	15,000	△20.2%



[Grounds of FY2025.3 earnings estimates]

- Ripple effect and revenue from major movies are predicted to decrease from the previous year but expect overall business environment to remain favorable.
- Although “Knights of the Zodiac”-related expenses have disappeared, made active strategic investment for expanding future revenue and income including the release of multiple new works, anniversary events for major works, and investment in human capital, resulting in increased production costs and advertising expenses.
- Compared to before FY22/3, Revenue opportunities increase from the synergy effect of globally improved recognition of major titles and development of communication technologies, reaching a new stage of the third highest on record for sales and income.

Earnings Estimates for FY2025.3: Segment Breakdown

(Million Yen)		FY24.3 Results	FY25.3 Estimates
Net Sales		88,654	82,000
Film		34,828	30,700
	Movies	2,635	600
	TVs	2,761	3,200
	DVDs	1,730	400
	Overseas	22,532	20,500
	Other	5,169	6,000
Licensing		39,671	40,500
	Japan	15,830	15,800
	Overseas	23,841	24,700
Sales of Goods		10,681	7,800
Others		3,922	3,000

Film (↓ - 11.9% from FY24.3)

- Revenues from movies are likely to decrease significantly with no large titles to be released.
- Revenues from TVs are likely to increase with the release of new titles including “Dragon Ball DAIMA” and “Girls Band Cry.”
- Revenues from DVDs are set to decrease due to the reactionary decline from the strong performance of the movie “THE FIRST SLAM DUNK.”
- Revenues from Overseas are likely to decrease due to the reactionary decline from the strong sales of overseas distribution rights in the previous year.
- Revenues from Others are likely to increase significantly from full-fledged contribution from self-produced app games including “Zatch Bell! Forever Bonds of Friendship.”

Licensing (↑ + 2.1% from FY24.3)

- Revenues from Licensing Japan are expected to remain unchanged due to release of new titles and anniversary effects despite not reaching the momentum of the movie releases in FY22.3.
- Revenues from Licensing Overseas are likely to increase with continued strong performance from the ongoing effect of increased recognition of titles mainly for “ONE PIECE.”

Sales of Goods (↓ - 27.0% from FY24.3)

- Revenues are expected to decline greatly despite the likely strong performance of shop business for “ONE PIECE,” due to the reactionary decline of sale of goods from the end of theatrical release of the movie “THE FIRST SLAM DUNK.”

Others (↓ - 23.5% from FY24.3)

- Revenues are expected to decline greatly mainly due to the reactionary decline from the “Pretty Cure” series which held many anniversary events during the previous year.

Capital Allocation Policy and Dividends

- Maintain solid financial base while actively making strategic investments for medium- to long-term growth and shareholder returns.
- For FY2024.3, maintain 155 yen per share (before stock split), the equivalent dividend payment as the previous period.
- For FY2025.3, maintain the basic policy of paying stable dividends and expect to make comprehensive decision on dividend payout corresponding to investment strategies and earnings performance.

Capital Allocation Policy

Shareholder returns

Basic policy of stable dividend payment
Flexible decision based on investment strategies and earnings performance

Strategic investment

Make active and flexible investment to enhance competitiveness and maintain growth potential



Secured solid financial base with Equity ratio of 80.9% as of end of March 2024.

Policy to actively allocate capital to growth investment and shareholder returns.

Secure sound financial base

Maintain appropriate level of cash and deposits and solid financial base to engage in stable Film business

Year-end dividend

FY2024.3

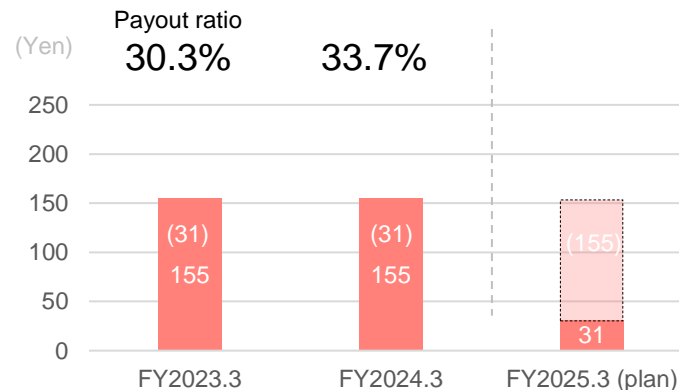
155 yen per share

* Dividend amount before stock split

* Under the shareholder return policy of stable dividend payment, made upward revision to the original plan assuming about 30% payout ratio
155 yen dividend payment equivalent to the previous period

FY2025.3

Comprehensive decision based on investment strategies and earnings performance



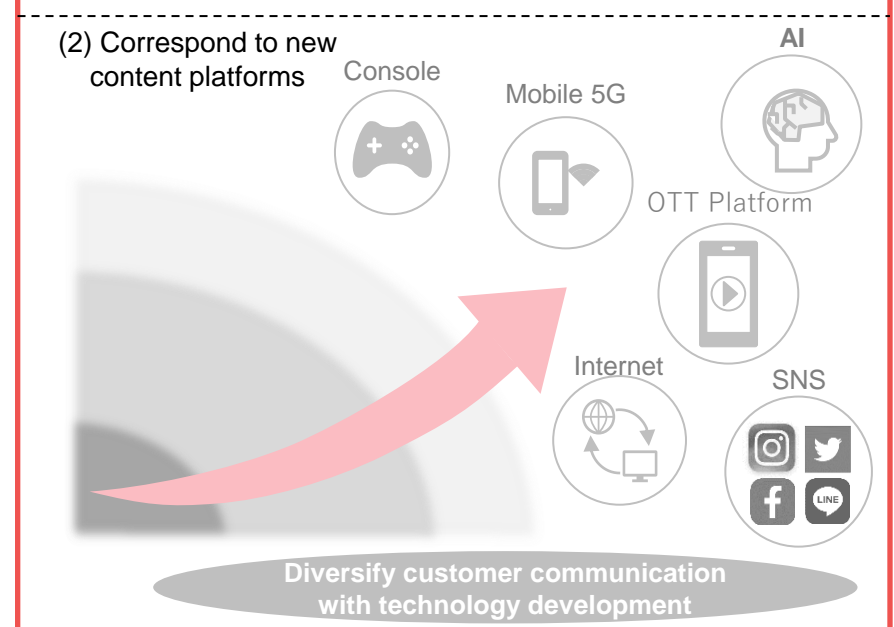
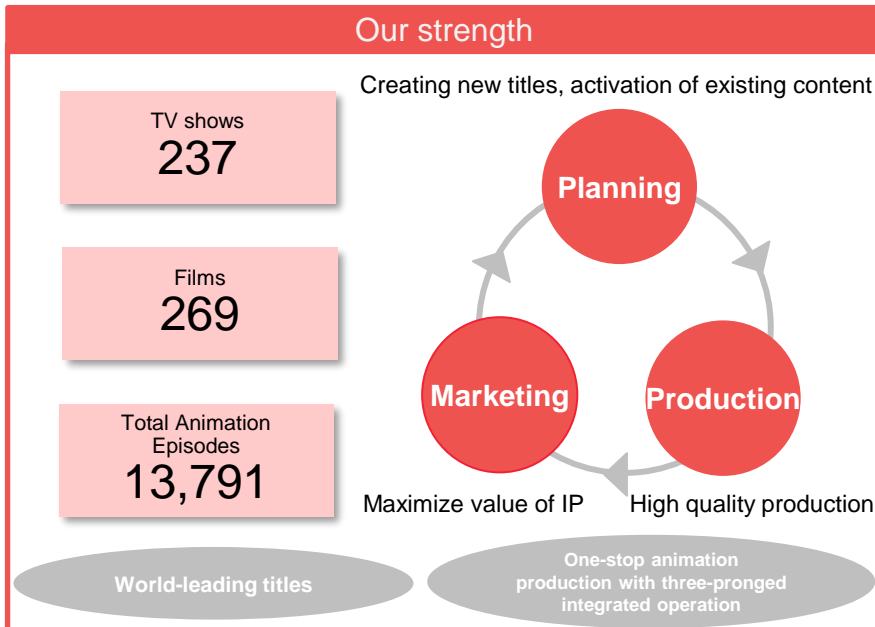
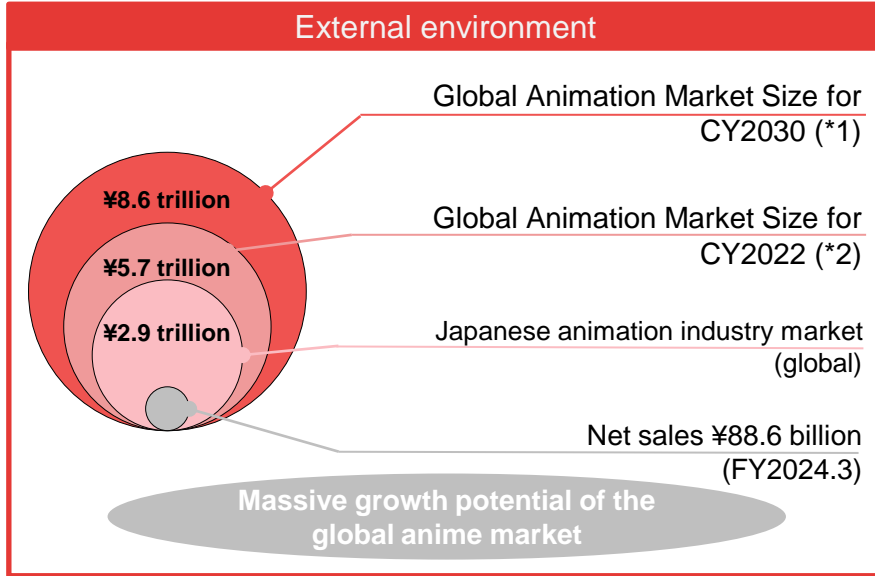
*The Company carried out a 5-for-1 stock split on April 1, 2024. The dividend amount for FY2024.3 and earlier indicates the actual amount and a figure calculated by assuming the stock split was carried out at the start of the relevant fiscal period in brackets.

For FY2025.3, a hypothetical dividend amount without the stock split is shown in brackets for comparison.

03. Future Business Prospects



Understanding of External Environment and Growth Strategy



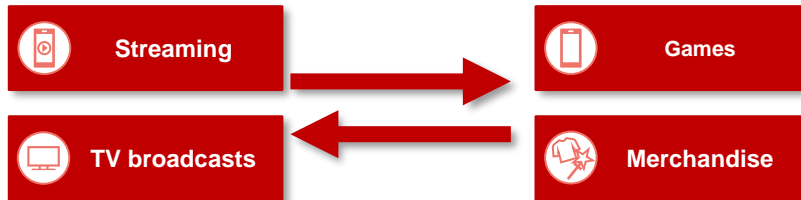
*1: Calculated based on Statista "Size of the animation market worldwide from 2020 to 2030_statista" (published March 2022)
 *2: Source: The Association of Japanese Animations, "Anime Industry Report 2023"

Title Development Strategy (1) Overseas Strategy (Export-Business)

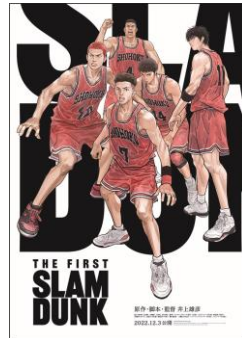
Export business

- Export popular Japan-generated IP to suitable countries and regions
- Aiming to expand fan base and increase customer contact at the same time to create a virtuous cycle in global markets

Improve visibility of works and acquire new fans



Deepen fan base by expanding customer contact



Announced construction of world-first “Dragon Ball” theme park in Saudi Arabia

Theme park overview

- Site area over 500,000 sqm
- Comprised of seven areas
- Over 30 attractions
- 70m tall Shenron
- Theme park equipped with hotel and restaurants
- Nighttime events including drone show

Role of Toei Animation

- Licensing for construction of the theme park that symbolizes “Dragon Ball”
- Leverage the IP operation expertise to further increase the IP value of “Dragon Ball”



Title Development Strategy

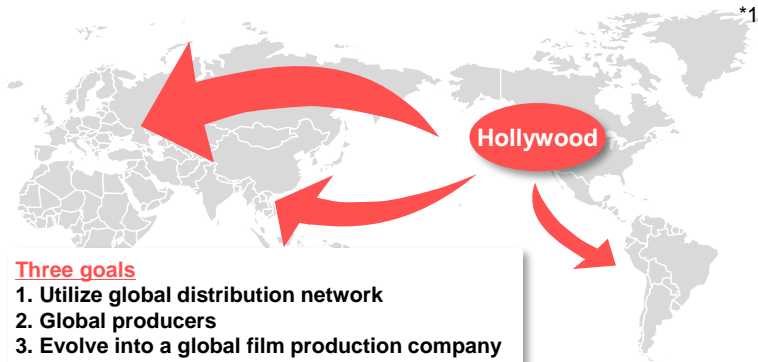
(1) Overseas Strategy (Hollywood-style, local production for local consumption)

Hollywood-style business

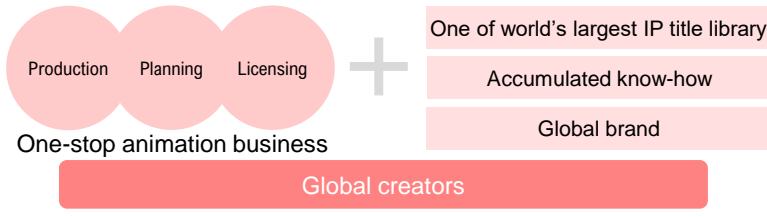
By utilizing our global distribution network, we launch works planned and produced overseas under our worldwide supervision and control

Local production for local consumption business

Collaborate with local partners to enter specific country/region and create IP titles with local creators



Our strength in Hollywood-style business



Hypergalactic



Knights of the Zodiac

*1: Image prepared by the Company

China

Toei Animation

Spicy Candy

腾讯视频

花仙子之魔法香对论

Korea

CJ ENM STUDIOS

NAVER

Saudi Arabia

manga

Asateer" Season 2

France

Studio La Cachette

ADN

Le Collège Noir

Title Development Strategy

(2) Correspond to new content

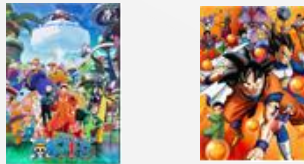
Multi-platform



Dragon Ball Super and Fortnite Collaboration

Enjoy Dragon Ball inside the popular game "Fortnite"

OTT Platform

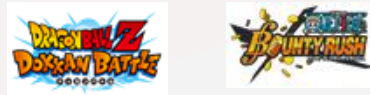


Streaming of multiple content

Mobile 5G



Smart phone



A mega hit of mobile game

NFT



電殿神伝-DenDekaDen-

Start services using NFTs
Introduce blockchain technology to creating IP titles

AI



Metaverse



VR Chat "ONN'ON STUDIOS"
Relive good old days in virtual space

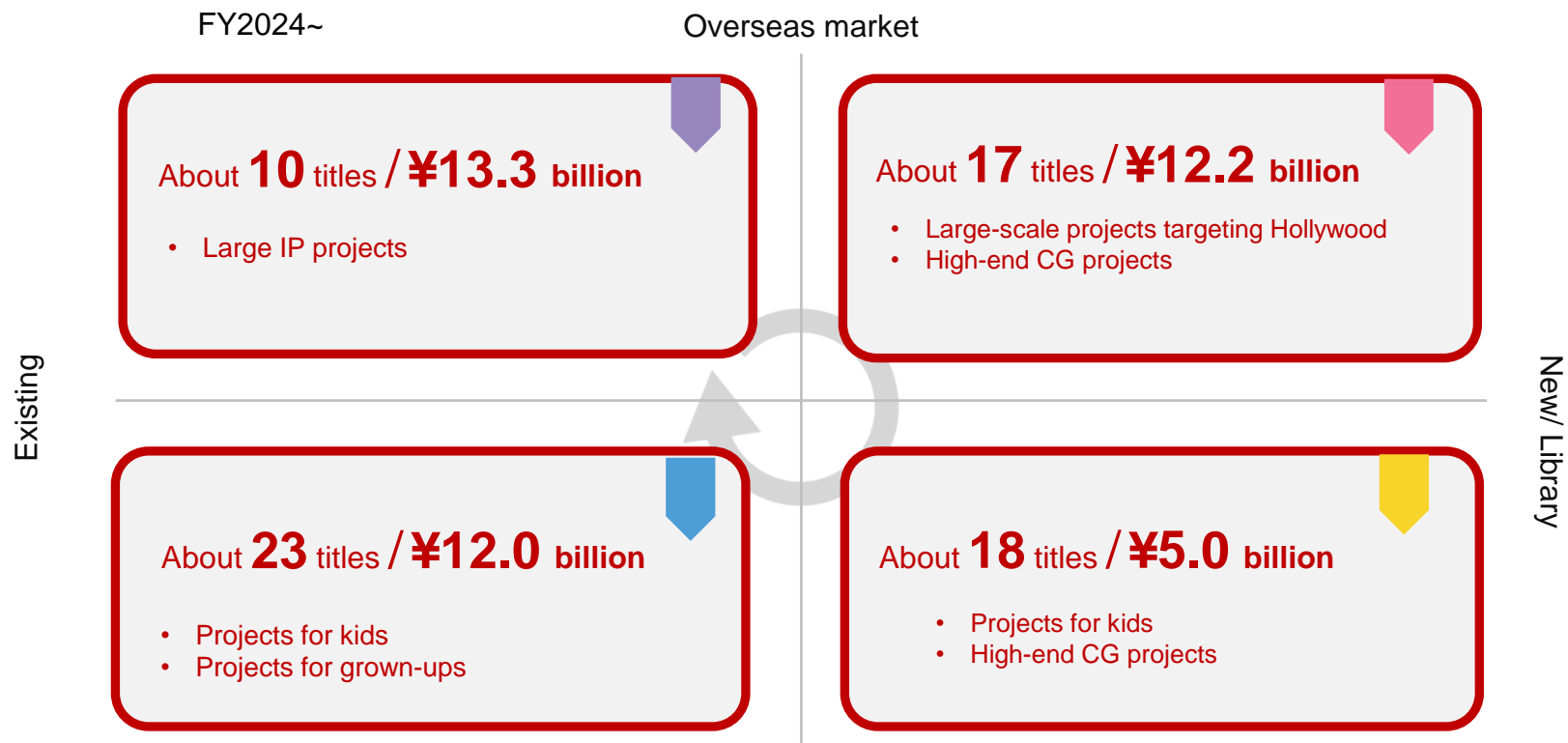
VR



"Pretty Cure Virtual World"
Hold music events and virtual character shows

*1: Image prepared by the Company

Title Portfolio



Domestic market

	FY2024		FY2025		FY2026~	
	Movies	Series	Movies	Series	Movies	Series
◆ Toei's Original IP for the world	1 title	2 titles	1 title	2 title	2 titles	9 title
◆ Original IP for the world	0 titles	3 titles	0 titles	2 titles	1 titles	4 titles
◆ Original IP for Japan	2 titles	7 titles	3 title	3 titles	3 title	5 titles
◆ Toei's Original IP for Japan	1 title	4 titles	2 titles	3 titles	3 titles	5 titles

*The number and amount are estimates as of May 10th and are subject to change.

*Works for which the amount has not yet been determined are listed with an investment amount of 0 yen.

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

Activation of existing IP

Works released in FY2024.3



「The Birth of Kitaro: The Mystery of GeGeGe」
Released on Friday, November 17, 2023



「Butt Detective the Movie Farewell, My Lovely Partner, Butt Detective」
Released on Wednesday, March 20, 2024



「Wonderful Precure !」
Started broadcasting from Sunday, February 4, 2024

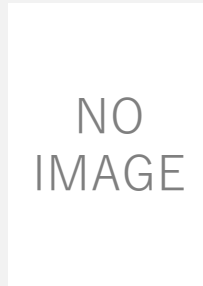


「RUN FOR MONEY THE GREAT MISSION」
Started broadcasting from Sunday, April 2, 2023

Works for release in FY2025.3



「Dragon Ball DAIMA」
Fall 2024



「Witchy Pretty Cure! 2 (TBD)」
FY 2024

Works from business with Local production for local consumption



「Spicy Candy」
First project by Toei Animation (Shanghai), original musical animation



「New Hana no Ko Lunlun」
Remake of TV animation "LULU, THE FLOWER ANGEL"
Scheduled for distribution in 2025



「Le Collège Noir (original title)」
Joint production with a French studio
Local release from October 31, 2023

Creating new IP / Library

Works from Hollywood-type business



「MOGMOG PLANET」
Short animation funded by Toei Animation (Shanghai)
Worldwide release started in October 2023



「Hypergalactic」
US/Japan joint project, Animation for families created with an eye to the global market



「Magic Candies」
Animated adaptation of work by Korean children's literature author Baek Heena
New York International Children's Film Festival Jury Award, Animated Short

Other new works



「Asateer」 Season 2」
Goes into production in a collaboration with Saudi Arabia

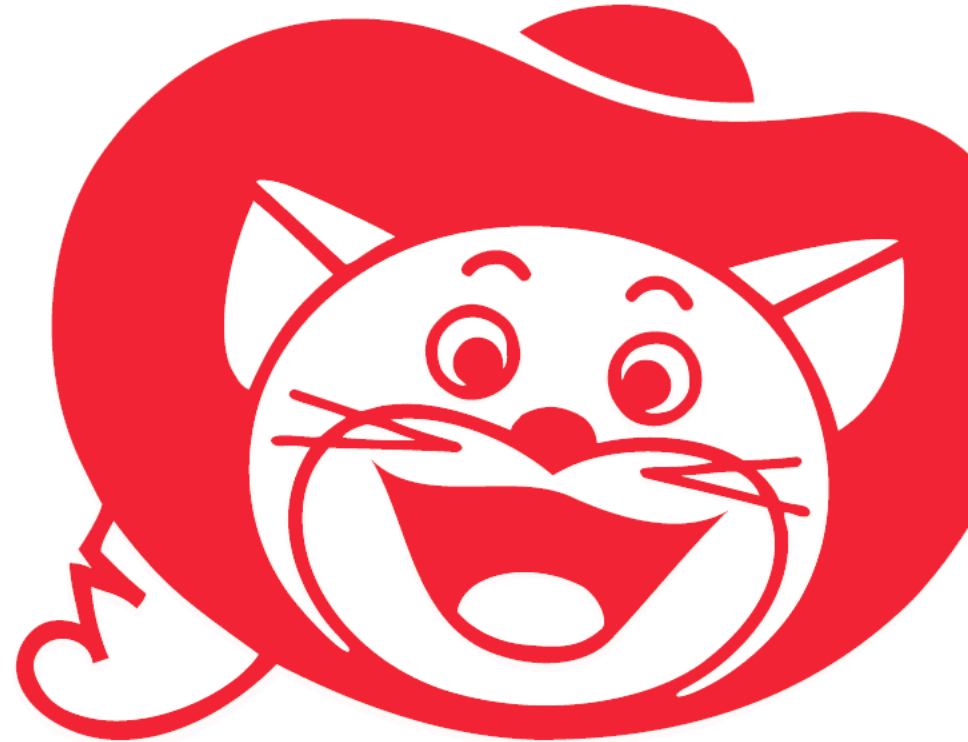


「Girls Band Cry」
Fully new original animation
Started broadcasting from Saturday, April 5, 2024



「Liberated from Paradise」
Original movie animation sequel
Release date TBD

TOEI ANIMATION CO.,LTD.



[Precautions regarding outlook]

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