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## Summary of Consolidated Financial Results

### for the First Six Months of the Fiscal Year Ending March 31, 2024

### (Japanese GAAP)

November 14, 2023

Company Name: TOEI COMPANY, LTD. Listed on the TSE Prime Market  
 Securities Code: 9605 URL <https://www.toei.co.jp>  
 Representative: Fumio Yoshimura, President & Chief Executive Officer  
 Inquiries: Kei Yamauchi, Executive Director, Senior Director, Accounting Telephone: +81-3-3535-4641  
 Scheduled date of filing quarterly securities report: November 14, 2023  
 Scheduled date of commencement of dividend payment: December 4, 2023  
 Preparation of supplementary material on quarterly financial results: Yes  
 Briefing on this quarterly financial results: Yes (for institutional investors and analysts)

(Figures are rounded down to the nearest one million yen.)

## 1. Consolidated financial results for the first six months ended September 30, 2023 (April 1, 2023 – September 30, 2023)

## (1) Consolidated results of operations

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2023	86,618	1.4	14,840	(22.8)	18,494	(16.9)	7,142	(27.1)
September 30, 2022	85,422	47.1	19,230	87.5	22,243	87.0	9,791	118.5

Note: Comprehensive income

Six months ended September 30, 2023: 20,584 million yen [14.0%]

Six months ended September 30, 2022: 18,061 million yen [66.6%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2023	576.88	–
September 30, 2022	789.47	–

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of			
September 30, 2023	393,016	298,944	57.0
March 31, 2023	379,889	283,172	56.0

Reference: Equity

As of September 30, 2023: 223,995 million yen

As of March 31, 2023: 212,621 million yen

## 2. Dividends

	Annual dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	30.00	–	100.00	130.00
Fiscal year ending March 31, 2024	–	30.00			
Fiscal year ending March 31, 2024 (forecast)			–	30.00	60.00

Note: Revisions to dividend forecasts published most recently: No

In the fiscal year ending March 31, 2023, the year-end dividend of 100.00 yen per share includes a special dividend of 70.00 yen per share.

## 3. Forecast for consolidated financial results for the fiscal year ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	145,200	(16.7)	21,800	(40.0)	25,200	(37.3)	11,800	(21.5)	953.02

Note: Revisions to consolidated business performance forecasts published most recently: No

\* Notes

(1) Changes in significant subsidiaries during the first six months under review

(changes in specified subsidiaries resulting in changes in the scope of consolidation): No

New: – Exclusion: –

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies and accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards, etc.: No

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatement: No

(4) Number of shares issued (common shares)

(i) Number of shares issued at the end of the period (including treasury shares)

As of September 30, 2023	14,768,909 shares	As of March 31, 2023	14,768,909 shares
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(ii) Number of treasury shares at the end of the period

As of September 30, 2023	2,386,985 shares	As of March 31, 2023	2,387,407 shares
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(iii) Average number of shares during the period

Six months ended September 30, 2023	12,381,747 shares	Six months ended September 30, 2022	12,402,586 shares
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Note: The Company introduced the board incentive plan (BIP) trust. The number of shares in the Company held by the BIP trust is included in the number of the treasury shares that are excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares during the period.

\* Quarterly financial results are outside the scope of the quarterly review by a certified public accountant or an auditing firm.

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document, including business outlooks, are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. These statements are not a promise that the Company will achieve them. Actual results may differ materially, depending on a range of factors. For the conditions on which financial results forecasts are based and the notes on the use of these forecasts, please refer to “(3) Overview of consolidated earnings forecast and other forward-looking statements” on page 3.

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## 1. Qualitative information regarding results of operations for the first six months ended September 30, 2023

### (1) Overview of operating results

In the first six months of the fiscal year under review, economic activity in Japan was normalizing, and inbound tourism demand was increasing due to the easing of COVID-19-related movement restrictions. There were signs of a recovery in consumer spending. However, the economic outlook remained uncertain, chiefly due to price hikes caused by rising resource prices and the weaker yen.

In this environment, the Group sought to further strengthen its content business and use resources more efficiently, primarily in the film and video-related business, and strove to implement solid sales initiatives.

As a result, net sales for the first six months of the fiscal year under review stood at 86,618 million yen (up 1.4% year on year), ordinary profit came to 18,494 million yen (down 16.9% year on year), and profit attributable to owners of parent was 7,142 million yen (down 27.1% year on year).

Operating results by business segment are as follows:

#### (i) Film and video-related business

In the movie business, we distributed 26 films, including films produced in collaboration with other production companies. *IDOLISH7 LIVE 4bit BEYOND THE PERiOD* became a big hit, and *Precure All Stars F The Movie* had a good start. Meanwhile, among the films released in the preceding fiscal year, *THE FIRST SLAM DUNK* (released on December 3) continued to be well received. However, there were factors putting downward pressure on profit, including a loss on valuation of inventories for *KNIGHTS OF THE ZODIAC*, which was released during the first quarter of the fiscal year under review.

In the television business, we strove to enhance content and win orders through the production of content such as *TOKUSO NINE*, *The Woman of S.R.I. Season 23* and *Ohsama Sentai King-Ohger*, and sales of character merchandising rights for TV program characters held firm amid diversification of consumer toy preferences.

In the content business, in addition to selling terrestrial, BS and CS broadcasting rights and video rights for theatrical films, etc., we supplied video content to VOD (video-on-demand) distributors and sold DVDs and Blu-Rays of theatrical films and television programs. In the animation business, the overseas screening rights for *THE FIRST SLAM DUNK*, the overseas video distribution rights for *ONE PIECE* and the domestic video distribution rights for *ONE PIECE FILM RED* and other titles sold well.

In the film and video-related business, net sales came to 64,431 million yen (down 3.3% year on year) and operating profit was 12,935 million yen (down 30.8% year on year).

#### (ii) Entertainment-related business

In the box office business, we had 220 screens (including two screens directly managed by TOEI COMPANY) as of the end of the second quarter of the fiscal year under review, and the cinema complexes operated by T-Joy Co., Ltd. performed strongly.

In the entertainment-related business, net sales came to 10,980 million yen (up 13.4% year on year) and operating profit was 1,347 million yen (up 68.0% year on year).

#### (iii) Event-related business

In the event-related business, various events were held, including AVATARO SENTAI DONBROTHERS FINAL LIVE TOUR 2023 and Soaring Sky! Precure Lets go out! expanding world!. In addition, film-related merchandise and mail-order event-related merchandise sales were conducted. TOEI Kyoto Studio Park performed well.

In the event-related business, net sales came to 4,312 million yen (up 4.9% year on year) and operating profit was 802 million yen (up 58.2% year on year).

#### (iv) Tourism real estate business

In the real estate leasing business, leased facilities including Platz Oizumi, Oz Studio City, Shibuya Toei Plaza, Shinjuku 3-chome East Building and Hiroshima Toei Plaza were in operation. In the hotel business, there were signs of a recovery in inbound tourism demand and tour group use. However, hotels were affected by rising prices, including utility costs. Under such conditions, we sought to generate profit through efforts such as the revision of prices and thorough cost

control.

In the tourism real estate business, net sales came to 3,075 million yen (up 12.4% year on year), and operating profit was 1,250 million yen (up 37.1% year on year).

(v) Architectural interior design business

In the architectural interior design business, construction demand was firm, despite the uncertain business outlook. However, there is a growing need to develop measures against the rising costs of materials and equipment in the receiving of orders and procurement. Despite the situation, we conducted active sales activities to retain existing customers and expand orders, and were involved in the construction of cinema complexes.

In the architectural interior design business, net sales came to 3,818 million yen (up 66.4% year on year), and operating profit was 125 million yen (up 479.3% year on year).

**(2) Overview of financial position**

Total assets amounted to 393,016 million yen at the end of the second quarter of the fiscal year under review, which was an increase of 13,127 million yen from the end of the previous fiscal year. This was mainly due to increases of 6,433 million yen in cash and deposits, 1,474 million yen in work in process, 3,827 million yen in other of current assets, and 6,641 million yen in investment securities, partially offset by decreases of 3,236 million yen in merchandise and finished goods and 2,652 million yen in other of investments and other assets.

Total liabilities stood at 94,071 million yen, a decrease of 2,645 million yen from the end of the previous consolidated fiscal year. This was largely due to decreases of 680 million yen in notes and accounts payable - trade and 2,979 million yen in income taxes payable, partially offset by an increase of 1,000 million yen in other of non-current liabilities.

Net assets totaled 298,944 million yen, an increase of 15,772 million yen from the end of the previous fiscal year. This was the result, in large part, of increases of 5,853 million yen in retained earnings, 4,403 million yen in valuation difference on available-for-sale securities, 1,060 million yen in foreign currency translation adjustment, and 4,398 million yen in non-controlling interests.

**(3) Overview of consolidated earnings forecast and other forward-looking statements**

At this time, there are no changes with regard to the financial results forecast for the fiscal year ending March 31, 2024, which was announced on May 15, 2023. Please note that actual results may differ materially from the financial results forecast due to a variety of factors such as the economic environment surrounding the Group's businesses and market trends.

## 2. Quarterly consolidated financial statements and notes on important matters

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	93,614	100,047
Notes and accounts receivable - trade, and contract assets	37,950	37,930
Merchandise and finished goods	6,067	2,831
Work in process	12,498	13,973
Raw materials and supplies	192	712
Other	4,960	8,788
Allowance for doubtful accounts	(58)	(54)
Total current assets	155,226	164,228
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	35,134	34,730
Land	51,473	51,963
Other, net	3,778	3,707
Total property, plant and equipment	90,387	90,401
Intangible assets	1,785	1,875
Investments and other assets		
Investment securities	111,866	118,508
Other	20,773	18,121
Allowance for doubtful accounts	(150)	(118)
Total investments and other assets	132,489	136,511
Total non-current assets	224,662	228,788
Total assets	379,889	393,016
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	32,226	31,545
Short-term borrowings	350	790
Current portion of long-term borrowings	1,229	1,212
Income taxes payable	7,376	4,397
Provision for bonuses	1,403	1,422
Other	14,956	15,158
Total current liabilities	57,543	54,527
Non-current liabilities		
Long-term borrowings	13,987	13,383
Provision for retirement benefits for directors (and other officers)	310	353
Provision for share awards for directors (and other officers)	261	143
Defined benefit liability	4,870	4,919
Other	19,743	20,744
Total non-current liabilities	39,173	39,544
Total liabilities	96,716	94,071

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	11,707	11,707
Capital surplus	22,656	22,679
Retained earnings	156,768	162,622
Treasury shares	(11,598)	(11,590)
Total shareholders' equity	179,533	185,419
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,479	24,882
Deferred gains or losses on hedges	(7)	(3)
Revaluation reserve for land	11,449	11,449
Foreign currency translation adjustment	1,326	2,386
Remeasurements of defined benefit plans	(160)	(139)
Total accumulated other comprehensive income	33,087	38,576
Non-controlling interests	70,550	74,949
Total net assets	283,172	298,944
Total liabilities and net assets	379,889	393,016

**(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**

(Quarterly consolidated statement of income)

(First six-month period)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	85,422	86,618
Cost of sales	49,852	53,299
Gross profit	35,569	33,318
Selling, general and administrative expenses		
Personnel expenses	6,324	6,672
Advertising expenses	1,266	2,082
Provision for bonuses	1,049	1,087
Retirement benefit expenses	225	359
Depreciation	742	904
Other	6,731	7,370
Total selling, general and administrative expenses	16,339	18,477
Operating profit	19,230	14,840
Non-operating income		
Dividend income	1,166	676
Share of profit of entities accounted for using equity method	1,021	625
Foreign exchange gains	268	1,842
Other	666	574
Total non-operating income	3,122	3,718
Non-operating expenses		
Interest expenses	59	44
Loss on investments in capital	—	14
Other	49	6
Total non-operating expenses	109	64
Ordinary profit	22,243	18,494
Extraordinary income		
Gain on sale of investment securities	—	11
Total extraordinary income	—	11
Extraordinary losses		
Impairment losses	—	58
Loss on retirement of non-current assets	4	35
Other	9	48
Total extraordinary losses	13	141
Profit before income taxes	22,229	18,364
Income taxes - current	5,395	5,140
Income taxes - deferred	184	(93)
Total income taxes	5,580	5,047
Profit	16,649	13,316
Profit attributable to non-controlling interests	6,857	6,174
Profit attributable to owners of parent	9,791	7,142



(Quarterly consolidated statement of comprehensive income)

(First six-month period)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	16,649	13,316
Other comprehensive income		
Valuation difference on available-for-sale securities	(291)	3,957
Deferred gains or losses on hedges	(0)	8
Foreign currency translation adjustment	2,897	2,365
Remeasurements of defined benefit plans, net of tax	(16)	(25)
Share of other comprehensive income of entities accounted for using equity method	(1,175)	962
Total other comprehensive income	1,412	7,267
Comprehensive income	18,061	20,584
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,658	12,631
Comprehensive income attributable to non-controlling interests	8,403	7,952

**(3) Quarterly consolidated statement of cash flows**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	22,229	18,364
Depreciation	1,640	1,768
Impairment losses	–	58
Increase (decrease) in allowance for doubtful accounts	0	(36)
Increase (decrease) in retirement benefit liability	137	48
Decrease (increase) in net defined benefit asset	(24)	(16)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(535)	43
Increase (decrease) in provision for share awards for directors (and other officers)	55	(118)
Increase (decrease) in provision for bonuses	194	19
Interest and dividend income	(1,248)	(1,098)
Interest expenses	59	44
Loss (gain) on investments in capital	–	14
Share of loss (profit) of entities accounted for using equity method	(1,021)	(625)
Loss (gain) on sale of investment securities	–	(11)
Loss on retirement of non-current assets	4	35
Decrease (increase) in trade receivables and contract assets	(10,928)	835
Increase (decrease) in trade payables	7,238	(1,953)
Decrease (increase) in inventories	(1,086)	1,264
Increase (decrease) in guarantee deposits received	(35)	(2)
Other, net	69	(3,038)
Subtotal	16,749	15,594
Interest and dividends received	1,871	1,721
Interest paid	(54)	(44)
Income taxes paid	(2,899)	(7,911)
Other	426	78
Net cash provided by (used in) operating activities	16,093	9,438

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from investing activities		
Payments into time deposits	(6,116)	(536)
Proceeds from withdrawal of time deposits	4,272	2,391
Purchase of property, plant and equipment	(3,548)	(1,171)
Purchase of intangible assets	(320)	(341)
Purchase of investment securities	(91)	(301)
Proceeds from sale of investment securities	41	40
Loan advances	(185)	(10)
Proceeds from collection of loans receivable	223	51
Decrease (increase) in guarantee deposits	22	(3)
Other, net	(143)	(23)
Net cash provided by (used in) investing activities	(5,845)	94
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,780)	440
Proceeds from long-term borrowings	8,500	–
Repayments of long-term borrowings	(2,013)	(620)
Repayments of lease liabilities	(50)	(236)
Dividends paid	(386)	(1,288)
Dividends paid to non-controlling interests	(2,176)	(3,584)
Other, net	(729)	58
Net cash provided by (used in) financing activities	(3,637)	(5,231)
Effect of exchange rate change on cash and cash equivalents	2,048	1,453
Net increase (decrease) in cash and cash equivalents	8,659	5,755
Cash and cash equivalents at beginning of period	57,390	71,315
Cash and cash equivalents at end of period	66,049	77,070

(4) Notes on quarterly consolidated financial statements

(Note on going concern assumptions)

Not applicable.

(Notes in the case of significant changes in shareholders' equity)

Not applicable.

(Segment information)

Segment information

I. First six-month period of previous fiscal year (April 1, 2022 - September 30, 2022)

Information on amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Film and video-related business	Entertainment-related business	Event-related business	Tourism real estate business	Architectural interior design business	Total	Adjustments (Note 1)	Amount recorded in the consolidated quarterly statements of income (Note 2)
Net sales								
Net sales to external customers	66,602	9,679	4,109	2,736	2,294	85,422	–	85,422
Inter-segment net sales or transfers	1,589	78	278	364	21	2,333	(2,333)	–
Total	68,191	9,757	4,388	3,101	2,316	87,755	(2,333)	85,422
Segment profit	18,703	801	507	911	21	20,945	(1,715)	19,230

(Notes) 1. The segment profit adjustment of (1,715) million yen includes the elimination of inter-segment transactions of (29) million yen and company-wide expenses of (1,686) million yen that are not allocated to each reportable segment. Company-wide expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

2. Segment profit is adjusted to the operating profit in quarterly consolidated statements of income.

II. First six-month period of the fiscal year under view (April 1, 2023 - September 30, 2023)

Information on amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Film and video-related business	Entertainment-related business	Event-related business	Tourism real estate business	Architectural interior design business	Total	Adjustments (Note 1)	Amount recorded in the consolidated quarterly statements of income (Note 2)
Net sales								
Net sales to external customers	64,431	10,980	4,312	3,075	3,818	86,618	–	86,618
Inter-segment net sales or transfers	2,791	108	900	390	68	4,258	(4,258)	–
Total	67,222	11,088	5,212	3,465	3,887	90,876	(4,258)	86,618
Segment profit	12,935	1,347	802	1,250	125	16,460	(1,619)	14,840

(Notes) 1. The segment profit adjustment of (1,619) million yen includes the elimination of inter-segment transactions of (48) million yen and company-wide expenses of (1,570) million yen that are not allocated to each reportable segment. Company-wide expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

2. Segment profit is adjusted to the operating profit in quarterly consolidated statements of income.