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Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Japanese GAAP)

May 15, 2024

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 Scheduled date of ordinary general shareholders meeting: June 27, 2024
 Scheduled date of commencement of dividend payment: June 28, 2024
 Scheduled date to file securities report: June 28, 2024
 Supplementary documents for financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Consolidated results of operations

(Percentages represent year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	171,345	(1.7)	29,342	(19.3)	35,317	(12.1)	13,971	(7.0)
March 31, 2023	174,358	48.3	36,339	104.0	40,172	72.4	15,025	67.4

Note: Comprehensive income

For the fiscal year ended March 31, 2024: 38,816 million yen [49.4%]

For the fiscal year ended March 31, 2023: 25,989 million yen [34.7%]

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	225.68	–	6.2	8.9	17.1
March 31, 2023	242.48	–	7.3	11.0	20.8

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2024: 2,119 million yen

For the fiscal year ended March 31, 2023: 1,888 million yen

Note: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Earnings per share was calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	411,406	316,230	57.5	3,819.35
As of March 31, 2023	379,889	283,172	56.0	3,434.50

Reference: Equity

As of March 31, 2024: 236,449 million yen

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

Note: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Net assets per share was calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	22,076	(9,805)	(7,542)	77,929
March 31, 2023	27,323	(7,815)	(6,599)	71,315

2. Dividends

	Annual dividend per share					Total dividend (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2023	–	30.00	–	100.00	130.00	1,675	10.7	0.8
Fiscal year ended March 31, 2024	–	30.00	–	105.00	135.00	1,739	12.0	0.7
Fiscal year ending March 31, 2025 (forecast)	–	6.00	–	6.00	12.00		6.9	

Note: 1: The year-end dividend of 100.00 yen per share for the fiscal year ended March 31, 2023 includes a special dividend of 70.00 yen per share.
 2: The year-end dividend of 105.00 yen per share for the fiscal year ended March 31, 2024 includes a special dividend of 75.00 yen per share.
 3: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Dividends per share for the fiscal year ended March 31, 2023, and for the fiscal year ended March 31, 2024, are actual dividends per share before the share split was executed. Estimated dividends per share for the fiscal year ending March 31, 2025, indicated above are amounts after the share split. The estimated annual dividend per share for the fiscal year ending March 31, 2025, calculated based on the number of shares before the share split would be 60.00 yen.

3. Forecast for consolidated financial results for the fiscal year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(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	156,000	(9.0)	24,400	(16.8)	27,700	(21.6)	10,800	(22.7)	174.45

Note: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. The earnings per share in the consolidated forecasts for the fiscal year ending March 31, 2025, takes the impact of the share split into consideration.

* Notes

(1) Changes in significant subsidiaries during the period

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

New: – Exclusion: –

(2) 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

(3) Number of shares issued (common shares)

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

As of March 31, 2024	73,844,545 shares	As of March 31, 2023	73,844,545 shares
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(ii) Number of treasury shares at the end of the period

As of March 31, 2024	11,936,070 shares	As of March 31, 2023	11,937,035 shares
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(iii) Average number of shares during the period

Fiscal year ended March 31, 2024	61,908,749 shares	Fiscal year ended March 31, 2023	61,964,350 shares
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Note: 1: 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.

2: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. The number of shares issued at the end of the period, the number of treasury shares at the end of the period, and the average number of shares during the period were calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Non-consolidated financial results

(Percentages represent year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	55,846	(15.2)	3,644	(39.5)	7,592	(16.6)	6,207	3.1
March 31, 2023	65,871	74.5	6,021	784.3	9,101	205.5	6,021	168.4

Fiscal year ended	Earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	96.54	–
March 31, 2023	93.57	–

Note: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Earnings per share was calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	168,551	101,580	60.3	1,579.86
As of March 31, 2023	160,079	92,425	57.7	1,437.48

Reference: Equity As of March 31, 2024: 101,580 million yen As of March 31, 2023: 92,425 million yen

Note: The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Net assets per share was calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

* The summary of consolidated financial results is not subject to audits 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 “1. Overview of operating results and financial position, (4) Future outlook” on page 4.

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1. Overview of operating results and financial position

(1) Overview of operating results for the fiscal year under review

In the fiscal year under review, the economy in Japan showed an overall trend of moderate recovery, with the lifting of COVID-19-related restrictions on activities, the return of economic activities to normal, an increase in the number of international visitors to Japan, and a recovery in consumer spending. However, the future outlook remained uncertain, given the instability in Europe and the Middle East and fluctuations in financial and capital markets, in addition to the impact of monetary tightening around the world and steep rises in consumer prices.

In this environment, the Group strove to implement solid sales initiatives in each of its businesses: the film and video-related business, entertainment-related business, event-related business, tourism real estate related-business and the architectural interior design related-business.

As a result, net sales stood at 171,345 million yen (down 1.7% year on year), operating profit came to 29,342 million yen (down 19.3% year on year), and ordinary profit reached 35,317 million yen (down 12.1% year on year). A gain on sale of investment securities and other extraordinary income were posted, and impairment losses and other extraordinary losses were posted, which resulted in a profit attributable to owners of parent of 13,971 million yen (down 7.0% year on year).

The following is a summary of operating results by segment.

(i) Film and video-related business

In the movie business, we distributed 40 films, including films produced in collaboration with other production companies. *IDOLiSH7 the Movie*; *LIVE 4bit BEYOND THE PERiOD*, *The Birth of KITARO: The Mystery of GeGeGe*, and *Fly Me to The Saitama: From Biwa Lake With Love* became major hits, and *G-MEN*, *Precure All Stars F The Movie*, and other films were box-office hits. 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 TV drama business, TV programs have become more diverse, reflecting broadcasters' fierce competition for ratings for TV films, and we sought to enhance content to receive orders in a tough market. In the fiscal year under review, we produced a total of 363 programs, including 49 60-minute programs such as *AIBOU (Partners)* and *The Woman of S.R.I.*, 295 30-minute programs such as *KAMEN RIDER GEATS* and *Soaring Sky ! Precure*, and 19 special programs such as *Matsumoto Seicho Drama Premium The Face and Glass Castle*, maintaining our market share. Sales of character merchandising rights for TV shows such as *OHSAMA SENTAI KING-OHGER*, *KAMEN RIDER GEATS*, and *KAMEN RIDER GOTCHARD* remained strong.

In the content business, in addition to selling terrestrial, BS and CS broadcasting rights and DVD/Blu-ray rights for theatrical films, etc., we supplied visual content to video distribution services. Sales of broadcasting rights for old TV period dramas and the *AIBOU (Partners)* television film series and sales of streaming rights to Amazon Prime Video and other streaming providers were strong. The Toei Tokusatsu Fan Club gained more members, which contributed to sales. We strengthened collaboration with Toei Video Co., Ltd. which is our subsidiary to sell visual content and sold a total of 251 DVD and Blu-ray titles. *THE FIRST SLAM DUNK* and *ONE PIECE FILM RED*, in particular, sold well. In the animation business, the overseas screening rights for *THE FIRST SLAM DUNK* and the overseas distribution (streaming) rights for *ONE PIECE* sold well. Sales of merchandising rights for *ONE PIECE* were also strong in Japan and overseas.

In the international business, we sold theatrical films and TV shows overseas as well as the overseas merchandising rights for *AVATARO SENTAI DONBROTHERS* and other TV shows. We also imported and sold the television broadcasting rights for foreign films, such as *BOHEMIAN RHAPSODY* and *THE REVENANT*. The international business performed well overall. In the educational video business, we produced and distributed educational videos, with *Birthday* winning the grand prize at the Japan Audio-Visual Education Association's educational film festival in 2023. In the studio business, we were engaged in contract production and partial production of theatrical and television content.

In the film and video-related business, net sales came to 125,980 million yen (down 6.8% year on year) and operating profit was 26,333 million yen (down 25.1% year on year).

(ii) Entertainment-related business

In the box office business, sales of films such as *THE FIRST SLAM DUNK* and *IDOLiSH7 the Movie; LIVE 4bit BEYOND THE PERiOD*, among those shown at the directly-managed theater, remained strong. The films were shown on 220 screens, including two at the theater directly managed by TOEI COMPANY, as of the end of the fiscal year under review.

In the entertainment-related business, net sales came to 20,174 million yen (up 9.3% year on year) and operating profit was 1,907 million yen (up 112.0% year on year).

(iii) Event-related business

In the event-related business, we held events such as *Fist of the North Star 40th Anniversary Original Art Exhibition* and *AVATARO SENTAI DONBROTHERS FINAL LIVE TOUR2023*, together with other exhibitions and live events, theatrical performances, and popular character shows in various genres. We also operated active sales activities such as the sale of film-related merchandise, the online sale of event merchandise, and the sale of character merchandise at KAMEN RIDERr Stores and other outlets. Toei Kyoto Studio Park performed well.

In the event-related business, net sales came to 10,085 million yen (up 0.7% year on year), and operating profit was 1,422 million yen (up 11.4% year on year).

(iv) Tourism real estate related-business

In the real estate leasing business, rent levels did not trend upward despite the rising consumer prices, and overall conditions remained difficult, particularly in regional areas. In the fiscal year under review, Shibuya Toei Plaza, Oz Studio City, Shinjuku 3-chome East Bldg. and other rental facilities performed well.

In the hotel business, demand for domestic travel recovered rapidly due to the lifting of restrictions on activities to control COVID-19 and an increase in the number of international visitors to Japan as an effect of the weak yen. Meanwhile, the business continues to be affected by high consumer prices. We took measures to address the situation, including the revision of prices and thorough cost control.

In the tourism real estate related-business, net sales came to 6,494 million yen (up 8.8% year on year), and operating profit was 2,569 million yen (up 18.5% year on year).

(v) Architectural interior design related-business

In the architectural interior design related-business, private-sector capital expenditure somewhat recovered; however, management remained challenging due to persistently high construction costs, including construction materials and energy, and an increase in labor expenses. 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 related-business, net sales came to 8,610 million yen (up 81.4% year on year), and operating profit was 397 million yen (up 723.9% year on year).

(2) Overview of financial position for the fiscal year under review

Total assets amounted to 411,406 million yen at the end of the fiscal year under review, which was an increase of 31,517 million yen from the end of the previous fiscal year. This was mainly due to increases of 11,567 million yen in cash and deposits, 1,968 million yen in work in process, 3,335 million yen in other current assets, 1,890 million yen in construction in progress, 14,452 million yen in investment securities, and 1,577 million yen in retirement benefit asset, which were partially offset by a decrease of 3,857 million yen in merchandise and finished goods.

Total liabilities stood at 95,175 million yen, a decrease of 1,541 million yen from the end of the previous fiscal year. This was largely due to increases of 1,312 million yen in notes and accounts payable - trade and 3,581 million yen in other non-current liabilities, which were more than offset by decreases of 3,748 million yen in income taxes payable, 1,081 million yen in other current liabilities, and 1,207 million yen in long-term borrowings.

Net assets increased 33,058 million yen from the end of the previous fiscal year, to 316,230 million yen. This was a result, in large part, of increases of 12,296 million yen in retained earnings, 8,164 million yen in valuation difference on available-for-sale securities, 2,115 million yen in remeasurements of defined benefit plans, and 9,229 million yen in non-controlling interests.

(3) Overview of cash flows for the fiscal year under review

At the end of the fiscal year under review, cash and cash equivalents (“cash”) stood at 77,929 million yen (71,315 million yen a year ago), reflecting an increase of 22,076 million yen in cash flows from operating activities, a decrease of 9,805 million yen in cash flows from investing activities, and a decrease of 7,542 million yen in cash flows from financing activities.

Cash flows from operating activities

Net cash provided by operating activities stood at 22,076 million yen (27,323 million yen at the end of the previous fiscal year). This reflected cash inflows, including 35,410 million yen in profit before income taxes, 3,665 million yen in depreciation, 1,442 million yen in decrease (increase) in inventories, and 2,868 million yen in interest and dividends received, which were partially offset by cash outflows, including 1,830 million yen in interest and dividend income, 2,119 million yen in share of loss (profit) of entities accounted for using equity method, 3,556 million yen in increase (decrease) in other current liabilities, 1,408 million yen in increase (decrease) in accrued consumption taxes, and 13,413 million yen in income taxes paid.

Cash flows from investing activities

Net cash used in investing activities reached 9,805 million yen (7,815 million yen in cash was used a year earlier). This was a result of cash inflow of 22,527 million yen in proceeds from withdrawal of time deposits, which was more than offset by cash outflows, including 26,451 million yen in payments into time deposits and 4,353 million yen in purchase of property, plant and equipment.

Cash flows from financing activities

Net cash used in financing activities came to 7,542 million yen (6,599 million yen in cash was used a year earlier). This was due to cash outflows, including 1,229 million yen in repayments of long-term borrowings, 1,675 million yen in dividends paid, and 3,584 million yen in dividends paid to non-controlling interests.

(4) Future outlook

In the film and video-related business, the core business of the Group, it is difficult to predict whether the theatrical films that are the core of the business will be successful, and their box-office sales affect a range of businesses related to films and video, including the TV business and the content business. Stabilizing earnings is thus a key issue. Consequently, we will step up our sales efforts, building strong partnerships with companies in the industry and focusing on profitability in the planning stage. Meanwhile, we will strive to effectively use the rental assets we have in the real estate leasing business to achieve stable earnings.

Under these circumstances, the consolidated results for the fiscal year ending March 31, 2025 are expected to include net sales of 156,000 million yen, operating profit of 24,400 million yen, ordinary profit of 27,700 million yen, and profit attributable to owners of parent of 10,800 million yen.

2. Basic policy for selecting accounting standards

The Group’s policy is to prepare its consolidated financial statements based on Japanese Accounting Standards for the present time, taking the comparability of the consolidated financial statements between terms and between companies into consideration.

It will consider adopting IFRS in the future, taking domestic and overseas circumstances into consideration.

3. Consolidated financial statements and notes on important matters

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	93,614	105,182
Notes and accounts receivable - trade, and contract assets	37,950	38,939
Merchandise and finished goods	6,067	2,209
Work in process	12,498	14,467
Raw materials and supplies	192	656
Other	4,960	8,296
Allowance for doubtful accounts	(58)	(90)
Total current assets	155,226	169,661
Non-current assets		
Property, plant and equipment		
Buildings and structures	84,732	84,702
Accumulated depreciation	(49,598)	(50,565)
Buildings and structures, net	35,134	34,136
Machinery, equipment and vehicles	6,054	6,183
Accumulated depreciation	(4,750)	(4,755)
Machinery, equipment and vehicles, net	1,304	1,427
Tools, furniture and fixtures	6,237	6,410
Accumulated depreciation	(5,140)	(5,495)
Tools, furniture and fixtures, net	1,097	915
Land	51,473	51,963
Leased assets	2,294	2,143
Accumulated depreciation	(984)	(968)
Leased assets, net	1,310	1,175
Construction in progress	66	1,957
Total property, plant and equipment	90,387	91,576
Intangible assets	1,785	1,973
Investments and other assets		
Investment securities	111,866	126,319
Long-term loans receivable	339	261
Retirement benefit asset	2,444	4,021
Deferred tax assets	327	274
Guarantee deposits	2,731	3,419
Other	14,930	14,007
Allowance for doubtful accounts	(150)	(108)
Total investments and other assets	132,489	148,195
Total non-current assets	224,662	241,744
Total assets	379,889	411,406

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,226	33,538
Short-term borrowings	350	240
Current portion of long-term borrowings	1,229	1,207
Income taxes payable	7,376	3,628
Provision for bonuses	1,403	1,437
Other	14,956	13,875
Total current liabilities	57,543	53,927
Non-current liabilities		
Long-term borrowings	13,987	12,779
Deferred tax liabilities for land revaluation	7,943	7,943
Provision for retirement benefits for directors (and other officers)	310	228
Provision for share awards for directors (and other officers)	261	366
Defined benefit liability	4,870	4,706
Long-term guarantee deposits	4,654	4,496
Other	7,145	10,726
Total non-current liabilities	39,173	41,248
Total liabilities	96,716	95,175
Net assets		
Shareholders' equity		
Share capital	11,707	11,707
Capital surplus	22,656	22,760
Retained earnings	156,768	169,065
Treasury shares	(11,598)	(11,594)
Total shareholders' equity	179,533	191,937
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,479	28,644
Deferred gains or losses on hedges	(7)	(5)
Revaluation reserve for land	11,449	11,449
Foreign currency translation adjustment	1,326	2,469
Remeasurements of defined benefit plans	(160)	1,954
Total accumulated other comprehensive income	33,087	44,512
Non-controlling interests	70,550	79,780
Total net assets	283,172	316,230
Total liabilities and net assets	379,889	411,406

(2) Consolidated statements of income and comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	174,358	171,345
Cost of sales	102,906	104,452
Gross profit	71,452	66,892
Selling, general and administrative expenses		
Personnel expense	14,261	14,900
Advertising expenses	3,390	4,213
Provision for bonuses	1,097	1,120
Retirement benefit expenses	449	489
Rent expenses on land and buildings	3,222	3,270
Provision for allowance for doubtful accounts	15	44
Provision for share awards for directors (and other officers)	160	158
Other	12,514	13,352
Total selling, general and administrative expenses	35,113	37,550
Operating profit	36,339	29,342
Non-operating income		
Interest income	184	861
Dividend income	1,467	968
Share of profit of entities accounted for using equity method	1,888	2,119
Foreign exchange gains	—	1,896
Other	941	253
Total non-operating income	4,480	6,098
Non-operating expenses		
Interest expenses	115	87
Foreign exchange losses	429	—
Loss on investments in capital	5	22
Other	97	13
Total non-operating expenses	647	124
Ordinary profit	40,172	35,317
Extraordinary income		
Gain on sale of investment securities	2	430
Other	—	19
Total extraordinary income	2	450
Extraordinary losses		
Impairment losses	1,533	224
Loss on retirement of non-current assets	12	55
Dismantlement expenses	6	41
Other	11	34
Total extraordinary losses	1,563	356
Profit before income taxes	38,610	35,410
Income taxes - current	11,342	9,894
Income taxes - deferred	239	421
Total income taxes	11,581	10,316
Profit	27,028	25,094
Profit attributable to non-controlling interests	12,003	11,122
Profit attributable to owners of parent	15,025	13,971

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	27,028	25,094
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,054)	7,404
Deferred gains or losses on hedges	(3)	4
Foreign currency translation adjustment	1,751	2,560
Remeasurements of defined benefit plans, net of tax	217	1,086
Share of other comprehensive income of entities accounted for using equity method	(1,950)	2,667
Total other comprehensive income	(1,039)	13,722
Comprehensive income	25,989	38,816
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,131	25,396
Comprehensive income attributable to non-controlling interests	12,858	13,420

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,707	22,598	142,457	(11,040)	165,723
Changes during period					
Dividends of surplus			(773)		(773)
Reversal of revaluation reserve for land			59		59
Profit attributable to owners of parent			15,025		15,025
Purchase of treasury shares				(557)	(557)
Disposal of treasury shares by stocks payment trust					–
Purchase of treasury shares of consolidated subsidiaries		(59)			(59)
Disposal of treasury shares of consolidated subsidiaries					
Additional purchase of shares of consolidated subsidiaries		116			116
Net changes in items other than shareholders' equity					
Total changes during period	–	57	14,311	(557)	13,810
Balance at end of period	11,707	22,656	156,768	(11,598)	179,533

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	23,310	(1)	11,508	533	(310)	35,040	60,363	261,127
Changes during period								
Dividends of surplus								(773)
Reversal of revaluation reserve for land								59
Profit attributable to owners of parent								15,025
Purchase of treasury shares								(557)
Disposal of treasury shares by stocks payment trust								–
Purchase of treasury shares of consolidated subsidiaries								(59)
Disposal of treasury shares of consolidated subsidiaries								–
Additional purchase of shares of consolidated subsidiaries								116
Net changes in items other than shareholders' equity	(2,831)	(5)	(59)	793	149	(1,953)	10,187	8,234
Total changes during period	(2,831)	(5)	(59)	793	149	(1,953)	10,187	22,044
Balance at end of period	20,479	(7)	11,449	1,326	(160)	33,087	70,550	283,172

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,707	22,656	156,768	(11,598)	179,533
Changes during period					
Dividends of surplus			(1,675)		(1,675)
Reversal of revaluation reserve for land					–
Profit attributable to owners of parent			13,971		13,971
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares by stocks payment trust				9	9
Purchase of treasury shares of consolidated subsidiaries		(0)			(0)
Disposal of treasury shares of consolidated subsidiaries		23			23
Additional purchase of shares of consolidated subsidiaries		80			80
Net changes in items other than shareholders' equity					
Total changes during period	–	103	12,296	3	12,403
Balance at end of period	11,707	22,760	169,065	(11,594)	191,937

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	20,479	(7)	11,449	1,326	(160)	33,087	70,550	283,172
Changes during period								
Dividends of surplus								(1,675)
Reversal of revaluation reserve for land								–
Profit attributable to owners of parent								13,971
Purchase of treasury shares								(5)
Disposal of treasury shares by stocks payment trust								9
Purchase of treasury shares of consolidated subsidiaries								(0)
Disposal of treasury shares of consolidated subsidiaries								23
Additional purchase of shares of consolidated subsidiaries								80
Net changes in items other than shareholders' equity	8,164	1	–	1,142	2,115	11,424	9,229	20,654
Total changes during period	8,164	1	–	1,142	2,115	11,424	9,229	33,058
Balance at end of period	28,644	(5)	11,449	2,469	1,954	44,512	79,780	316,230

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	38,610	35,410
Depreciation	3,421	3,665
Impairment losses	1,533	224
Increase (decrease) in allowance for doubtful accounts	(68)	(10)
Increase (decrease) in retirement benefit liability	115	(58)
Decrease (increase) in net defined benefit asset	(50)	(42)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(533)	(81)
Increase (decrease) in provision for share awards for directors (and other officers)	160	105
Increase (decrease) in provision for bonuses	221	33
Decrease (increase) in unrealized income accounted for using equity method	(8)	23
Interest and dividend income	(1,651)	(1,830)
Interest expenses	115	87
Share of loss (profit) of entities accounted for using equity method	(1,888)	(2,119)
Loss (gain) on sale of investment securities	(2)	(427)
Loss on retirement of non-current assets	12	55
Dismantlement expenses	6	41
Loss (gain) on investments in capital	5	22
Decrease (increase) in trade receivables and contract assets	(13,590)	(293)
Increase (decrease) in trade payables	2,259	508
Decrease (increase) in inventories	914	1,442
Decrease (increase) in other current assets	(535)	(3,556)
Increase (decrease) in accrued consumption taxes	1,263	(1,408)
Increase (decrease) in other current liabilities	1,117	288
Increase (decrease) in guarantee deposits received	(71)	(158)
Increase (decrease) in other non-current liabilities	462	(117)
Other, net	(698)	799
Subtotal	31,120	32,606
Interest and dividends received	2,690	2,868
Interest paid	(110)	(87)
Income taxes paid	(7,059)	(13,413)
Other	683	101
Net cash provided by (used in) operating activities	27,323	22,076

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Payments into time deposits	(40,971)	(26,451)
Proceeds from withdrawal of time deposits	38,923	22,527
Purchase of property, plant and equipment	(4,498)	(4,353)
Purchase of intangible assets	(1,033)	(741)
Purchase of investment securities	(93)	(602)
Proceeds from sale of investment securities	41	604
Proceeds from redemption of investment securities	80	—
Loan advances	(264)	(22)
Proceeds from collection of loans receivable	266	104
Decrease (increase) in guarantee deposits	11	(684)
Other, net	(278)	(186)
Net cash provided by (used in) investing activities	(7,815)	(9,805)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(7,220)	(110)
Proceeds from long-term borrowings	8,500	—
Repayments of long-term borrowings	(3,633)	(1,229)
Repayments of lease liabilities	(262)	(441)
Dividends paid	(773)	(1,675)
Dividends paid to non-controlling interests	(2,176)	(3,584)
Proceeds from sale of treasury shares	—	9
Purchase of treasury shares	(557)	(5)
Other, net	(476)	(505)
Net cash provided by (used in) financing activities	(6,599)	(7,542)
Effect of exchange rate change on cash and cash equivalents	1,017	1,885
Net increase (decrease) in cash and cash equivalents	13,924	6,614
Cash and cash equivalents at beginning of period	57,390	71,315
Cash and cash equivalents at end of period	71,315	77,929

(5) Notes to consolidated financial statements

(Note on going concern assumptions)

Not applicable.

(Additional information)

(Performance-based stock compensation system)

The Company introduced a performance-based stock compensation system using a board incentive plan (BIP) trust (“the System”) for the Directors (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors or non-residents of Japan) and Executive Officers (excluding non-residents of Japan; these Directors and Executive Officers are hereinafter collectively “Eligible People”). This is primarily to clarify the connection between compensation for the Eligible People and the Company’s results and shareholder value and thereby to give the Eligible People a stronger incentive to contribute to increasing the results of the Company and its corporate value over the medium to long term and for them to share the returns and risks of changes in the stock price with shareholders.

The Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees Etc. Through Trusts (ASBJ Practical Issue Task Force (PITF) No. 30, March 26, 2015) is applied in the accounting treatment of this trust agreement.

(1) Transaction overview

Under the System, shares of the Company’s stock are delivered to the Eligible People according to their position and degree of achievement of performance targets from the fiscal year ended March 31, 2023 through the fiscal year ending March 31, 2025.

(2) The Company’s shares remaining in the trust

The book value of the shares held by the BIP trust (excluding the incidental expense) is posted in net assets as treasury shares. As of the end of the consolidated fiscal year under review, the book value of the said treasury shares was 543 million yen and the number of the said shares was 28,794.

The Company conducted a 5-for-1 share split of common shares on April 1, 2024. The above number of shares is the number before the share split.

(Segment information)

Segment information

1. Overview of reportable segments

(1) Determination of reportable segments

Reporting segments of the Group are individual units for which separate financial information is available and that are subject to a periodic review by the Board of Directors for the purposes of evaluating performance and determining the allocation of resources.

The Group categorizes operations according to the services it handles, and each business division plans its own comprehensive strategies and operates its business activities.

The Group consists of five business segments: the film and video-related business, entertainment-related business, event-related business, tourism real estate related-business, and architectural interior design related-business.

(2) Product and service types belonging to each reportable segment

In the film and video-related business, we produce and distribute theatrical films and television programs. We also produce and sell DVDs and Blu-ray discs and license character merchandising rights and copyrights of said films and programs. In the entertainment-related business, we manage directly-managed theaters and cinema complexes. In the event-related business, we run characters shows related to films and videos that the Group produces, plan and hold cultural events, and operate Toei Kyoto Studio Park. In the tourism real estate related-business, we lease commercial facilities and run hotels. In the architectural interior design related-business, we engage in construction work and contract interior decoration.

2. Method for determining net sales, profit or loss, assets, liabilities and other items for reportable segments

Accounting methods for the reported business segments are generally the same as those used for the preparation of consolidated financial statements. The profit of reporting segments is based on operating profit. Intersegment revenue and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items by reportable segment

Fiscal year ended March 31, 2023

(Millions of yen)

	Film and video-related business	Entertainment-related business	Event-related business	Tourism real estate related-business	Architectural interior design related-business	Total	Adjustments (Note 1)	Amounts in consolidated financial statements (Note 2)
Net sales								
Net sales to external customers	135,179	18,449	10,015	5,967	4,746	174,358	–	174,358
Inter-segment net sales or transfers	3,763	212	597	752	258	5,585	(5,585)	–
Total	138,942	18,662	10,612	6,720	5,005	179,944	(5,585)	174,358
Segment profit	35,167	900	1,276	2,168	48	39,561	(3,222)	36,339
Segment assets	251,087	17,147	9,045	50,583	5,026	332,890	46,998	379,889
Other								
Depreciation	1,336	807	110	941	7	3,203	217	3,421
Increase in property, plant and equipment and intangible assets	2,253	532	27	3,459	25	6,298	469	6,768

(Notes)

1. Adjustments are as follows.

(1) The segment profit adjustment of (3,222) million yen includes the elimination of inter-segment transactions of (45) million yen and company-wide expenses of (3,176) 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) The segment assets adjustment of 46,998 million yen includes company-wide assets of 51,472 million yen that are not allocated to each reportable segment and the elimination through offsetting receivables and payables of (4,473) million yen.

* The main components of company-wide assets are unused funds, long-term investments and assets relating administrative divisions.

(3) The adjustment of depreciation is depreciation related to company-wide assets that is not allocated to each reportable segment.

(4) Adjustments of increase in property, plant and equipment and intangible assets are obtained plant and equipment and intangible assets that are not distributed to the reportable segments.

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

	Film and video-related business	Entertainment-related business	Event-related business	Tourism real estate related-business	Architectural interior design related-business	Total	Adjustments (Note 1)	Amounts in consolidated financial statements (Note 2)
Net sales								
Net sales to external customers	125,980	20,174	10,085	6,494	8,610	171,345	–	171,345
Inter-segment net sales or transfers	3,500	225	791	816	174	5,507	(5,507)	–
Total	129,480	20,399	10,877	7,310	8,784	176,852	(5,507)	171,345
Segment profit	26,333	1,907	1,422	2,569	397	32,631	(3,288)	29,342
Segment assets	272,850	18,163	9,485	51,060	8,872	360,432	50,974	411,406
Other								
Depreciation	1,552	720	252	870	6	3,402	263	3,665
Increase in property, plant and equipment and intangible assets	1,871	1,573	388	1,363	3	5,200	190	5,390

(Notes)

1. Adjustments are as follows.

- (1) The segment profit adjustment of (3,288) million yen includes the elimination of inter-segment transactions of (121) million yen and company-wide expenses of (3,167) 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) The segment assets adjustment of 50,974 million yen includes company-wide assets of 57,248 million yen that are not allocated to each reportable segment and the elimination through offsetting receivables and payables of (6,273) million yen.
* The main components of company-wide assets are unused funds, long-term investments and assets relating administrative divisions.
- (3) The adjustment of depreciation is depreciation related to company-wide assets that is not allocated to each reportable segment.
- (4) Adjustments of increase in property, plant and equipment and intangible assets are obtained plant and equipment and intangible assets that are not distributed to the reportable segments.

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

(Per-share information)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net assets per share	3,434.50 yen	3,819.35 yen
Earnings per share	242.48 yen	225.68 yen

(Notes) 1. Diluted earnings per share was not presented because there was no dilution for the fiscal year.

2. The Company conducted a 5-for-1 share split of common shares on April 1, 2024. Net assets per share and earnings per share were calculated assuming that the share split was implemented at the beginning of the previous consolidated fiscal year.

3. In calculating net assets per share, the shares of the Company's stock held by the board incentive plan (BIP) trust are included in treasury shares that are deducted from the total number of shares issued at the end of the period. (146 thousand shares for the previous fiscal year and 143 thousand shares for the fiscal year under review) Also, in calculating earnings per share, the shares of the Company's stock held by the BIP trust are included in treasury shares that are deducted in the calculation of the average number of shares during the period. (90 thousand shares for the previous fiscal year and 144 thousand shares for the fiscal year under review)

4. Basis for calculating earnings per share is as shown below.

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit attributable to owners of parent (Millions of yen)	15,025	13,971
Amount not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent with respect to common shares (Millions of yen)	15,025	13,971
Average number of common shares outstanding during the period (Thousands of shares)	61,964	61,908

(Significant subsequent events)

(Redevelopment of head office building and relocation of head office)

At the meeting held on May 15, 2024, the Board of Directors passed a resolution to redevelop Toei Kaikan (head office building) and relocate the head office.

1. Reasons for the redevelopment of Toei Kaikan (head office building)

Toei Kaikan, which opened in 1960, has served as the head office and directly operated movie theater for over 60 years. However, because of the aging of the building and facilities, substantial repair and renovation costs are expected if the building is to continue to be used. The decision was made to redevelop the property as an income-producing real estate to maximize its effective use.

This redevelopment is one of the specific measures of the Toei Group's Medium-to Long-term Vision Toei New Wave 2033.

2. Details of the redevelopment of Toei Kaikan (head office building)

(1) Address

3-2-17, Ginza, Chuo-ku, Tokyo

(2) Site area

1,100.81 m² (332.99 tsubo)

(3) Application, development details, and development period

The Company will build a commercial facility with a hotel and retail stores. The development period is scheduled to be from 2025 to 2029.

3. New head office location

(1) Address

2-2-1, Kyobashi, Chuo-ku, Tokyo (in Kyobashi Edogrand building)

(2) Relocation date

Scheduled for summer 2025

4. Impact on business performance

Related costs associated with the head office relocation are currently under scrutiny.

5. Other

The location of the head office in the Articles of Incorporation will remain unchanged as the new location is in the same ward.