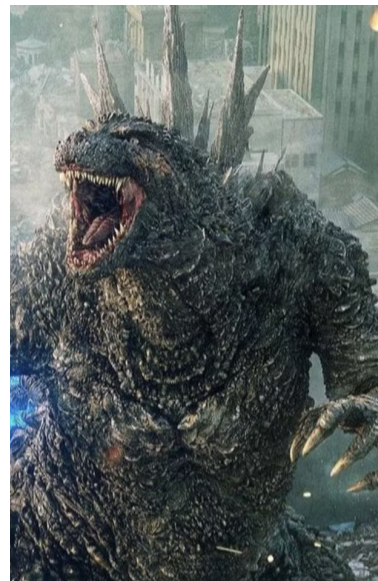


# **TOHO Company M&A Project**





# AGENDA

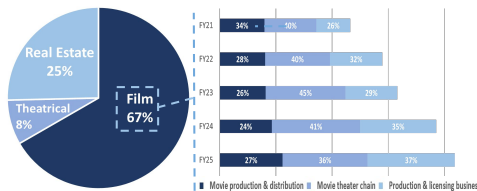
<b>Acquirer Overview</b>	TOHO	P.4
<b>Industry Analysis</b>	Value Chain / Peer Comparison	P.7
<b>Target Analysis</b>	WildBrain	P.11
	IG Port	P.14
<b>Transaction Summary</b>	Valuations & Deal Structure	P.18
	Synergies	P.22
<b>Post- Investment</b>	Risk, Overseas Distribution Targets	P.23

# Executive Summary

## 1 Acquirer Analysis

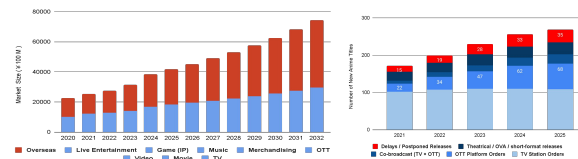
### #1 distributor in Japan, controlling 40-45% of major theatrical releases

- TOHO operates a fully integrated content ecosystem spanning production, distribution, cinemas, and IP monetization.
- Backed by iconic franchises like Godzilla and a powerful domestic box-office presence, the company stands as Japan's most influential entertainment group.



## Industry Analysis

- Strong overseas demand favors content origin & production



## 2 Target Analysis - WildBrain

IP	5–10 Year long IP cycle
Production	Western service-studio model
Distribution	Digital CPM Traffic Model
Monetization	Preschool Consumer Goods Market

## 3 Target Analysis - IG Port



from Animation & Publishing Roots to IP-Driven Licensing and Merchandising Growth

IP	Pipeline for high-margin, long-tail royalties
Production	Capacity bridge for mid-term expansion
Distribution	Maximize global reach

## 4 Transaction Summary

- Acquired 100% at 10.4x EV/EBITDA at a 30% Premium



Cash 61.03%  
Earnout 19.27%  
Equity 19.70%



Mitsuhisa Ishikawa 19.27%  
NTV 9.85%  
Dentsu 9.85%  
NTT 4.98%

## Synergies

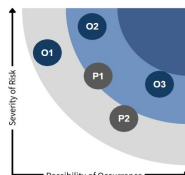
Revenue	Enhancing Overseas Licensing Revenue through TOHO's Distribution Strength and GKIDS Theatrical Reach IG Port Anime Production Business Revenue Uplift Expanding Merch. Sales through TOHO's Distribution Network
Cost	TOHO captures SG&A efficiencies IG Port internalizes production to lower outsourcing costs

+50%
+20%
+30%
OPM +2.5%
¥50M per cour

## 5

## Post-Investment

- Risk & Mitigation



### Operational Risks

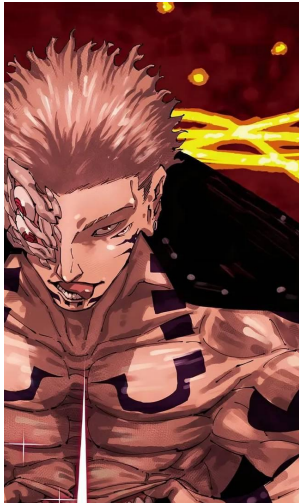
- IP Ownership [O1]
- Production Capacity [O2]
- Key-Person & Founder [O3]

### Post-Transaction Risks

- Overseas Monetization [P1]
- Cultural Integration [P2]

- Accelerating Global Expansion via European and Latin American Targets





01

# TOHO Industry Analysis





Japan’s dominant Film & Anime entertainment leader, combining top-tier distribution power, the largest cinema network, and a rapidly expanding IP monetization engine

### Company Profile

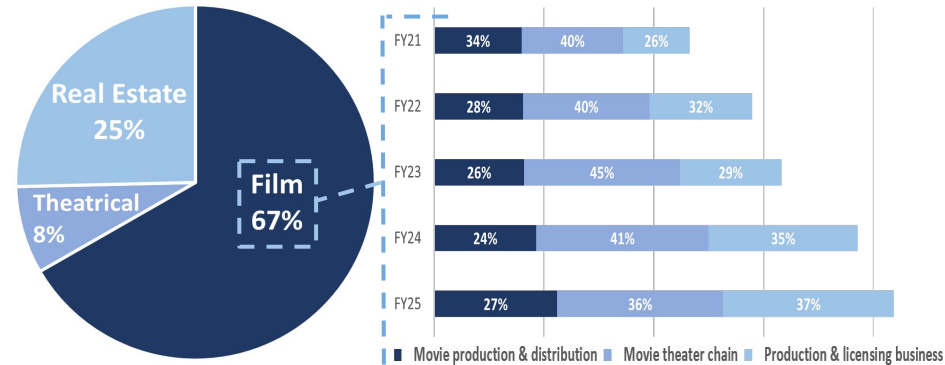
Deeply rooted in Japan’s film & animation industry, TOHO operates a fully integrated content ecosystem spanning production, distribution, cinemas, and IP monetization. Backed by iconic franchises like Godzilla and a powerful domestic box-office presence, the company stands as Japan’s most influential entertainment group.

Founded Year	1932 (93 years)	Market Cap	¥1600B (Nov '25)
HQ	Tokyo, Japan	LTM Revenue	¥312B
Sector	Media Entertainment	LTM EBITDA	¥77B

### Key Financials

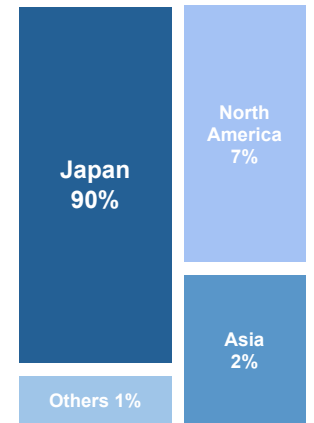
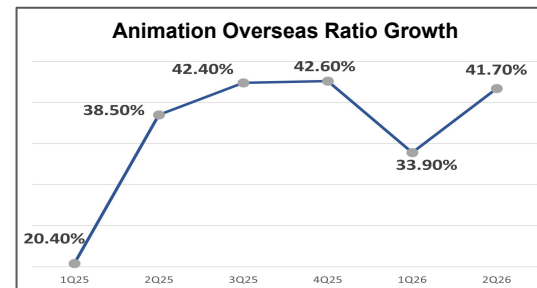
(in billion JPY)	FY21	FY22	FY23	FY24	FY25
Revenue	191.95	228.37	244.3	283.35	313.17
YoY(%)	-26.8%	19.0%	7.0%	16.0%	10.5%
Operating Margin	11.7%	17.5%	18.4%	20.9%	20.7%
EBITDA Margin	28.0%	38.9%	41.4%	45.6%	46.1%
Net Margin	8.3%	13.6%	14.3%	16.5%	14.3%

### Segment Overview



Film revenue includes production, distribution, and licensing businesses

**#1** distributor in Japan, controlling 40-45% of major theatrical releases  
**700+** screens, Largest cinema chain in Japan

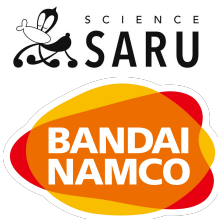




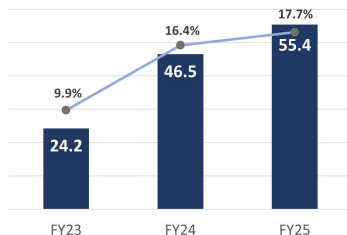
TOHO has made strong progress in Anime growth, but key gaps remain in IP ownership, studio capacity, and overseas monetization, as shown in TOHO's midterm Plan

## What TOHO has achieved

### Growth through Strategic Investments

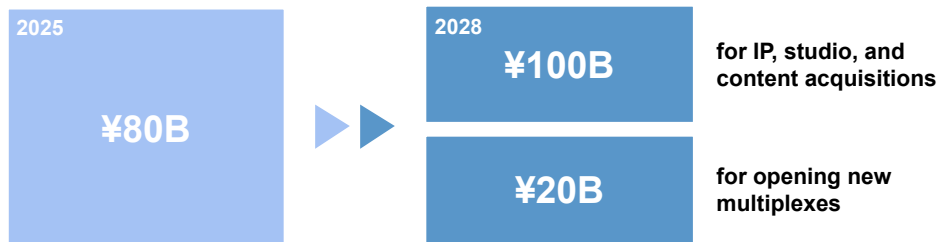


### Anime as a 4th Pillar



## Midterm Plan 2028/2032

### TOHO M&A Budget & Usage



## Where TOHO Still Falls Short in IP & Anime Business

### Animation Production Capacity Gap



Production capacity still needs 2x to reach 2032 target

### Workforce Gap



Headcount expansion required 2x to support content scaling

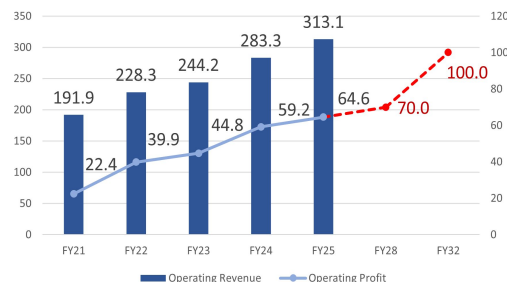
### Overseas Revenue Gap

10% → 30%+

Overseas monetization still far from 2032's long-term goal

## Financial Targets

### 70B OP Profit by 2028 & 100B by 2032



### 200% growth in IP & Anime by 2032

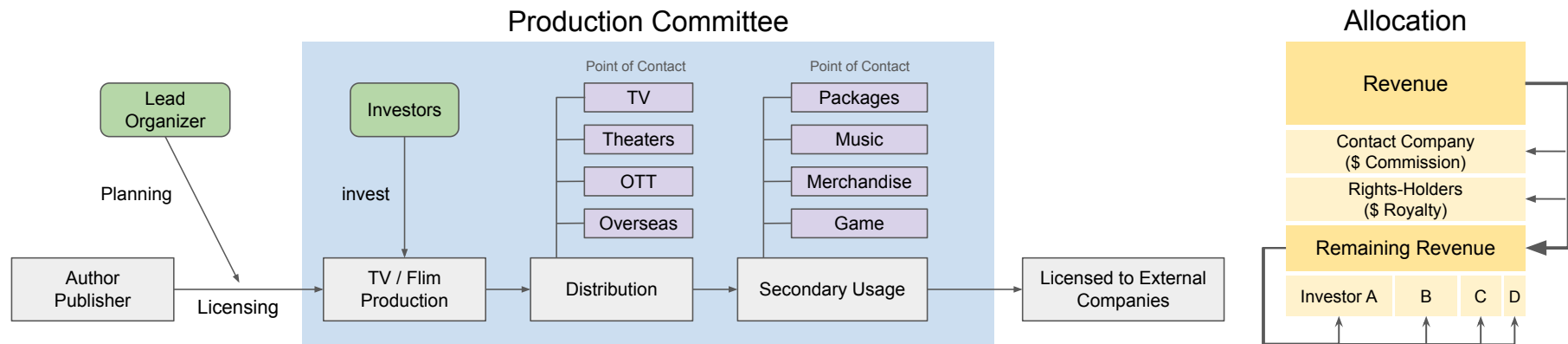
FY26 ¥69.8B (Guidance)

CAGR 10.41%

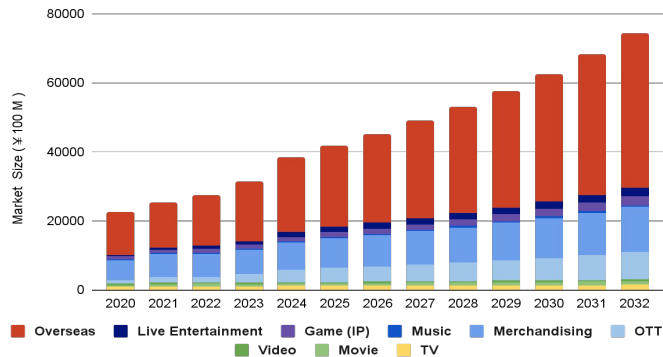
FY32 ¥139.6B

## Industry Overview

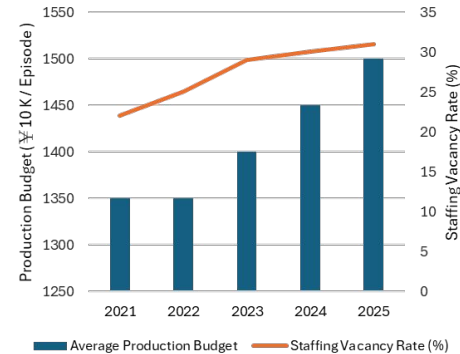
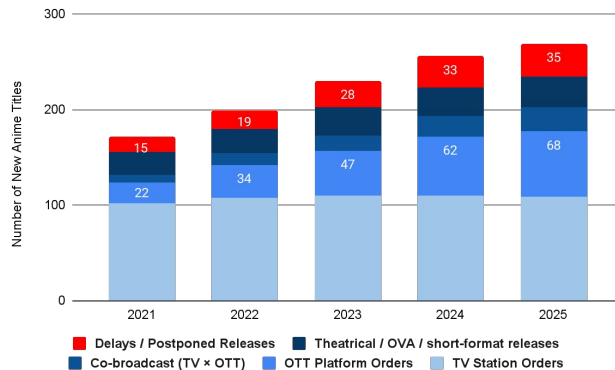
## High-Growth Anime Market Constrained by Committee Structure &amp; Production Capacity



## Japanese Animation Market Size / Trend



## Surging Anime Demand with Insufficient Production Capacity



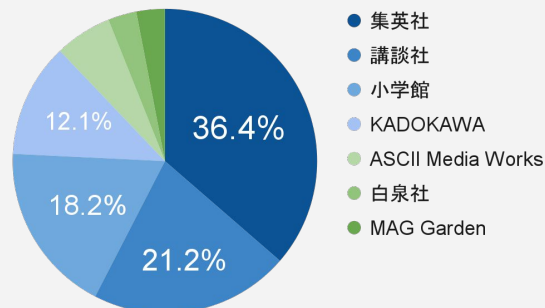
## Industry M&amp;A Trend

## Acquiring Anime Studios to Secure IP, Production Costs, Quality, and Timelines



## Why not Publisher

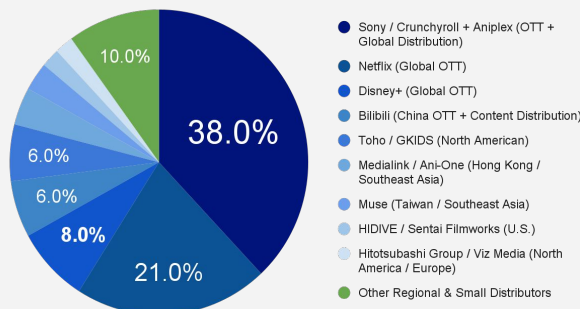
Share of Original Publishers in the 2025 Japan Top 30 New Anime IPs by Commercial Value



- Top 4 Company's Market Size > ¥300Bn > **TOHO's Budget.**
- Acquiring smaller publishers offer **limited commercial monetization value** for TOHO.

## Why not Overseas Distribution / OTT

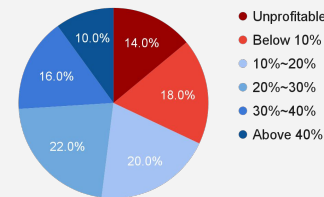
Global Market Share of Anime Overseas Distribution



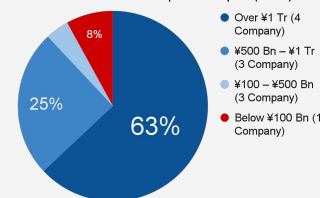
This market is highly **dominated by major players**, TOHO is **unlikely to surpass** the existing industry leaders in the short term through acquisitions of **small or mid-sized companies**.

## Why not Game

Percentage Breakdown of Profit Margins for "Anime IP-Based Mobile Games" in the Japan Market (2024)



Market Share of Major "Anime-Adapted" Mobile Game Publishers/Developers in Japan (2025)



1. Most **high-margin games** have been operating for **5~10 years**.

2. In 2024, 22 / 70 new IP mobile games were **closed or underperformed within a year**.

3. Mid-sized firms: **Low market share, high volatility and dilution of core focus** could weaken TOHO's main business.

## Industry Player Analysis

## Compared with Peers, TOHO is Constrained by Limited Anime IP and Global Reach



Financial Metrics	LTM Revenue	¥312 Bn	¥750~850 Bn	¥171 Bn
	NTM Projected Growth	12~15%	Aniplex: 8~12% Crunchyroll: 12~15%	4~5%
	EV / NTM EBITDA	16.7x	13~18x	7~9x
	EV / NTM Revenue	4.2x	2.5~4.0x	1.3~1.5x
	Overseas Revenue Ratio	10%	Aniplex: 40%+ Crunchyroll: 100%	30~35%
Business	Business Model	Distribution, Theater chain, Production, and Real Estate	Animation planning/investment, Production, Global music/visual distribution, Games & events, Streaming platforms	Animation planning/invest., Production, Theatrical distribution, Streaming/TV licensing
	Core IP / Titles	 (Distribution Right) 		
	Precedent / Comparable M&A	TIA, Science SARU, GKIDS 25% FIFTH SEASON	Crunchyroll + Funimation 10% Kadokawa	N/A

## TOHO's Constraints

# TOHO participates strongly in distribution and downstream monetization but remains weak in upstream IP ownership and animation production capacity

Financial Targets: 70B OP Profit by 2028 & 100B by 2032 / 200% growth in IP & Anime by 2032

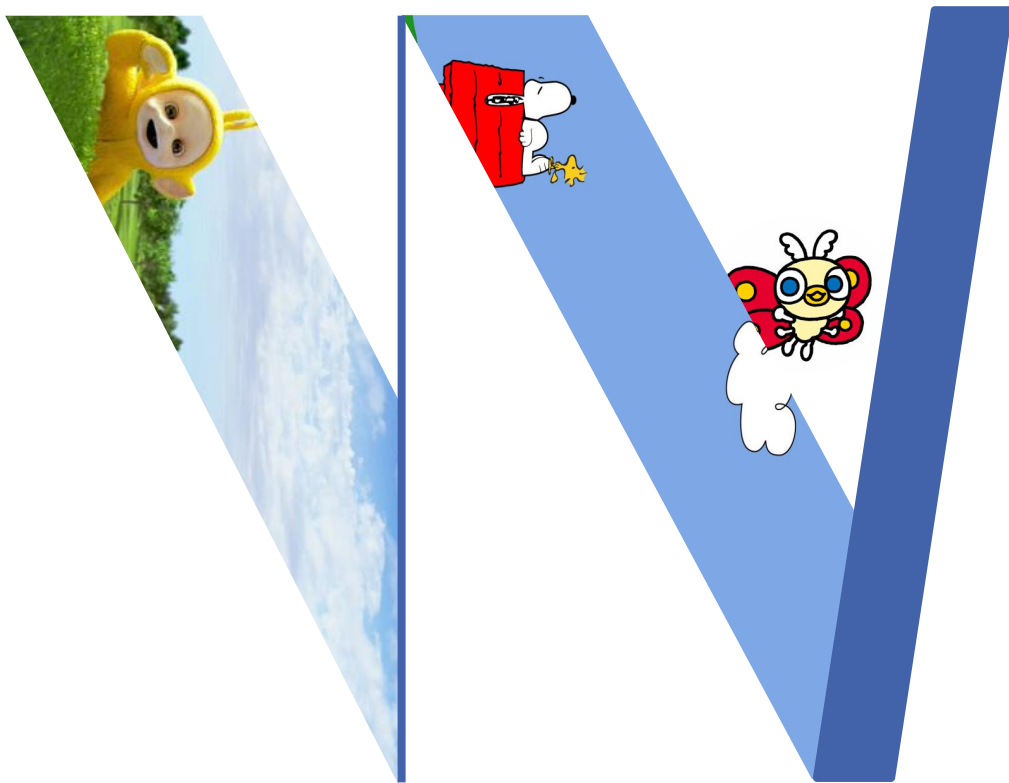
Stage	IP Creation	Production Committee	Japanese Animation Studio	Japan Distribution
Main Players	Shueisha, Kodansha, Kadokawa	Aniplex, Toho, TV Tokyo, IG Port	Production I.G, MAPPA, Ufotable	Toho, Shochiku, Toei
Business Content	<ul style="list-style-type: none"> <li>Collect original works</li> <li>Developing original scripts</li> </ul>	<ul style="list-style-type: none"> <li>Set the rights structure and revenue-sharing model</li> </ul>	<ul style="list-style-type: none"> <li>Storyboards, character design, layout, key animation, compositing</li> </ul>	<ul style="list-style-type: none"> <li>Marketing campaigns, theatrical release planning, scheduling</li> </ul>
TOHO's Position	<b>Weak</b>	<b>Large financial contributor but not the lead planner</b>	<b>Small in-house capacity</b>	Strong
Acquisition Benefits	Low (smalls offer little synergy)	N/A	<b>High (animation's long-tail effect)</b>	TOHO already holds dominance

Stage	Overseas Distribution	Licensing & Merchandising
Main Players	Crunchyroll, GKIDS, Netflix, Muse, Viz media	Bandai Namco, Aniplex, Toei, Shueisha
Business Content	<ul style="list-style-type: none"> <li>Negotiate rights with regional distributors</li> </ul>	<ul style="list-style-type: none"> <li>Goods, Games, Brand Collab (Uniqlo)</li> </ul>
TOHO's Position	<b>Medium, with GKIDS &amp; Other Partners</b>	<b>Rely on Godzilla; Sales of certain film rights or partnerships with overseas distributors</b>
Acquisition Benefits	<b>Medium (rapid overseas expansion, but small ones offer little synergy)</b>	Low (small ones offer little synergy)



**Before:** Toho is just an investor with strong distribution in Japan

**After acquiring a high-quality Japanese animation studio:**  
Stronger control in Anime Value Chain by vertical combination



02

**WildBrain**



WildBrain™

A global kids-entertainment company focused on family IP, combining animation production, worldwide licensing, and a leading children’s digital network.

Company Profile

Segment Overview


Rooted in the global children’s content industry, WildBrain operates an integrated ecosystem across IP ownership, animation production, distribution, and brand licensing. Supported by well-known franchises such as Peanuts and Teletubbies, along with one of the world’s largest kids-focused digital networks, the company is a key player in the family entertainment market.

Founded Year	2006 (19 years)	Market Cap	294.7M USD (as of Sep '25)
HQ	Toronto, Canada	LTM Revenue	\$375.3M
Sector	Media & Entertainment	LTM EBITDA	\$240.1M


Key Financials

(in million USD)	FY21	FY22	FY23	FY24	FY25
Revenue	353.2	400.77	397.95	340.91	375.27
YoY(%)	6.30%	12.10%	5.10%	-13.30%	13.30%
Operating Margin	15.20%	14.40%	14.50%	14.40%	16.70%
EBITDA Margin	20.30%	19.10%	19.10%	19.80%	20.40%
Net Margin	3.60%	-0.30%	-8.10%	-7%	-7.50%

Global Licensing



WildBrain CPLG




Peanuts Worldwide


Global licensing agency

Core IP monetization


Content Creation & Audience Engagement




WildBrain Studios



House of Cool



WildBrain London



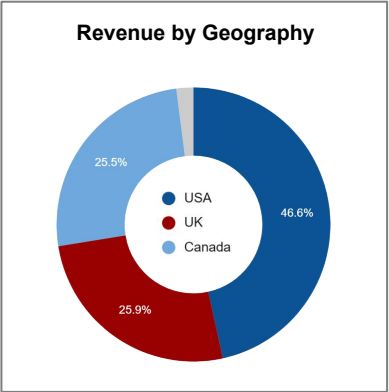
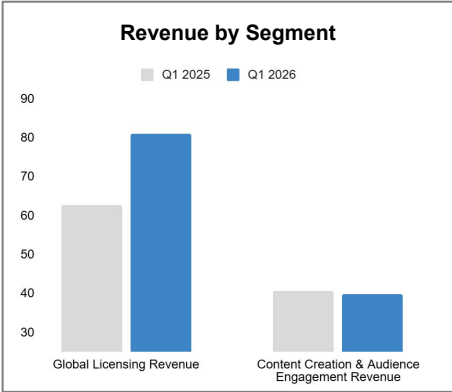
WildBrain Distribution

Animation production

Pre-production: storyboards, design

Digital kids network, YouTube/ AVOD ads

Content sales & Global distribution

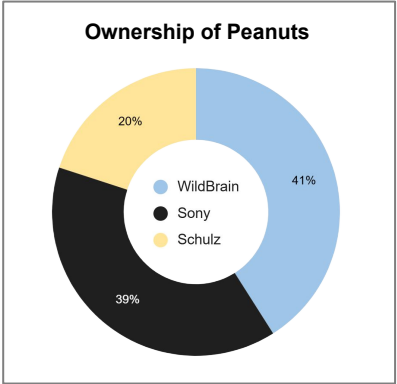


Target Analysis - WildBrain

Do Not Acquire WildBrain: The Partnership Fails to Deliver Meaningful Synergy Uplift

Multichannel Revenue Matrix

Revenue Line	WildBrain Role	Revenue Stream	Cycle	Examples
Owned IP Licensing	Owns & manages family IP	Royalties	Slow (5–10 yrs)	Peanuts(41%), Teletubbies
Global Agency	Acts as agent for external IP owners	Commissions (30-35% of royalties)	3-year contract cycle	SEGA, Ubisoft, BuzzFeed
Content Creation	Produces animation for OTT & partners	License Fees, Service Fees	Medium (9–18 months)	Apple TV+
Audience Engagement	Runs global kids channels	YouTube ads, FAST profit share, Content ID recovery	Fast (monthly)	5,000+ kids channels



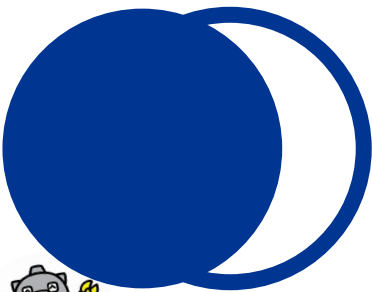
Valuation Analysis

Currency in CAD		Current Price \$1.42	
Market Valuation	Past 90 days range	\$1.29	\$2.55
Trading Comps	EV/Sales	\$1.07	\$3.26
	EV/EBITDA	\$0.05	\$1.99
DCF	Perpetuity Growth	\$0.21	\$2.54
	Exit Multiples	\$1.35	\$1.95

Why not acquire?

WildBrain cannot enhance TOHO’s core value drivers: IP ownership, committee influence, and distribution control. This makes the acquisition strategically weak.

Stages	WildBrain	TOHO
IP	5–10 Year Cycle	1–2 Year Quick Cash Cycle
Production	Western service-studio model	Japanese Production Committee
Distribution	Digital CPM Traffic Model	Theatrical Economics
Monetization	Preschool Consumer Goods Market	Anime/Hobby Goods Markets



# 03

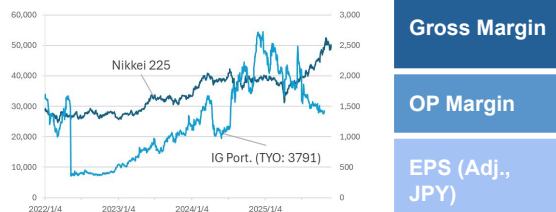
## IG Port



# IG Port, Inc. From Animation & Publishing Roots to IP-Driven Licensing and Merchandising Growth

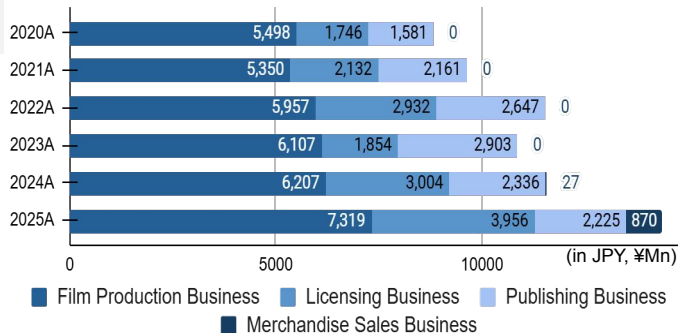
## Company Profile

IG Port (TYO:3791) is a leading Japanese animation group formed in 2007, owning top studios including Production I.G, WIT Studio, as well as a manga publishing arm, Mac Garden.



## Revenue Segment & Financials

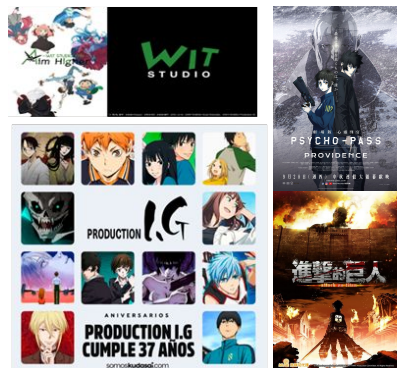
(in JPY, ¥Bn)	23A	24A	25A
Rev.	11.16	11.84	14.60
Gross Margin	24.4%	22.6%	20.9%
OP Margin	8.9%	10.4%	9.8%
EPS (Adj., JPY)	40.69	53.73	43.58



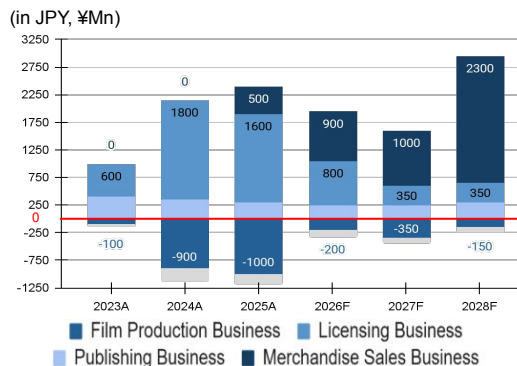
• **Licensing:** 49% margin in FY25, largest profit source, powered by top anime IP royalties.

• **Merchandising:** 43% FY25 margin (incl. store permit & launch fees), showing strongest growth momentum.

## IG Port's Hit IP Base



## Operating Profit Forecast



• **FY26 OP:** est. ¥1.4B → +25% to ¥1.7B, backed by merch profit up 232% and segment OP up 146%.

• **IP income** largely deferred to FY28, with amortization drag limiting near-term OP impact; production costs show minimal OP support.

## Financial Targets: Rev. 3 yr CAGR: 18.1%

(in JPY, ¥Mn)	25A	26F	27F	28F
Revenue	14,598	15,772	17,430	24,043
Rev. YoY (%)	23.3%	8.0%	10.5%	37.9%
Operating Profit	1,426	1,792	850	2,595
Operating Margin	9.8%	11.4%	4.9%	10.8%

## Target Overview - Investment Thesis

## Investor to Orchestrator: Capture Animation Rights Full Value Through Vertical Integration

Strategic Fit 1: From distri-only to IP manager—secure animation IP pipeline and scale long-tail royalties.

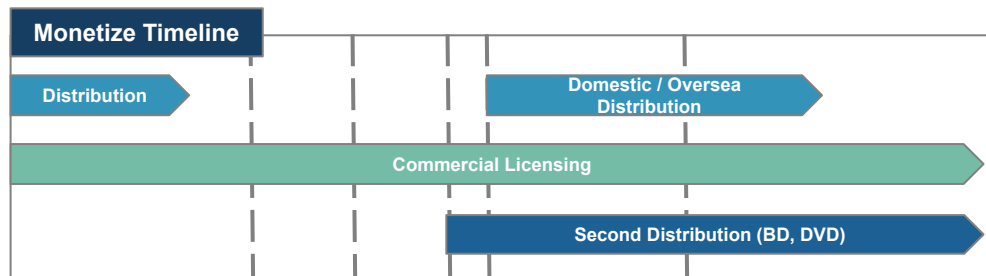
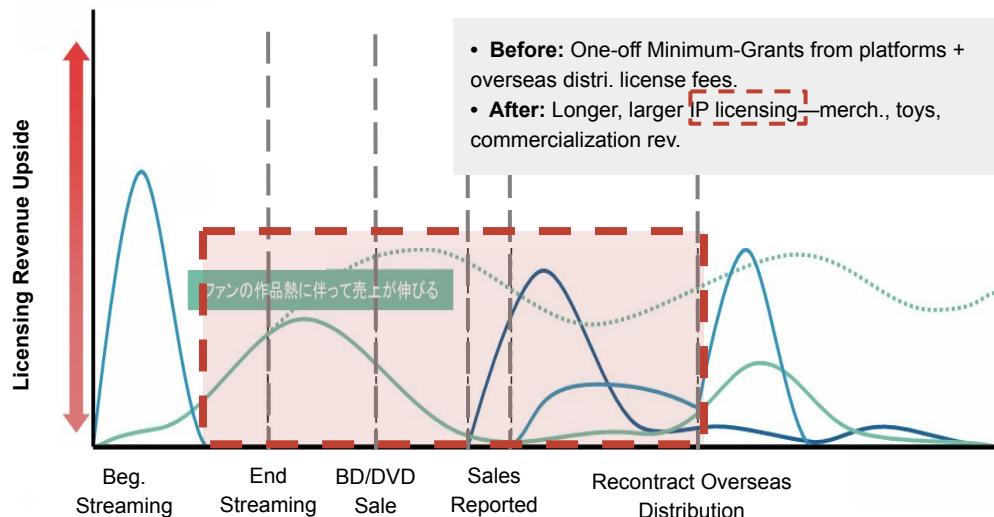




Chart. IP Business Monetize Timeline

	Before	After
<b>Core Right</b>	Distribution Right	<b>Licensing Right</b>
<b>Character in Committee</b>	Investor & Distributor	<b>Manager &amp; Distributor</b>
<b>Hit IP Value Share</b>	10~20% (projected)	60~70% (projected)
<b>Holding &amp; Monetize Animation IP</b>		

## IG Rationale:

- **IG Port owns planning** + prod committee capability, can sell merch under IG Port for rev-share or lead control, capturing anime IP rights on select titles.

## Synergy Outlook:

- **Licensing Syn.:** Toho **gains IG IP library + stronger voice** in new anime projects, raising odds of winning better adaptation opps and lead share in committees. More 100%/high-ratio IP ownership enables long-tail royalty max, like max IP econ seen in kaiju-tier franchises.
- **Efficiency Syn.:** Higher participation removes duplicate roles, **increases rev-share capture**, and shortens unanimous decision chains for faster alignment and global IP scale.
- **Merchandise Syn.:** Toho + IG retail network scales IG-owned IP merch sales via dual-store reach, lifting total consumer product revenue.

## Target Overview - Investment Thesis

## IG Port × Toho: Building the Production Scale and Global Licensing Layer

## Strategic Fit 2:

## IG Port as Toho's Capacity Bridge for Mid-Term Anime Expansion

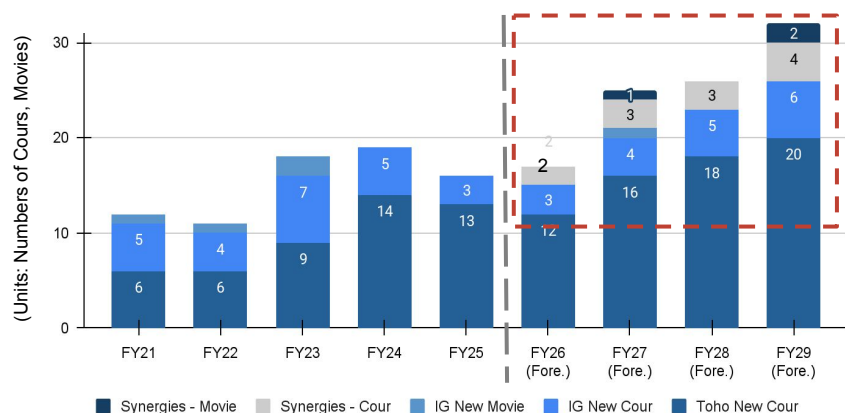


Chart. Consolidated Toho &amp; IG Animation Capability

## IG Rationale

- Toho's anime dist capacity runs ~12–14 titles/yr, while in-house production is limited. IG Port scales output by ~3–5 anime series/yr + 1 theatrical film/yr. Also, Toho plans to **expand capacity 15 → 30 titles/yr** to meet mid-term demand for more anime releases.

## Expected Synergy — Production:

- Merger ensures Toho + IG Port can **secure priority production** capacity amid tightened anime supply, increasing the ability to **take on top-tier hit adaptations** and create breakout theatrical IP.
- Internalized planning and co-investment into IG-owned, high-ratio committee titles gives the group stronger output certainty and a higher probability of producing blockbuster anime film franchises.

## Strategic Fit 3:

## Boosting Overseas Ratio through Strong IP &amp; OTT Licensing

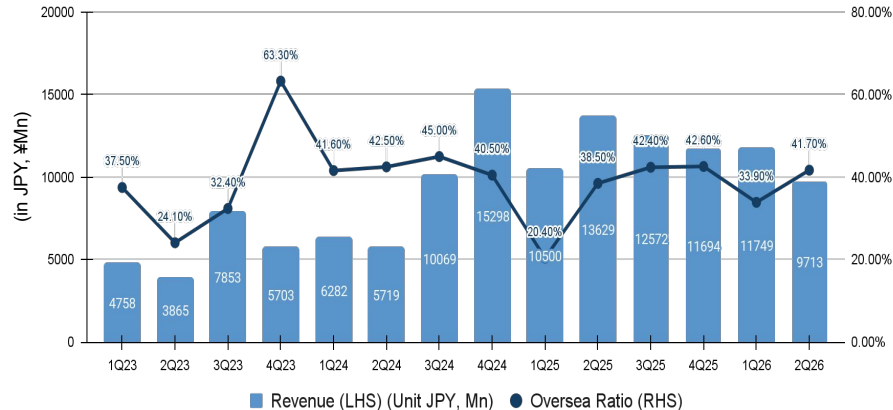


Chart. Toho Animation's Overseas Ratio

## IG Rationale

- FY25 (Jun 24–May 25), Netflix paid ¥3.57B (~\$24.3M), IG Port's 2nd-largest client, fueling 62%+ licensing growth via global IP deals.
- Disney+ served as a FY25 overseas platform partner, est. 10–20% of IG's overseas licensing, broadening reach to family viewers beyond Netflix's adult skew.

## Expected Synergy — Overseas:

- Overseas Licensing:** Leverage GKIDS network post-merger to quote higher film & anime IP pricing.
- OTT IP Power:** Larger IP control + prod capacity enables premium long-tail royalty quotes on future seasons & films.





# 04

## Transaction Summary



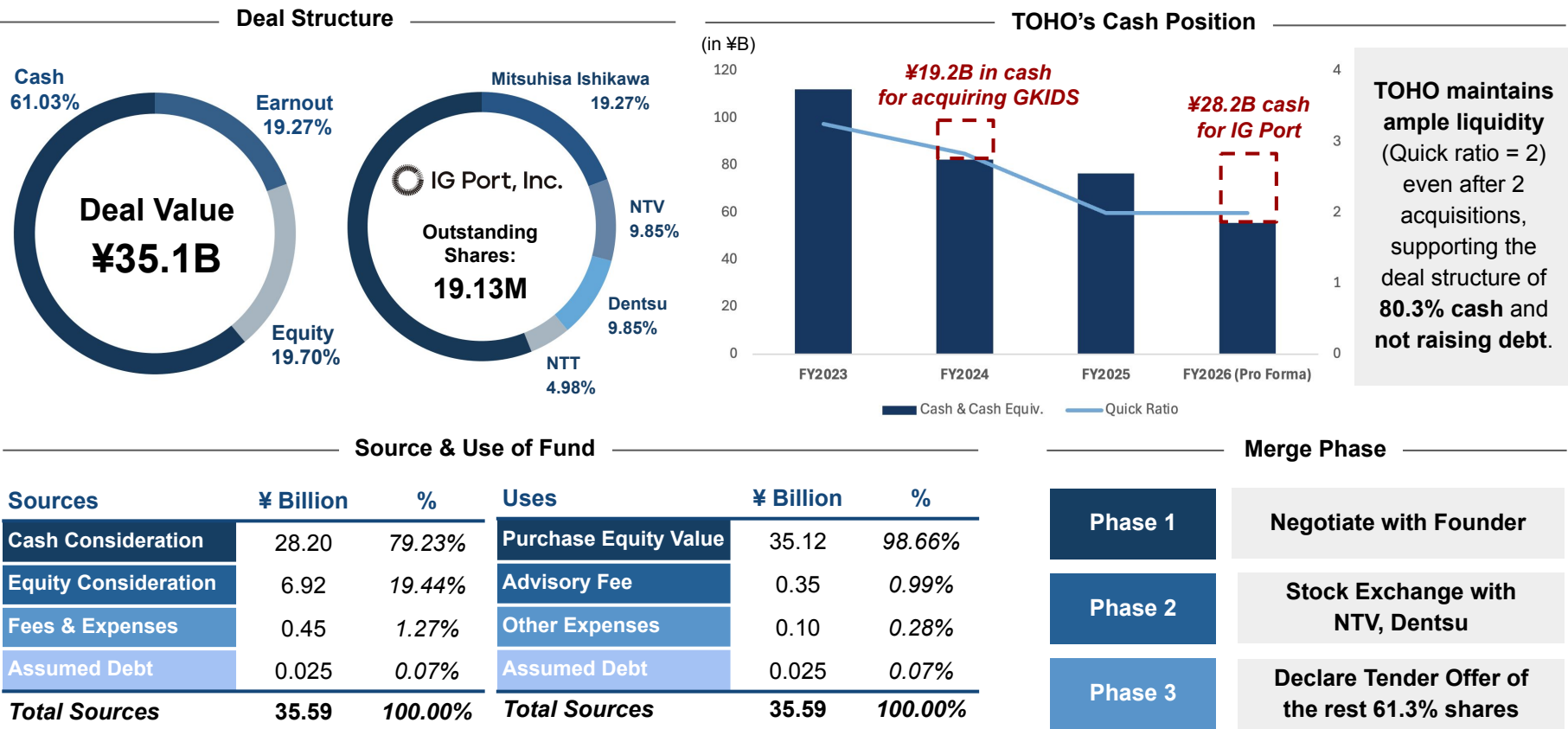
Valuation Summary

Acquired 100% at 10.4x EV/EBITDA at a 30% Premium to the Current Undervalued Stock Price

			<div> <div>---</div> <div>---</div> </div> <div>Current Price</div> <div>Bid Price</div>	¥1,412	¥1,836	Low	High	Details
Market Valuation	Past 90 Days Range		¥1376	¥1582	¥1376	¥1582	<ul style="list-style-type: none"> <li>Low: ¥1376 on 11/25/2024</li> <li>High: ¥1582 on 8/29/2024</li> </ul>	
	Premium to Spot		¥1765	¥1977	¥1765	¥1977	<ul style="list-style-type: none"> <li>25% to 40% premium of the current share price</li> </ul>	
Fundamental Valuation	Trading Multiples	EV/Sales	¥694	¥2785	0.66x	3.69x	<ul style="list-style-type: none"> <li>Screening Criteria:                             <ul style="list-style-type: none"> <li>a) Region: Japan</li> <li>b) Industry: Media &amp; Entertainment</li> <li>c) Business Focus: IP, Production, Licensing</li> </ul> </li> <li>4 Peers</li> </ul>	
		EV/EBITDA	¥1550	¥1813	8.53x	10.25x		
	DCF	Perpetuity Growth Method	¥1208	¥2767	¥1208	¥2767	<ul style="list-style-type: none"> <li>Projection Period: 7 years; WACC: 4.69%</li> <li>Perpetuity Growth Rate: 1.5% (Expected Japan long-term GDP growth)</li> <li>Exit Multiple (EV / EBITDA): 6x, a modest discount to the sector median of 8.76x</li> </ul>	
		Exit Multiples Method	¥1405	¥1961	¥1405	¥1961		
	Precedent Transaction	EV/Sales	¥841	¥1702	0.87x	2.12x	<ul style="list-style-type: none"> <li>Screening Criteria:                             <ul style="list-style-type: none"> <li>a) Region: Japan</li> <li>b) Industry: Media &amp; Entertainment</li> <li>c) Similar EV to target</li> </ul> </li> <li>Premium median: 35.3%</li> </ul>	
		EV/EBITDA	¥1320	¥1955	7.03x	11.17x		

Deal Structure

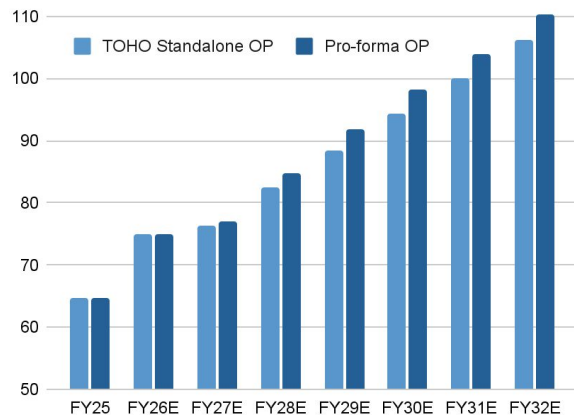
Balanced Consideration of 80% Cash and 20% Stock, Backed by TOHO's Strong Liquidity



## Transaction Highlights

## The Acquisition Positions TOHO to Deliver on Its Operating Profit and IP &amp; Anime Goals

## Operating Profit Goal



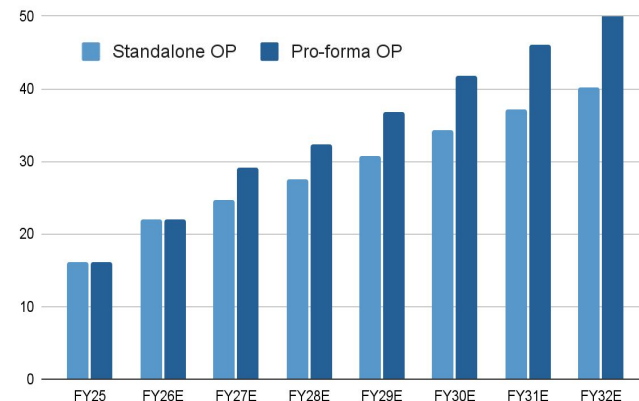
Target:  
FY28 ¥70B / FY32 ¥100B

FY25 ¥64.68B

▼ FY28 ¥84.68B

▼ FY32 ¥110.33B

## IP&amp;Anime OP Goal



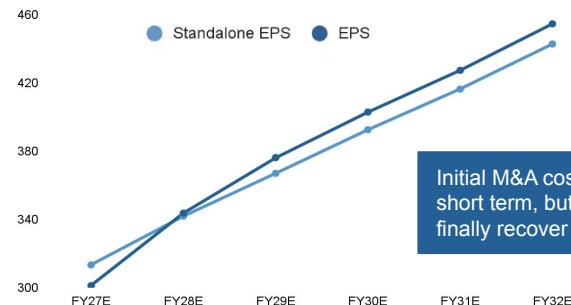
Target:  
OP Growth  
+200%

Standalone  
+149.9%

Pro-forma  
▼ +216.7%

## EPS Accretion/Dilution

	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
Standalone EPS	313	342	367	393	416	443
EPS	301	344	376	403	427	455
Accretion / (Dilution)	-3.89%	0.52%	2.51%	2.63%	2.64%	2.67%
Pro-forma EPS	313.8	356.1	388.0	414.7	439.2	466.5
Accretion / (Dilution)	0.14%	4.14%	5.70%	5.62%	5.46%	5.32%



Initial M&A costs dilute EPS in short term, but accretion will finally recover to 2.67%

## Revenue & Cost Synergy

# TOHO's Distribution Power & IG Port's Creative Engine Generates Strong Revenue Synergies

### Enhancing Overseas Licensing Revenue through TOHO's Distribution Strength and GKIDS Theatrical Reach

Better bargain power against OTT, with higher share and coverage

GKIDS providing IG Port additional overseas licensing revenue

OTT Pricing **+20%** X Committee Share **+5~10%** X Coverage **+20%**

Movie Capacity by IG Port **1** (cour/yr) X Avg. Gkids Box Office in U.S. **\$2M** X Committee's Allocation **50%** X IG Port Committee Share **10%**

Synergy & Timeline

50%

FY27 - FY30

Synergy & Timeline

¥16M per year, with a 5% CAGR

FY27

### IG Port Anime Production Business Revenue Uplift

### Expanding Merch. Sales through TOHO's Distribution Network

IG Port Anime production  
+  
TOHO's stable project pipeline & strong operational efficiency  
→  
**Capacity Uplift for IG Port**  
**+20%**  
(5 □ 6 cour of anime per year)

Existing IP of IG Port  
+  
New co-developed IP with TOHO  
→  
**TOHO's broad retail channel**  
**+30% volume uplift**

Synergy & Timeline

20%

FY27 - FY29

Synergy & Timeline

30%

FY27 - FY29

TOHO's Goal

14 >> 30 cour/yr by 2032 (Achievable)

Extra synergy:  
Long-tail Revenue by  
New Co-developed IP

Assume 1 new IP by TOHO x IG every year, committee share 15%, merch. sales/yr ¥1bn  
**Additional revenue uplift: ¥150M per year**

### Dual Cost Synergies: TOHO captures SG&A efficiencies while IG Port internalizes animation production to lower outsourcing costs



TOHO's **centralized corporate functions** and **scaled marketing platform** drive meaningful SG&A reduction and increase OPM by **2.5%** (10.2% to 12.7%) by FY29



IG Port's in-house production capacity and shared studio resources reduce TOHO's **outsourcing spend** and **stabilize production costs**, saving production cost **¥40-50M** per cour



05



# Post-Investment

## Risk &amp; Mitigation

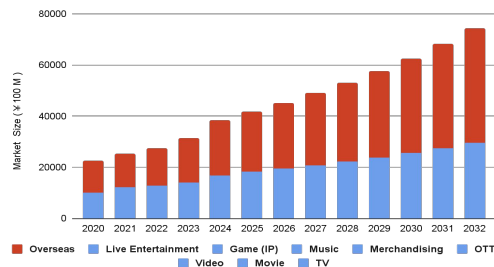
## Risk Assessment &amp; Mitigation Plan Supporting the IG Port Acquisition

	Situation	Details	Mitigation	Risk Matrix
Operation	IP Ownership	<ul style="list-style-type: none"> <li>Sony/Aniplex retains the strongest full-stack capability, making it harder for TOHO to obtain top titles.</li> <li>Some existing IG projects have complex committee rights structures, limiting TOHO's ability to centralize IP ownership.</li> </ul>	<ul style="list-style-type: none"> <li>Form multi-year strategic partnerships with major publishers (e.g. Kodansha, Shueisha).</li> <li>Use TOHO's marketing &amp; theatrical leverage to negotiate higher IP ownership in new projects.</li> </ul>	<p><b>Operational Risks</b></p> <ul style="list-style-type: none"> <li>IP Ownership [O1]</li> <li>Production Capacity [O2]</li> <li>Key-Person &amp; Founder [O3]</li> </ul> <p><b>Post-Transaction Risks</b></p> <ul style="list-style-type: none"> <li>Overseas Monetization [P1]</li> <li>Cultural Integration [P2]</li> </ul>
	Production Capacity	<ul style="list-style-type: none"> <li>IG/Wit studios are already operating near full capacity, talent shortage in Japan makes expansion slower than planned.</li> <li>TOHO lacks experience managing large multi-studio organizations.</li> </ul>	<ul style="list-style-type: none"> <li>Adopt selective integration: TOHO handles finance/legal/PM; IG maintains creative autonomy.</li> <li>Invest in satellite studios and long-term partnerships with Japan/overseas subcontractors.</li> </ul>	
	Key-Person & Founder	<ul style="list-style-type: none"> <li>IG Port is heavily dependent on key producers/directors; losing them would significantly weaken synergy.</li> <li>Founder has strong emotional attachment to IG Port and may resist a full acquisition or major structural changes.</li> </ul>	<ul style="list-style-type: none"> <li>Structure earn-out / retention packages for key producers.</li> <li>Maintain IG brand identity and guarantee creative autonomy to retain top creators.</li> </ul>	
Post Transaction	Overseas Monetization	<ul style="list-style-type: none"> <li>Overseas revenue uplift depends heavily on hit titles and stable pipeline.</li> <li>OTT deal terms fluctuate, and some global platforms prefer studios that provide larger bundles.</li> </ul>	<ul style="list-style-type: none"> <li>Sign multi-title output deals with GKIDS and major OTTs.</li> <li>Bundle TOHO + IG titles for OTT negotiations to raise per-title pricing.</li> </ul>	
	Cultural Integration	<ul style="list-style-type: none"> <li>Too much TOHO intervention in creative decisions may cause friction and reduce production agility.</li> </ul>	<ul style="list-style-type: none"> <li>Implement a "Creative Independence Charter" ensuring autonomy for directors/producers</li> </ul>	

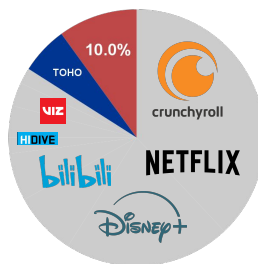
## Next Step

## Expanding TOHO into a Global-Scale Anime Distribution Platform

Rapid Overseas Growth



Overseas Market Share

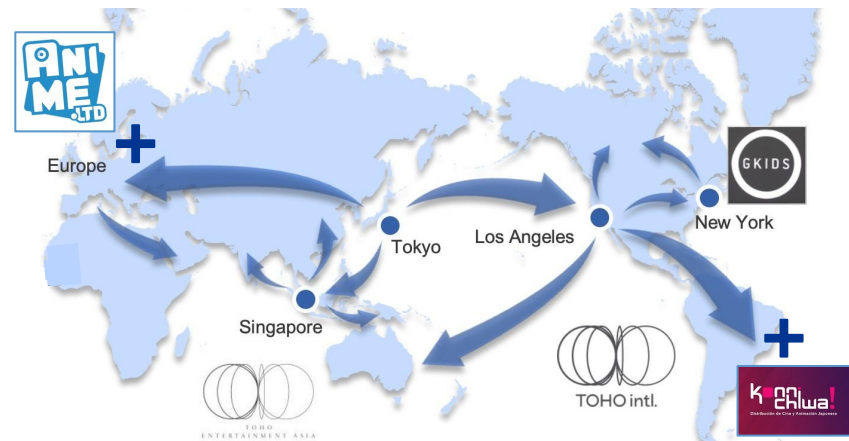


## Europe

Animation revenue is exp. to grow **6–8% CAGR** by 2033, led by **the UK, Germany, and France**, with Italy and Spain as fast-growing markets.

## Anime Limited (UK)

- The largest Japanese animation distributor in the UK.
- Handles theatrical releases, Blu-ray/collector editions, merchandise, and fan events.
- Suitable candidate to become **TOHO Europe HQ**
- Valuation: **€5M–€15M (¥8–24 billion)**
- Strategy: 100% acquisition or 75% acquisition with founders retained for creative leadership.



## Latin America

Latin America is the fastest-growing anime box-office market.

## Konnichiwa Festival (Mexico / Latin America)

- The largest theatrical anime distributor in Latin America.
- Operates across Mexico, Colombia, Chile, Argentina, Peru, etc.
- Can serve as **TOHO Latin America HQ**
- Valuation: **US\$5M–12M (¥7.5–18 billion)**
- Strategy: 100% acquisition or 70/30 split with founders.



ご清聴ありがとうございました

**Thank you  
for your  
listening!**

Toho × IG Port





# APPENDIX

Appendix

Sources

Acquirer Overview	TOHO	Bloomberg, Yahoo Finance, Toho IR
Industry Analysis	Value Chain / Peer Comparison	アニメ産業レポート , Bloomberg, Toho/Sony/Toei IR
Target Analysis	WildBrain	Bloomberg, WildBrain IR, Licensing International
	IG Port	Bloomberg, IG Port IR, Toho IR, Investing.com
Transaction Summary	Valuations & Deal Structure	Bloomberg, Yahoo Finance, Toho/IG Port IR
	Synergies	Toho/IG Port IR
Post - Investment	Risk, Overseas Distribution Targets	Bloomberg

Appendix

Merger Model - Synergy

Synergy Assumptions:		Units:	Projected:						
			FY26	FY27	FY28	FY29	FY30	FY31	FY32
	Integration Costs % FY29 Cost Synergies:	%	100.00%						
	Total Merger & Integration Costs:	\$ M							
	Annual Recognition %	%		60.0%	40.0%	0.0%	0.0%	0.0%	0.0%
	Risk-Free Rate:	%	1.70%						
	Equity Risk Premium:	%	6.10%						
	Historical Levered Beta:	#	0.46						
	Acquirer - Cost of Equity:	%	4.51%						
	Acquirer - Pre-Tax Cost of Debt:	%	1.49%						
	Acquirer - % Equity:	%	99.82%						
	Acquirer - % Debt:	%	0.18%						
	Acquirer's WACC:	%	4.5%						
	After-Tax Synergy Long-Term Growth:	%	1.50%						
Target - Revenue Synergies Based on % Increases:			FY26	FY27	FY28	FY29	FY30	FY31	FY32
	Anime production business	%		10.00%	15.00%	20.00%	20.00%	20.00%	20.00%
	(+) Additional Revenue:	\$ M		782.5	1190.4	1675.0	1695.5	1722.5	1812.7
	(-) Additional Cost of Sales:	\$ M		(141.9)	(251.6)	(357.3)	(365.1)	(374.4)	(397.6)
	(-) Additional Operating Expenses:	\$ M		(101.7)	(132.9)	(187.0)	(189.3)	(192.3)	(202.4)
	Additional Operating Income:	\$ M		538.9	805.9	1130.7	1141.1	1155.8	1212.8
	Licensing business								
	OTT synergy	%		15.00%	30.00%	40.00%	50.00%	50.00%	50.00%
	Movie version by Gkids	\$ M		16.00	16.80	17.64	18.52	19.45	20.42
	(+) Additional Revenue:	\$ M		381.0	783.4	1090.8	1427.1	1498.4	1573.3
	(-) Additional Cost of Sales:	\$ M		(69.1)	(165.6)	(232.7)	(307.3)	(325.7)	(345.1)
	(-) Additional Operating Expenses:	\$ M		(49.5)	(87.5)	(121.8)	(159.3)	(167.3)	(175.6)
	Additional Operating Income:	\$ M		262.4	530.3	736.3	960.4	1005.5	1052.6
	Merchandise Sales Business								
	Old IP	%		10.00%	20.00%	30.00%	30.00%	30.00%	30.00%
	New IP	\$ M		0.00	0.00	150.00	225.00	275.00	325.00
	(+) Additional Revenue:	\$ M		101.5	215.2	492.2	584.3	652.3	721.2
	(-) Additional Cost of Sales:	\$ M		(18.4)	(45.5)	(105.0)	(125.8)	(141.8)	(158.2)
	(-) Additional Operating Expenses:	\$ M		(13.2)	(24.0)	(55.0)	(65.2)	(72.8)	(80.5)
	Additional Operating Income:	\$ M		69.9	145.7	332.3	393.3	437.7	482.5
	Total Revenue Synergies:	\$ M		1265.1	2189.0	3258.0	3706.9	3873.2	4107.2
	Cost of Revenue Synergies:	\$ M		(229.4)	(462.6)	(695.1)	(798.2)	(841.8)	(900.9)
	Operating Expenses on Revenue Synergies:	\$ M		(164.5)	(244.4)	(363.7)	(413.8)	(432.4)	(458.5)

Target - Cost Synergies and Merger & Integration Costs:			FY26	FY27	FY28	FY29	FY30	FY31	FY32
	Target - Reduction in Force:	# People		50	100	150	150	150	150
	SG&A Spending per Employee:	\$ as Stated		2.25	2.43	2.55	2.68	2.81	2.95
	Target - Cost Savings:	\$ M		112.5	243.0	382.7	401.8	421.9	443.0
	Operating margin before M&A:			5.1%	10.0%	10.2%	10.4%	10.6%	10.8%
	Increase of operating margin:			0.50%	1.50%	2.50%	2.50%	2.50%	2.50%
	Operating margin after M&A:			5.6%	11.5%	12.7%	12.9%	13.1%	13.3%
	Target - Cost Savings:	\$ M		69.71	215.00	376.83	387.14	398.85	418.61
	Total SG&A Cost Savings:	\$ M		69.71	215.00	376.83	387.14	398.85	418.61
	Merger & Integration Costs:	\$ M		226.1	154.9	0.0	0.0	0.0	0.0
Value of Synergies to Acquirer:			FY26	FY27	FY28	FY29	FY30	FY31	FY32
	After-Tax Cash Flow from Synergies:	\$ M	0	494.1	1065.9	1780.6	1992.0	2072.1	2188.6
	Terminal Value of Synergies:	\$ M							74034.1
	Present Value of Synergies:	\$ M	64,525.8						
	Equity Purchase Premium:	\$ M	8,103						

Appendix

Merger Model - Combined I/S

Combined Income Statement:		Units:	Projected - Combined Period						
			FY26	FY27	FY28	FY29	FY30	FY31	FY32
Revenue:									
(+) Film Business:	¥ B		172.40	184.12	193.55	200.48	207.68	215.16	
(+) IP & Anime Business:	¥ B		98.56	107.92	118.76	130.54	139.68	149.85	
(+) Theatrical business:	¥ B		23.40	25.16	27.04	29.07	31.25	33.59	
(+) Real estate business:	¥ B		84.04	86.88	89.85	92.93	96.14	99.48	
(+) Other business:	¥ B		1.35	1.40	1.45	1.50	1.55	1.60	
(+) Revenue Synergies:	¥ B		1.27	2.19	3.26	3.71	3.87	4.11	
Total Revenue:	¥ B		381.01	407.67	433.91	458.23	480.17	503.80	
(-) Cost of Sales:	¥ B		(206.90)	(219.55)	(232.28)	(244.14)	(254.81)	(266.33)	
(-) Cost of Revenue Synergies:	¥ B		(0.23)	(0.46)	(0.70)	(0.80)	(0.84)	(0.90)	
Total Cost of Sales:	¥ B		(207.13)	(220.02)	(232.97)	(244.93)	(255.65)	(267.23)	
Gross Profit:	¥ B		173.88	187.66	200.93	213.29	224.52	236.57	
Operating Expenses:									
(-) Selling, General & Administrative:	¥ B		(88.28)	(94.06)	(99.91)	(105.50)	(110.59)	(116.02)	
(-) Operating Expenses on Revenue Synergies:	¥ B		(0.16)	(0.24)	(0.36)	(0.41)	(0.43)	(0.46)	
(+) OpEx Synergies:	¥ B		0.07	0.22	0.38	0.39	0.40	0.42	
(-) Amortization of New Intangibles:	¥ B		(0.79)	(0.79)	(0.79)	(0.79)	(0.79)	(0.79)	
(-) Depreciation of PP&E Write-Up:	¥ B		0.00	0.00	0.00	0.00	0.00	0.00	
(-) Depreciation & Amortization:	¥ B		(7.44)	(7.95)	(8.48)	(8.84)	(9.21)	(9.38)	
(-) New Merger and Integration Costs:	¥ B		(0.23)	(0.15)	0.00	0.00	0.00	0.00	
Total Operating Expenses:	¥ B		(96.84)	(102.98)	(109.18)	(115.16)	(120.64)	(126.24)	
Operating Income:			77.05	84.68	91.76	98.13	103.88	110.33	
(-) Interest Expense:	¥ B		(0.04)	(0.05)	(0.05)	(0.06)	(0.06)	(0.06)	
(+) Interest Income:	¥ B		0.42	0.42	0.47	0.53	0.68	0.83	
(-) Foregone Interest on Cash:	¥ B		(0.37)	(0.37)	(0.37)	(0.37)	(0.37)	(0.37)	
(-) Interest Paid on New Debt Issued:	¥ B		0	0	0	0	0	0	
(-) Amortization of New Debt Issuance Fees:	¥ B		0	0	0	0	0	0	
(+) Investing Income:	¥ B		(0.76)	2.11	3.00	3.14	3.28	3.42	
(+) Income from Affiliates:	¥ B		(1.76)	0.02	0.88	0.88	0.88	0.88	
(+) Other Investment Income:	¥ B		1.00	2.09	2.12	2.27	2.41	2.54	
Pre-Tax Income:	¥ B		76.29	86.78	94.80	101.38	107.41	114.14	
(-) Income Tax Provision:	¥ B		(23.56)	(26.80)	(29.27)	(31.31)	(33.17)	(35.25)	
Net Income:	¥ B		52.73	59.98	65.52	70.07	74.24	78.90	
Net income attributable to minority interest:	¥ B		1.45	1.45	1.45	1.45	1.45	1.45	
Net income attributable to shareholders (GAAI)	¥ B		51.28	58.53	64.08	68.63	72.80	77.45	
(+) Acquirer - Diluted Shares:	M Shares		169.55	169.55	169.55	169.55	169.55	169.55	
(+) Shares Issued in Transaction:	M Shares		0.7	0.7	0.7	0.7	0.7	0.7	
Total Diluted Shares:	M Shares		170.3	170.3	170.3	170.3	170.3	170.3	
Acquirer - Standalone EPS:	¥ / Share		313.33	341.94	367.06	392.66	416.47	442.96	
Earnings Per Share (EPS):	¥ / Share		301.15	343.72	376.28	402.99	427.48	454.79	
Accretion / (Dilution) - \$:	¥ / Share		(12.18)	1.78	9.22	10.33	11.01	11.83	
Accretion / (Dilution) - %:	%		-3.89%	0.52%	2.51%	2.63%	2.64%	2.67%	
Pro-Forma Earnings Per Share (EPS):	¥ / Share		313.79	356.08	388.00	414.71	439.20	466.52	
Pro-Forma Accretion / (Dilution) - \$:	¥ / Share		0.45	14.14	20.94	22.05	22.73	23.56	
Pro-Forma Accretion / (Dilution) - %:	%		0.14%	4.14%	5.70%	5.62%	5.46%	5.32%	

Appendix

Merger Model - Combined B/S

Balance Sheet Combination:		Units:	Acquirer	Target	Pro-Forma Adjustments:		
			FY26	FY26	Debit	Credit	FY26
ASSETS:							
	Current Assets:						
	Cash & Cash Equivalents:	¥ B	77.97	6.27	-	(28.65)	55.59
	Accounts Receivable:	¥ B	75.66	3.84	-	-	79.50
	Inventory & Other Current Assets:	¥ B	74.23	0.56	-	-	74.79
	Total Current Assets:	¥ B	227.86	10.67			209.88
	Long-Term Assets:						
	Net Plants, Property & Equipment:	¥ B	264.18	2.54	-	-	266.72
	LT Investment:	¥ B	129.91	0.23	-	-	130.14
	Goodwill:	¥ B	18.05	0.00	14.58	-	32.63
	Other Intangible Assets:	¥ B	12.70	0.09	17.21	-	30.01
	Other Long-Term Assets:	¥ B	58.47	0.54	-	-	59.02
	Total Long-Term Assets:	¥ B	483.31	3.41			518.51
	TOTAL ASSETS:	¥ B	711.17	14.08			728.39
LIABILITIES & EQUITY:							
	Current Liabilities:						
	Accounts Payable:	¥ B	41.94	0.96	-	-	42.90
	Existing ST Debt:	¥ B	1.57	0.01	-	-	1.58
	Accrued Expenses & Other:	¥ B	47.33	4.10	-	-	51.42
	Total Current Liabilities:	¥ B	90.84	5.06	-	-	95.90
	Long-Term Liabilities:						
	Existing LT Debt:	¥ B	2.57	0.02	-	-	2.59
	Net Deferred Tax Liability (DTL):	¥ B	27.89	0.00	-	5.31	33.20
	Other Long-Term Liabilities:	¥ B	36.85	0.36	-	-	37.21
	Total Long-Term Liabilities:	¥ B	67.31	0.38			73.00
	Total Liabilities:	¥ B	158.15	5.44			168.90
	Common Shareholders' Equity:	¥ B	553.03	8.64	(9.09)	6.92	559.49
	TOTAL LIABILITIES & EQUITY:	¥ B	711.17	14.08			728.39
	Balance Sheet Check:		OK	OK			OK



Appendix

TOHO - I/S

FYE 28 Feb. (in billion JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Revenue	262.77	191.95	228.37	244.30	283.35	313.17	360.00	365.80	391.15	415.58	439.03	460.34	482.94
COGS	149.34	123.49	133.53	135.67	152.78	168.61	193.10	195.48	208.25	220.42	231.98	242.32	253.26
Gross Profit	113.43	68.46	94.84	108.63	130.57	144.56	166.9	170.3	182.9	195.2	207.0	218.0	229.7
Gross Margin	43.2%	35.7%	41.5%	44.5%	46.1%	46.2%	46.4%	46.6%	46.8%	47.0%	47.2%	47.4%	47.6%
Operating expense	60.57	46.02	54.89	63.75	71.32	79.88	92.01	93.91	100.40	106.71	112.61	118.03	123.53
-SG&A	56.59	42.61	51.37	59.79	67.00	74.03	85.09	86.47	92.46	98.23	103.78	108.81	114.15
-D&A	3.99	3.40	3.52	3.96	4.32	5.85	6.9	7.4	7.9	8.5	8.8	9.2	9.4
Operating income	52.86	22.45	39.95	44.88	59.25	64.68	74.88	76.41	82.50	88.44	94.44	99.99	106.15
Operating Margin	20.1%	11.7%	17.5%	18.4%	20.9%	20.7%	20.8%	20.9%	21.1%	21.3%	21.5%	21.7%	22.0%
Non-operating income	2.24	1.75	2.84	2.14	8.72	0.24	(0.33)	2.57	3.50	3.71	4.00	4.29	4.62
-Interest income	0.14	0.08	0.06	0.16	0.77	0.64	0.42	0.42	0.47	0.53	0.68	0.83	1.04
-Interest expense	(0.03)	(0.03)	(0.02)	(0.01)	(0.01)	(0.06)	0.04	0.05	0.05	0.06	0.06	0.06	0.06
-FX income	(0.03)	(0.18)	0.86	0.42	0.44	0.31	-	-	-	-	-	-	-
-Investing income	2.060	1.692	1.722	2.112	2.256	(1.712)	(0.782)	2.087	2.975	3.122	3.264	3.400	3.523
-Income from affiliates	0.436	0.168	0.243	0.394	0.176	(4.210)	(1.784)	0.000	0.855	0.855	0.855	0.855	0.855
-Other investment income	1.624	1.524	1.479	1.718	2.080	2.498	1.003	2.087	2.120	2.267	2.409	2.545	2.668
-Other income (expense)	0.10	0.18	0.23	(0.55)	5.26	1.07	-	-	-	-	-	-	-
Pretax profit (Adj.)	55.10	24.19	42.79	47.02	67.97	64.93	74.56	78.98	86.00	92.16	98.44	104.28	110.78
± Non-recurring items	0.59	(0.46)	1.69	3.47	(0.97)	1.14	-	-	-	-	-	-	-
Pretax profit (GAAP)	55.69	23.74	44.48	50.49	67.00	66.07	74.56	78.98	86.00	92.16	98.44	104.28	110.78
Income tax expense	(17.58)	(7.74)	(13.44)	(15.62)	(20.23)	(21.25)	(23.0)	(24.4)	(26.6)	(28.5)	(30.4)	(32.2)	(34.2)
Net income	38.12	16.00	31.04	34.87	46.77	44.82	51.53	54.59	59.44	63.70	68.04	72.08	76.57
Net income attributable to minority interest	1.51	1.31	1.47	1.44	1.49	1.46	1.46	1.46	1.47	1.46	1.46	1.46	1.46
Net income attributable to shareholders (GAAP)	36.61	14.69	29.57	33.43	45.28	43.36	50.07	53.13	57.98	62.23	66.57	70.61	75.10
Net abnormal gains	(0.41)	0.32	(1.17)	(2.40)	0.67	(0.79)	-	-	-	-	-	-	-
Net income attributable to shareholders (Adj.)	36.20	15.01	28.39	31.03	45.95	42.57	50.07	53.13	57.98	62.23	66.57	70.61	75.10
Shares outstanding (unit: million)	179.66	177.95	176.80	175.61	174.50	170.19	169.6	169.6	169.6	169.6	169.6	169.6	169.6
EPS (GAAP)	203.77	82.54	167.24	190.36	259.51	254.75	295.31	313.33	341.94	367.06	392.66	416.47	442.96
EPS (Adjusted)	201.48	84.32	160.60	176.67	263.34	250.11	295.31	313.33	341.94	367.06	392.66	416.47	442.96



# Appendix

## TOHO - B/S

FYE 28 Feb. (in billion JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
<b>Assets</b>													
Current Assets													
- Cash and cash equivalents	118.45	85.83	92.34	112.12	82.42	76.61	77.97	86.60	98.07	124.39	151.77	190.95	234.83
- Cash and Deposit	29.32	37.49	37.71	44.22	38.67	42.84							
- ST investment (market securities)	38.30	38.76	39.97	42.08	32.44	20.27	42.17	42.85	45.82	48.69	51.43	53.93	56.58
- ST investment (market securities)	127.42	87.09	94.61	109.99	76.19	54.03							
- Account Receivables	43.54	37.99	39.63	48.83	57.92	70.85	75.66	78.14	84.75	88.72	94.21	98.93	103.51
- Inventory	10.46	8.91	8.42	11.00	13.13	21.07	18.79	20.08	22.56	22.66	24.27	25.50	26.39
- Other CA	9.12	12.55	7.51	10.68	22.59	13.26	13.26	13.26	13.26	13.26	13.26	13.26	13.26
<b>Total Current Assets</b>	<b>219.87</b>	<b>184.03</b>	<b>187.87</b>	<b>224.71</b>	<b>208.50</b>	<b>202.05</b>	<b>227.86</b>	<b>154.33</b>	<b>166.39</b>	<b>173.32</b>	<b>183.17</b>	<b>191.63</b>	<b>199.74</b>
Non-Current Assets													
- PP&E	151.72	151.63	169.87	177.45	224.85	243.50	264.18	284.13	305.36	319.38	334.40	340.98	348.49
- LT Investments	83.13	103.49	111.88	98.10	118.55	118.29	129.91	138.65	146.03	154.55	162.01	170.75	178.92
- Goodwill	4.17	3.46	2.75	2.03	1.93	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05
- Other Intangibles	2.59	2.61	2.64	2.92	5.09	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
- Deferred Tax Asset	2.24	2.73	2.38	3.52	3.06	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
- Investments in Affiliates	10.52	10.06	10.14	10.42	35.62	35.69	35.69	35.69	35.69	35.69	35.69	35.69	35.69
- Other NCA	16.04	15.81	15.01	14.94	18.22	19.36	19.36	19.36	19.36	19.36	19.36	19.36	19.36
<b>Total Non-Current Assets</b>	<b>270.41</b>	<b>289.78</b>	<b>314.67</b>	<b>309.39</b>	<b>407.32</b>	<b>451.02</b>	<b>483.31</b>	<b>512.00</b>	<b>540.61</b>	<b>563.16</b>	<b>585.64</b>	<b>600.95</b>	<b>616.64</b>
<b>Total Assets:</b>	<b>490.28</b>	<b>473.80</b>	<b>502.53</b>	<b>534.10</b>	<b>615.83</b>	<b>653.07</b>	<b>711.17</b>	<b>666.34</b>	<b>707.01</b>	<b>736.48</b>	<b>768.81</b>	<b>792.58</b>	<b>816.38</b>

Appendix

TOHO - B/S

FYE 28 Feb. (in billion JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
<b>Liabilities</b>													
Current Liabilities													
- A/P	21.08	18.40	19.31	30.77	32.77	35.46	41.94	42.46	45.23	47.87	50.38	52.63	55.00
- Accrued Taxes	11.26	2.26	9.75	9.78	12.00	13.17	14.12	14.95	16.28	17.45	18.64	19.74	20.97
- Other payables & accruals	11.26	6.88	7.39	9.28	9.08	21.34	12.68	12.88	13.78	14.64	15.46	16.21	17.01
- ST Borrowings(& long term short portion)	1.47	1.45	0.20	1.23	1.29	0.44	1.57	1.60	1.71	1.82	1.92	2.01	2.11
- Other CL	11.56	10.49	10.89	14.70	14.00	20.53	20.53	20.53	20.53	20.53	20.53	20.53	20.53
<b>Total Current Liabilities</b>	<b>56.63</b>	<b>39.47</b>	<b>47.53</b>	<b>65.76</b>	<b>69.14</b>	<b>90.94</b>	<b>90.84</b>	<b>92.43</b>	<b>97.53</b>	<b>102.31</b>	<b>106.94</b>	<b>111.13</b>	<b>115.62</b>
Non-Current Liabilities													
- LT Debt	2.05	2.02	2.01	1.33	3.19	2.57	2.57	2.57	2.57	2.57	2.57	2.57	2.57
- Deferred Tax Liabilities	10.46	11.76	11.63	10.43	21.53	27.89	27.89	27.89	27.89	27.89	27.89	27.89	27.89
- Other NCL	32.93	31.53	32.18	32.89	37.21	36.85	36.85	36.85	36.85	36.85	36.85	36.85	36.85
<b>Total Non-Current Liabilities</b>	<b>45.44</b>	<b>45.32</b>	<b>45.82</b>	<b>44.64</b>	<b>61.93</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>	<b>67.31</b>
<b>Total Liabilities:</b>	<b>102.07</b>	<b>84.79</b>	<b>93.35</b>	<b>110.41</b>	<b>131.07</b>	<b>158.25</b>	<b>158.15</b>	<b>159.74</b>	<b>164.84</b>	<b>169.62</b>	<b>174.25</b>	<b>178.44</b>	<b>182.94</b>
<b>Equity</b>													
Common Stock	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36	10.36
Additional Paid In Capital	14.09	14.09	14.12	14.18	14.22	14.22	14.22	14.22	14.22	14.22	14.22	14.22	14.22
Retained Earnings	352.17	357.07	380.43	404.23	439.93	466.07	503.02	542.23	585.01	630.94	680.07	732.18	787.61
Treasury Stock	(16.90)	(23.77)	(28.71)	(38.87)	(42.83)	(65.03)	(65.03)	(65.03)	(65.03)	(65.03)	(65.03)	(65.03)	(65.03)
Comprehensive Inc. and Other	16.13	18.08	19.53	19.41	37.22	52.78	74.04	74.01	76.26	78.35	80.30	81.94	83.70
<b>Total Common Equity</b>	<b>375.84</b>	<b>375.82</b>	<b>395.72</b>	<b>409.31</b>	<b>458.89</b>	<b>478.39</b>	<b>536.60</b>	<b>575.78</b>	<b>620.81</b>	<b>668.83</b>	<b>719.91</b>	<b>773.67</b>	<b>830.85</b>
Minority Interest	12.37	13.19	13.46	14.38	25.87	16.43	16.43	16.43	16.43	16.43	16.43	16.43	16.43
<b>Total Equity</b>	<b>388.21</b>	<b>389.01</b>	<b>409.18</b>	<b>423.69</b>	<b>484.76</b>	<b>494.82</b>	<b>553.03</b>	<b>592.20</b>	<b>637.24</b>	<b>685.25</b>	<b>736.34</b>	<b>790.09</b>	<b>847.27</b>
<b>Total Liabilities and Equity</b>	<b>490.28</b>	<b>473.80</b>	<b>502.53</b>	<b>534.10</b>	<b>615.83</b>	<b>653.07</b>	<b>711.17</b>	<b>751.94</b>	<b>802.08</b>	<b>854.87</b>	<b>910.58</b>	<b>968.53</b>	<b>1030.21</b>
Balance Check	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

Appendix

TOHO - C/F

FYE 28 Feb. (in billion JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Net Income	36.61	14.69	29.57	33.43	45.28	43.36	50.07	53.13	57.98	62.23	66.57	70.61	75.10
Non-cash Items													
- D&A	10.07	8.80	8.95	11.34	10.79	15.06	15.33	16.63	17.88	19.22	20.10	21.05	21.46
- Other non-cash items	9.61	(10.57)	12.97	0.96	(3.47)	7.06	-	-	-	-	-	-	-
Change in WC													
- Change in A/R	(3.20)	4.64	(2.65)	(9.91)	(8.34)	(1.86)	(4.81)	(2.47)	(6.61)	(3.97)	(5.49)	(4.72)	(4.57)
- Change in Inventory	(0.18)	1.44	0.58	(2.48)	(2.00)	(5.25)	2.27	(1.29)	(2.48)	(0.10)	(1.61)	(1.23)	(0.89)
- Change in A/P	1.52	(2.68)	0.89	11.42	1.30	(5.84)	6.48	0.52	2.77	2.64	2.51	2.25	2.37
- Change in Other WC	1.47	(3.80)	3.15	0.64	(0.22)	(0.91)	(7.72)	1.04	2.22	2.03	2.02	1.86	2.03
Cash Flow From Operations	55.89	12.51	53.46	45.40	43.35	51.62	61.62	67.55	71.76	82.06	84.10	89.80	95.50
CapEx (Acq of Fixed & Intangibles)	(10.69)	(9.52)	(26.94)	(16.92)	(21.69)	(32.53)	(36.00)	(36.58)	(39.12)	(33.25)	(35.12)	(27.62)	(28.98)
Disposal of Fixed & Intangibles	1.51	0.78	0.18	0.37	0.22	1.29	-	-	-	-	-	-	-
Net change in LT investment	(20.52)	(26.01)	(15.56)	(1.67)	(13.84)	(1.03)	(11.62)	(8.74)	(7.38)	(8.52)	(7.46)	(8.74)	(8.17)
Net cash from Acq (Subs & JV)	0.16	0.00	(0.09)	(0.84)	(42.70)	(23.75)	-	-	-	-	-	-	-
Other Investing Activities	22.35	7.52	6.39	9.89	15.30	37.55	-	-	-	-	-	-	-
Cash Flow From Investing	(7.19)	(27.23)	(36.03)	(9.18)	(62.70)	(18.47)	(47.62)	(44.32)	(44.49)	(38.77)	(38.58)	(31.36)	(31.14)
Dividends Paid	(8.10)	(9.86)	(6.21)	(8.38)	(10.49)	(17.19)	(13.12)	(13.92)	(15.19)	(16.31)	(17.44)	(18.50)	(19.68)
Increase/(Decrease) in ST Debt	(0.04)	(0.00)	(0.06)	(0.01)	(0.42)	(0.02)	1.13	0.03	0.11	0.11	0.10	0.09	0.09
Increase/(Decrease) in LT Debt	(0.01)	(0.02)	(0.02)	(0.03)	(0.26)	(1.61)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repurchase of Equity	(0.02)	(6.87)	(5.79)	(10.19)	(0.01)	(19.90)	-	-	-	-	-	-	-
Other Financing Activities	(0.24)	(0.47)	(0.42)	(0.51)	(0.45)	(0.58)	(0.65)	(0.71)	(0.72)	(0.77)	(0.80)	(0.85)	(0.89)
Cash from Financing	(8.41)	(17.22)	(12.48)	(19.13)	(11.63)	(39.30)	(12.64)	(14.60)	(15.80)	(16.97)	(18.14)	(19.26)	(20.48)
FX effect	(0.34)	(0.68)	1.57	2.68	1.28	0.33	-	-	-	-	-	-	-
Net Change in Cash	39.95	(32.62)	6.51	19.78	(29.70)	(5.82)	1.37	8.63	11.47	26.32	27.38	39.18	43.88
Beg Cash Bal.	78.50	118.45	85.83	92.34	112.12	82.42	76.61	77.97	86.60	98.07	124.39	151.77	190.95
End Cash Bal.	118.45	85.83	92.34	112.12	82.42	76.61	77.97	86.60	98.07	124.39	151.77	190.95	234.83

Appendix

TOHO - Revenue Stream

Revenue	Historical			Estimated						
	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Film business	158,015	192,794	209,253	179,000	172,399	184,122	193,553	200,478	207,676	215,160
Movie production & distribution	40,903	46,505	55,958	66,200	69,510	72,986	76,635	80,467	84,490	88,714
Movie theater chain	71,054	78,440	75,633	93,800	83,509	91,369	96,755	99,445	102,209	105,048
Production & licensing business	46,058	67,849	77,661							
Other film business				19,000	19,380	19,768	20,163	20,566	20,978	21,397
IP and Anime business				75,900	84,616	93,591	103,688	115,057	123,730	133,110
YoY				11.5%	10.6%	10.8%	10.8%	11.0%	7.5%	7.6%
Theatrical business	18,202	20,153	22,890	22,500	23,400	25,155	27,042	29,070	31,250	33,594
YoY	20.1%	10.7%	13.6%	-1.7%	4.0%	7.5%	7.5%	7.5%	7.5%	7.5%
Real estate business	66,913	69,142	79,653	81,300	84,035	86,882	89,845	92,928	96,138	99,480
Lease of land and buildings	28,022	29,387	37,945	40,200	42,075	44,038	46,093	48,243	50,494	52,849
YoY	3.2%	4.9%	29.1%	5.9%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Road	28,907	29,245	30,274	29,300	29,696	30,097	30,503	30,915	31,333	31,756
YoY	-0.2%	1.2%	3.5%	-3.2%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Building maintenance	9,983	10,509	11,430	11,800	12,264	12,747	13,249	13,770	14,312	14,875
YoY	2.9%	5.3%	8.8%	3.2%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Other business	1,163	1,256	1,375	1,300	1,350	1,400	1,450	1,500	1,550	1,600
Total	244,293	283,345	313,171	360,000	365,801	391,150	415,577	439,032	460,344	482,944

Revenue	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
IP & Anime breakdown													
Revenue			41,441	24,252	47,647	55,478	75,900	84,616	93,591	103,688	115,057	123,730	133,110
Production & Licensing of video content			19,184	12,691	27,630	28,925	31,936	36,085	40,779	46,080	52,071	56,236	60,735
Licensing of merchandising rights			8,166	6,281	7,916	11,185	16,822	20,186	23,214	26,697	30,701	33,771	37,148
Sales & Merchandising			11,959	3,872	7,371	11,248	19,292	20,257	21,269	22,333	23,450	24,622	25,853
Other			2,132	1,408	4,730	4,120	7,850	8,086	8,328	8,578	8,835	9,100	9,373
Movie theater chain breakdown													
Revenue	91,258	46,242	57,673	71,054	78,440	75,633	93,800	83,509	91,369	96,755	99,445	102,209	105,048
Total number of admissions (K)	49,970	25,325	30,008	39,263	40,893	38,399	46,235	40,159	43,077	44,722	45,064	45,408	45,755
Avg. revenue per customer	1,826	1,826	1,922	1,810	1,918	1,970	2,029	2,079	2,121	2,163	2,207	2,251	2,296
YoY		0.0%	5.3%	-5.8%	6.0%	2.7%	3.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%
TOHO's Screen number	695	702	712	721	722	717	722	728	734	739	745	751	756
Japan's screen number	3,583	3,616	3,648	3,634	3,653	3,675	3,694	3,713	3,731	3,750	3,770	3,789	3,808
YoY		0.9%	0.9%	-0.4%	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Toho market share	19.4%	19.4%	19.5%	19.8%	19.8%	19.5%	19.6%	19.6%	19.7%	19.7%	19.8%	19.8%	19.9%
Assumptions:													
Max capacity for each screen	130												
Movies displayed per day	8												
Days per year	365												
TOHO's capacity (unit: 千人)	247,333	249,824	253,383	256,586	256,942	255,162	257,120	259,090	261,074	263,071	265,082	267,107	269,145
UTR	20.2%	10.1%	11.8%	15.3%	15.9%	15.0%	18.0%	15.5%	16.5%	17.0%	17.0%	17.0%	17.0%



Appendix

Wlidbrain - I/S

FYE 30 June (in million USD)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Income Statement													
Revenue	317.34	353.20	400.77	397.95	340.91	375.27	320.57	305.85	299.19	303.93	308.75	313.66	318.65
COGS	177.29	201.09	225.71	217.57	177.69	200.92	170.99	169.26	162.58	164.55	166.54	169.19	171.88
Gross Profit	140.05	152.11	175.06	180.38	163.22	174.35	149.6	136.6	136.6	139.4	142.2	144.5	146.8
<i>Gross Margin</i>	44.1%	43.1%	43.7%	45.3%	47.9%	46.5%	46.7%	44.7%	45.7%	45.9%	46.1%	46.1%	46.1%
Operating expense	94.23	98.27	117.54	122.81	114.19	111.67	96.87	93.31	91.79	93.12	94.48	95.88	97.31
-SG&A	57.84	62.86	82.27	82.90	75.59	80.12	68.44	65.30	63.88	64.89	65.92	66.97	68.03
-R&D	13.39	6.72	4.96	12.85	11.77	8.44	7.21	6.88	6.73	6.84	6.94	7.05	7.17
-D&A	18.02	17.89	18.95	18.34	18.46	13.95	13.40	13.67	13.88	13.99	14.09	14.21	14.34
Other OP expense	4.98	10.80	11.35	8.72	8.36	9.15	7.82	7.46	7.30	7.41	7.53	7.65	7.77
Operating income	45.82	53.84	57.52	57.57	49.03	62.68	52.71	43.28	44.83	46.26	47.73	48.59	49.46
<i>Operating Margin</i>	14.4%	15.2%	14.4%	14.5%	14.4%	16.7%	16.4%	14.2%	15.0%	15.2%	15.5%	15.5%	15.5%
Non-operating income													
(47.31)	(13.39)	(41.28)	(62.61)	(45.16)	(52.59)	(49.76)	(50.39)	(52.62)	(54.81)	(57.37)	(59.83)	(62.44)	
Interest income	1.31	1.58	2.40	1.98	2.86	2.11	2.20	(2.78)	(5.17)	(7.42)	(9.93)	(12.33)	(14.87)
-Interest expense	(35.97)	(32.53)	(31.52)	(38.00)	(34.97)	(51.87)	(49.12)	(44.78)	(44.62)	(44.56)	(44.61)	(44.67)	(44.74)
-FX income	(10.47)	19.50	(17.19)	(8.00)	(10.83)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)
-Investing income	(2.18)	(1.94)	5.03	(18.59)	(2.22)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)
-Income from affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-Other investment income	(2.18)	(1.94)	5.03	(18.59)	(2.22)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)	(2.60)
Pretax profit (Adj.)	(1.49)	40.45	16.24	(5.04)	3.87	10.09	2.96	(7.10)	(7.79)	(8.55)	(9.65)	(11.24)	(12.98)
- Abnormal Losses (Gains)	(152.91)	(24.98)	7.62	(2.55)	(74.17)	(49.28)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pretax profit (GAAP)	(154.40)	15.47	23.86	(7.59)	(70.30)	(39.19)	2.96	(7.10)	(7.79)	(8.55)	(9.65)	(11.24)	(12.98)
Income tax expense	(1.27)	2.57	1.23	(5.51)	10.98	0.56	(0.32)	0.77	0.85	0.93	1.05	1.22	1.41
Net income	(155.67)	18.04	25.09	(13.10)	(59.32)	(38.63)	2.63	(6.33)	(6.94)	(7.62)	(8.60)	(10.02)	(11.57)
Net income attributable to minority interest	(20.26)	(23.56)	(20.64)	(20.92)	(18.92)	(25.76)	(21.56)	(21.79)	(22.01)	(22.78)	(22.03)	(22.15)	(22.24)
Net income attributable to shareholders (GAAP)	(175.93)	(5.52)	4.45	(34.02)	(78.24)	(64.39)	(18.93)	(28.12)	(28.95)	(30.40)	(30.63)	(32.17)	(33.81)
Net Abnormal Losses (Gains)	112.40	18.40	(5.60)	1.90	54.50	36.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income attributable to shareholders (Adj.)	(63.53)	12.88	(1.15)	(32.12)	(23.74)	(28.19)	(18.93)	(28.12)	(28.95)	(30.40)	(30.63)	(32.17)	(33.81)
Shares outstanding (unit: million)	156.75	171.22	172.58	177.42	205.94	211.91	211.91	211.91	211.91	211.91	211.91	211.91	211.91
EPS (GAAP)	(1.12)	(0.03)	0.02	(0.19)	(0.38)	(0.30)	(0.09)	(0.13)	(0.14)	(0.14)	(0.14)	(0.15)	(0.16)
EPS (Adjusted)	(0.41)	0.08	(0.01)	(0.18)	(0.12)	(0.13)	(0.09)	(0.13)	(0.14)	(0.14)	(0.14)	(0.15)	(0.16)

## Appendix

## Wlidbrain - B/S

FYE 30 June (in million USD)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Balance Sheet													
Assets													
Current Assets													
- Cash and Deposit	49.86	63.21	46.53	60.74	36.35	50.54	(63.92)	(118.83)	(170.68)	(228.40)	(283.63)	(342.16)	(402.56)
- ST Investment (market securities)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Account Receivables	92.94	97.82	133.66	165.12	152.96	126.85	128.40	121.04	113.13	118.96	119.93	121.07	123.84
- Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Other CA	176.00	194.60	200.90	202.78	174.99	136.32	136.32	136.32	136.32	136.32	136.32	136.32	136.32
Total Current Assets	318.80	355.63	381.09	428.64	364.30	313.71	200.81	138.53	78.77	26.90	(27.37)	(84.76)	(142.40)
Non-Current Assets													
- PP&E	39.84	38.06	30.52	25.88	19.27	15.31	21.89	26.55	28.96	31.41	34.05	37.14	40.69
- LT Investments	15.45	41.91	65.87	64.61	57.66	40.02	40.02	40.02	40.02	40.02	40.02	40.02	40.02
- Goodwill	40.65	42.85	41.98	16.20	20.87	20.89	20.89	20.89	20.89	20.89	20.89	20.89	20.89
- Other Intangibles	347.04	349.45	348.78	336.48	283.10	274.27	274.27	274.27	274.27	274.27	274.27	274.27	274.27
- Deferred Tax Asset	0.00	0.00	0.00	0.00	7.93	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72
- Investments in Affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Other NCA	80.11	81.12	78.91	43.67	17.01	6.96	6.96	6.96	6.96	6.96	6.96	6.96	6.96
Total Non-Current Assets	523.09	553.39	566.06	489.04	405.86	374.19	380.57	385.43	387.86	390.29	392.53	396.02	399.57
Total Assets:	841.89	909.02	947.15	917.68	770.16	687.90	581.37	523.96	466.63	417.20	365.56	311.26	257.17
Liabilities													
Current Liabilities													
- AP	72.66	105.01	140.58	129.61	99.93	115.85	98.87	97.87	94.01	95.15	96.30	97.83	99.39
- Accrued Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Other payables & accruals	0.00	0.00	0.00	0.00	0.00	0.00	109.31	104.30	102.02	103.64	105.28	106.96	108.66
- ST Borrowings (& long term short portion)	14.16	10.44	35.43	15.05	120.44	66.51	32.92	31.71	31.19	31.65	32.11	32.58	33.07
- Other CL	84.50	86.56	110.59	122.79	84.99	69.14	62.24	62.24	62.24	62.24	62.24	62.24	62.24
Total Current Liabilities	171.32	202.61	286.60	267.45	305.36	251.50	303.35	296.12	289.47	292.68	295.94	299.61	303.35
Non-Current Liabilities													
- LT Debt	399.21	413.66	391.44	387.68	280.65	313.34	313.34	313.34	313.34	313.34	313.34	313.34	313.34
- Other NCL	20.56	49.21	24.08	16.43	3.91	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94
Total Non-Current Liabilities	419.77	462.87	415.52	404.31	284.56	315.28	315.28	315.28	315.28	315.28	315.28	315.28	315.28
Total Liabilities:	591.09	664.88	702.12	671.76	589.92	566.78	618.63	611.40	604.75	607.96	611.22	614.89	618.63
Equity													
Common Stock	268.97	296.07	298.46	306.61	304.06	310.71	310.71	310.71	310.71	310.71	310.71	310.71	310.71
Additional Paid In Capital	26.84	31.48	34.17	32.16	33.49	35.80	35.80	35.80	35.80	35.80	35.80	35.80	35.80
Retained Earnings	(227.19)	(255.02)	(241.44)	(269.38)	(338.07)	(405.19)	(424.12)	(452.24)	(481.19)	(511.58)	(542.22)	(574.38)	(608.19)
Treasury Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Comprehensive Inc. and Other	(6.87)	(17.24)	(17.48)	(11.93)	(7.35)	(6.39)	(29.99)	(52.05)	(73.78)	(96.03)	(120.29)	(146.10)	(170.13)
Total Common Equity	59.75	55.29	61.71	57.48	(7.87)	(65.07)	(107.60)	(157.78)	(208.46)	(261.10)	(316.00)	(373.97)	(431.81)
Minority Interest	191.05	188.85	183.32	186.44	188.11	186.19	186.19	186.19	186.19	186.19	186.19	186.19	186.19
Total Equity	250.80	244.14	245.03	245.92	180.24	121.12	78.59	28.41	(22.27)	(74.91)	(129.81)	(187.78)	(245.62)
Total Liabilities and Equity	841.89	909.02	947.15	917.68	770.16	687.90	697.22	639.81	582.48	533.05	481.41	427.11	373.02
Balance Check	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

Appendix

Wlidbrain - CF/S

FYE 30 June (in million USD)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Cash Flow Statement													
Net Income	(175.93)	(5.52)	4.45	(34.02)	(78.24)	(64.39)	(18.93)	(28.12)	(28.95)	(30.40)	(30.63)	(32.17)	(33.81)
Non-cash Items													
- D&A	18.02	17.89	18.95	18.34	18.46	13.95	0.69	0.98	1.20	1.31	1.42	1.53	1.67
- Other non-cash items	196.38	8.09	15.10	102.96	154.51	149.37	-	-	-	-	-	-	-
Change in WC													
- Change in A/R	49.84	5.24	(42.31)	(32.31)	20.30	22.40	(1.55)	7.36	7.91	(5.85)	(0.95)	(1.14)	(2.77)
- Change in Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Change in A/P	0.00	0.00	0.00	0.00	0.00	0.00	(16.98)	(1.00)	(3.86)	1.14	1.15	1.53	1.56
- Change in Other WC	(16.07)	31.75	29.96	15.37	(60.71)	(11.95)	(13.44)	(5.02)	(2.27)	1.62	1.64	1.67	1.70
Cash Flow From Operations	72.24	57.45	26.15	70.34	54.32	109.38	(50.20)	(25.80)	(25.97)	(32.19)	(27.37)	(28.57)	(31.64)
CapEx (Acq of Fixed & Intangibles)	(5.56)	(11.84)	(8.56)	(6.28)	(1.93)	(2.15)	(7.07)	(5.84)	(3.63)	(3.74)	(4.05)	(4.63)	(5.22)
Disposal of Fixed & Intangibles	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-
Net change in LT investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash from Acq (Subs & JV)	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-
Other Investing Activities	0.00	0.00	0.00	0.00	(2.61)	(0.07)	-	-	-	-	-	-	-
Cash Flow From Investing	(5.56)	(11.84)	(8.56)	(6.28)	(4.54)	(2.22)	(7.07)	(5.84)	(3.63)	(3.74)	(4.05)	(4.63)	(5.22)
Dividends Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase/(Decrease) in ST Debt	(11.75)	(8.81)	22.06	0.42	(15.49)	(11.78)	(33.59)	(1.21)	(0.52)	0.45	0.46	0.47	0.49
Increase/(Decrease) in LT Debt	(40.84)	(2.38)	(31.11)	(37.06)	(39.18)	(43.64)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repurchase of Equity	43.57	(1.13)	0.28	(1.83)	1.52	4.29	-	-	-	-	-	-	-
Other Financing Activities	(25.51)	(24.49)	(27.68)	(16.26)	(19.27)	(46.33)	(23.60)	(22.07)	(21.72)	(22.25)	(24.27)	(25.80)	(24.03)
Cash from Financing	(34.53)	(36.81)	(36.45)	(54.73)	(72.42)	(97.46)	(57.19)	(23.27)	(22.24)	(21.79)	(23.80)	(25.33)	(23.54)
FX effect	1.05	(2.92)	0.43	(0.66)	0.03	0.10	-	-	-	-	-	-	-
Net Change In Cash	33.20	5.88	(18.43)	8.67	(22.61)	9.80	(114.46)	(54.91)	(51.85)	(57.72)	(55.23)	(58.53)	(60.41)
Beg Cash Bal.	16.66	49.86	63.21	46.53	60.74	36.35	50.54	(63.92)	(118.83)	(170.68)	(228.40)	(283.63)	(342.16)
End Cash Bal.	49.86	63.21	46.53	60.74	36.35	50.54	(63.92)	(118.83)	(170.68)	(228.40)	(283.63)	(342.16)	(402.56)



Appendix

Wlidbrain - DCF

Sensitivity Analysis

Terminal Growth Rate	WACC											
	2.19	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%	8.2%
	2.3%	3.80	3.50	3.23	2.98	2.75	2.54	2.35	2.17	2.00	1.85	1.71
	2.2%	3.68	3.39	3.13	2.89	2.67	2.46	2.28	2.11	1.95	1.80	1.66
	2.1%	3.56	3.28	3.03	2.80	2.59	2.39	2.21	2.05	1.89	1.75	1.61
	2.0%	3.45	3.18	2.94	2.72	2.51	2.32	2.15	1.99	1.84	1.70	1.57
	1.9%	3.34	3.09	2.85	2.64	2.44	2.26	2.09	1.93	1.79	1.65	1.52
	1.8%	3.24	2.99	2.77	2.56	2.37	2.19	2.03	1.88	1.74	1.60	1.48
	1.7%	3.14	2.90	2.69	2.49	2.30	2.13	1.97	1.83	1.69	1.56	1.44
	1.6%	3.05	2.82	2.61	2.42	2.24	2.07	1.92	1.78	1.64	1.52	1.40
	1.5%	2.96	2.74	2.54	2.35	2.18	2.02	1.87	1.73	1.60	1.47	1.36
	1.4%	2.87	2.66	2.47	2.29	2.12	1.96	1.82	1.68	1.55	1.43	1.32
	1.3%	2.79	2.59	2.40	2.22	2.06	1.91	1.77	1.64	1.51	1.39	1.28

Exit Multiple	WACC											
	1.89	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%	8.2%
	8.0	2.57	2.52	2.46	2.41	2.35	2.30	2.25	2.20	2.15	2.10	2.05
	7.8	2.48	2.43	2.38	2.32	2.27	2.22	2.17	2.12	2.07	2.02	1.97
	7.6	2.40	2.34	2.29	2.24	2.19	2.14	2.09	2.04	1.99	1.94	1.89
	7.4	2.31	2.26	2.20	2.15	2.10	2.05	2.00	1.96	1.91	1.86	1.82
	7.2	2.22	2.17	2.12	2.07	2.02	1.97	1.92	1.88	1.83	1.78	1.74
	7.0	2.13	2.08	2.03	1.98	1.94	1.89	1.84	1.80	1.75	1.71	1.66
	6.8	2.05	2.00	1.95	1.90	1.85	1.81	1.76	1.72	1.67	1.63	1.58
	6.6	1.96	1.91	1.86	1.82	1.77	1.72	1.68	1.64	1.59	1.55	1.51
	6.4	1.87	1.82	1.78	1.73	1.69	1.64	1.60	1.56	1.51	1.47	1.43
	6.2	1.78	1.74	1.69	1.65	1.60	1.56	1.52	1.48	1.43	1.39	1.35
	6.0	1.69	1.65	1.61	1.56	1.52	1.48	1.44	1.39	1.35	1.31	1.28

Appendix

Wlidbrain - Trading comps

Company	Ticker	Market Data					Financials			Valuation		
		Share Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Sales	EV/EBITDA	P/E
WildBrain	WILD.TO	1.31	212.40	278.24	329.30	607.54	375.30	41.00	- 28.20	1.62x	14.82x	NA
Kartoon Studios, Inc.	TOON	0.78	47.98	37.47	2.24	39.71	37.91	- 16.22	- 20.51	1.05x	NA	NA
Thunderbird Entertainment Group I	TBRD.V	1.40	50.05	70.07	25.02	95.09	190.12	37.48	7.02	0.50x	2.54x	9.98x
Spin Master Corp.	TOY.TO	19.00	32.70	621.30	163.30	784.60	2,290.00	298.90	90.20	0.34x	2.62x	6.89x
Boat Rocker Studios	-	-	-	96.29	1.06	97.35	193.50	8.20	- 14.80	0.50x	11.87x	NA
Mondo TV S.p.A.	MTV.MI	0.06	88.18	5.64	7.30	12.95	5.40	- 3.23	- 22.16	2.40x	NA	NA
Mattel, Inc.	MAT	18.10	322.20	5,831.82	946.44	6,778.26	5,335.00	959.42	526.67	1.27x	7.06x	11.07x
Hasbro, Inc.	HAS	74.64	140.23	10,466.77	2,686.10	13,152.87	4,250.80	911.10	- 568.30	3.09x	14.44x	NA
High										3.09x	14.82x	11.07x
75th Percentile										1.81x	13.80x	10.53x
Average										1.35x	8.89x	9.31x
Median										1.16x	9.47x	9.98x
25th Percentile										0.50x	3.73x	8.43x
Low										0.34x	2.54x	6.89x

Implied Valuation											
	Min	EV	Max		Min	EqV	Max		Min	Price	Max
EV/Sales	188.54	434.96	680.66		45.42	291.84	537.54		0.21	1.38	2.54
EV/EBITDA	153.13	388.20	565.60		10.01	245.08	422.48		0.05	1.16	1.99

EV-to-equity value bridging	-143.12
-Debt	-379.85
+Cash	50.54
-Minority Interest	186.19

Shares out standing	211.91
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Summary Table	Min	Difference	Max
Past 90 days range	1.35	0.60	1.95
EV/Sales	0.21	2.32	2.54
EV/EBITDA	0.05	1.95	1.99
DCF (PGR)	1.28	2.52	3.80
DCF(Exit Multiples)	1.28	1.30	2.57

Appendix

IG Port - I/S

FYE 31 May (in million JPY)	Historical						Estimated				
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F
Income Statement											
Revenue	9034.54	9951.13	11872.36	11163.70	11841.36	14598.27	13587.01	13942.79	14333.63	15073.09	15485.52
COGS	7616.84	7891.53	9764.40	8437.35	9163.66	11542.32	10715.58	11414.45	11304.41	11857.45	12150.93
Gross Profit	1417.71	2059.61	2107.96	2726.35	2677.70	3055.95	2871.4	2528.3	3029.2	3215.6	3334.6
Gross Margin	15.7%	20.7%	17.8%	24.4%	22.6%	20.9%	21.1%	18.1%	21.1%	21.3%	21.5%
Operating expense	1134.76	1368.71	1534.47	1734.96	1451.96	1629.76	1516.86	1812.56	1600.22	1682.77	1728.82
-SG&A	1134.76	1368.71	1534.47	1734.96	1451.96	1629.76	1516.86	1812.56	1600.22	1682.77	1728.82
-D&A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating income	282.95	690.90	573.49	991.38	1225.74	1426.19	1354.56	715.77	1429.00	1532.87	1605.78
Operating Margin	3.1%	6.9%	4.8%	8.9%	10.4%	9.8%	10.0%	5.1%	10.0%	10.2%	10.4%
Non-operating income	(60.09)	51.49	0.98	8.35	123.59	(5.91)	21.15	21.14	21.15	21.14	21.14
-Interest income	1.01	0.89	0.37	0.67	0.82	4.15	0.00	0.00	0.00	0.00	0.00
-Interest expense	(0.81)	(0.70)	(0.55)	(0.61)	(0.60)	(0.05)	0.05	0.05	0.05	0.05	0.05
-FX income	(0.31)	0.00	25.23	(1.18)	(1.90)	(12.67)	-	-	-	-	-
-Investing income	(59.97)	51.31	(24.06)	9.47	125.27	2.66	21.10	21.10	21.10	21.10	21.10
-Income from affiliates	0.00	24.06	(31.11)	3.13	6.76	16.67	21.10	21.10	21.10	21.10	21.10
-Other investment income	(59.97)	27.25	7.05	6.34	118.51	(14.02)	0.00	0.00	0.00	0.00	0.00
Pretax profit (Adj.)	222.86	742.39	574.47	999.74	1349.33	1420.28	1375.71	736.91	1450.14	1554.01	1626.92
± Non-recurring items	(60.76)	(38.40)	(28.39)	(0.73)	191.18	(8.09)	-	-	-	-	-
Pretax profit (GAAP)	162.10	703.99	546.08	999.01	1540.51	1412.20	1375.71	736.91	1450.14	1554.01	1626.92
Income tax expense	(160.53)	(259.03)	(567.77)	(235.92)	(408.68)	(596.46)	(423.63)	(226.92)	(446.55)	(478.53)	(500.99)
Net income	1.57	444.96	(21.69)	763.09	1131.84	815.73	952.08	509.99	1003.60	1075.48	1125.94
Net income attributable to minority interest	24.39	(137.41)	(27.44)	(3.73)	(26.58)	(12.28)	(17.51)	(15.03)	(17.85)	(15.67)	(16.51)
Net income attributable to shareholders (GAAP)	(22.81)	582.37	5.75	766.82	1158.41	828.02	969.59	525.02	1021.44	1091.14	1142.45
Net abnormal gains	42.15	26.64	19.69	0.51	(132.64)	5.61	-	-	-	-	-
Net income attributable to shareholders (Adj.)	19.34	609.01	25.45	767.33	1025.77	833.63	969.59	525.02	1021.44	1091.14	1142.45
Shares outstanding (unit: million)	19.63	19.76	19.73	18.86	19.09	19.13	19.13	19.13	19.13	19.13	19.13
EPS (GAAP)	(1.16)	29.47	0.29	40.66	60.68	43.28	50.68	27.44	53.39	57.04	59.72
EPS (Adjusted)	0.99	30.82	1.29	40.69	53.73	43.58	50.68	27.44	53.39	57.04	59.72

## Appendix

IG Port  
- B/S

FYE 31 May (in million JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Balance Sheet													
Assets													
Current Assets													
- Cash and Deposit	3639.70	4505.86	5305.36	6128.41	7756.94	4650.04	6266.65	6385.38	6785.87	7781.49	8450.55	9227.09	9952.59
- ST Investment (market securities)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Account Receivables	1196.29	1224.79	3272.37	3168.39	2284.94	5412.81	3838.60	3933.11	4469.19	4403.38	4573.51	4782.28	4952.11
- Inventory	3387.44	3071.99	138.87	133.96	154.63	195.79	177.57	191.79	189.67	198.23	203.73	209.20	218.90
- Other CA	225.18	248.57	241.83	441.84	516.03	384.55	384.55	384.55	384.55	384.55	384.55	384.55	384.55
Total Current Assets	8448.60	9051.21	8958.42	9872.60	10712.54	10643.19	10667.36	10894.83	11829.29	12767.65	13612.33	14603.12	15508.15
Non-Current Assets													
- PP&E	1482.25	1535.64	1775.94	1589.92	1472.23	1607.34	2542.81	2889.22	2803.63	2879.23	3046.31	3115.30	3395.77
- LT Investments	172.70	170.50	252.65	246.43	199.01	206.31	231.63	262.02	281.48	304.84	328.55	352.99	377.27
- Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Other Intangibles	740.20	791.48	36.19	412.92	1104.18	92.58	92.58	92.58	92.58	92.58	92.58	92.58	92.58
- Deferred Tax Asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Investments in Affiliates	0.00	0.00	60.00	56.63	62.84	79.51	79.51	79.51	79.51	79.51	79.51	79.51	79.51
- Other NCA	306.46	299.17	332.24	363.69	450.88	463.16	463.16	463.16	463.16	463.16	463.16	463.16	463.16
Total Non-Current Assets	2701.61	2796.79	2457.03	2669.58	3289.13	2448.90	3409.69	3786.49	3720.36	3819.31	4010.10	4103.53	4408.28
Total Assets:	11150.21	11848.00	11415.44	12542.18	14001.67	13092.09	14077.06	14681.32	15549.65	16586.96	17622.43	18706.66	19916.43
Liabilities													
Current Liabilities													
- A/P	562.18	722.22	760.07	760.93	922.99	898.05	959.80	1022.40	1012.55	1062.08	1088.37	1118.42	1170.86
- Accrued Taxes	151.65	171.62	477.46	115.83	277.85	475.19	277.84	148.83	292.87	313.85	328.57	344.82	368.47
- Other payables & accruals	626.95	644.35	1152.96	1111.07	1655.83	513.48	825.78	986.76	871.16	916.11	941.17	969.63	1017.69
- ST Borrowings(& long term short portion)	210.43	10.60	9.11	4.65	210.29	7.98	6.83	8.16	7.21	7.58	7.79	8.02	8.42
- Other CL	4406.81	4268.42	3050.44	3826.43	3215.71	2992.01	2992.01	2992.01	2992.01	2992.01	2992.01	2992.01	2992.01
Total Current Liabilities	5958.02	5817.20	5450.05	5818.91	6282.67	4886.71	5062.27	5158.17	5175.80	5291.62	5357.91	5432.91	5557.44
Non-Current Liabilities													
- LT Debt	25.47	18.20	209.08	204.44	24.02	16.65	16.65	16.65	16.65	16.65	16.65	16.65	16.65
- Deferred Tax Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Other NCL	204.09	231.82	298.14	313.18	376.94	359.33	359.33	359.33	359.33	359.33	359.33	359.33	359.33
Total Non-Current Liabilities	229.56	250.02	507.22	517.62	400.96	375.98	375.98	375.98	375.98	375.98	375.98	375.98	375.98
Total Liabilities:	6187.58	6067.22	5957.27	6336.53	6683.63	5262.70	5438.25	5534.15	5551.78	5667.61	5733.89	5808.90	5933.43
Equity													
Common Stock	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50	781.50
Additional Paid In Capital	2132.02	2186.44	2186.44	2186.44	2258.56	2258.56	2258.56	2258.56	2258.56	2258.56	2258.56	2258.56	2258.56
Retained Earnings	2292.42	2849.51	2946.22	3688.92	4654.41	5193.04	5986.25	6415.76	7251.40	8144.06	9078.69	10058.67	11105.19
Treasury Stock	(258.46)	(189.73)	(535.88)	(536.03)	(417.44)	(417.66)	(417.66)	(417.66)	(417.66)	(417.66)	(417.66)	(417.66)	(417.66)
Comprehensive Inc. and Other	(2.80)	(4.24)	(1.05)	7.60	13.46	13.96	30.16	109.01	124.07	152.90	187.46	216.70	255.42
Total Common Equity	4944.67	5623.48	5377.23	6128.44	7290.49	7829.40	8638.81	9147.17	9997.87	10919.36	11888.55	12897.77	13983.01
Minority Interest	17.96	157.30	80.95	77.22	27.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Equity	4962.63	5780.77	5458.18	6205.66	7318.05	7829.40	8638.81	9147.17	9997.87	10919.36	11888.55	12897.77	13983.01



Appendix

IG Port - C/F

FYE 31 May (in million JPY)	Historical						Estimated						
	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Cash Flow Statement													
Net Income	(22.81)	582.37	5.75	766.82	1158.41	828.02	969.59	525.02	1021.44	1091.14	1142.45	1197.89	1279.22
Non-cash Items													
- D&A	1180.06	1096.12	1731.04	889.62	607.59	1509.40	739.45	1169.81	1329.18	1289.80	1324.58	1401.44	1433.18
- Other non-cash items	248.26	(7.78)	564.41	(451.14)	374.57	421.98	-	-	-	-	-	-	-
Change in WC													
- Change in A/R	(265.46)	(28.51)	(2047.51)	104.29	887.82	(3126.82)	1574.21	(94.51)	(536.08)	65.81	(170.12)	(208.78)	(169.82)
- Change in Inventory	(414.72)	315.44	2933.13	4.91	(20.67)	(41.16)	18.22	(14.22)	2.12	(8.55)	(5.50)	(5.47)	(9.70)
- Change in A/P	(54.36)	160.17	37.58	0.25	161.56	(24.91)	61.76	62.60	(9.86)	49.54	26.29	30.06	52.43
- Change in Other WC	1061.97	27.71	(728.54)	504.03	(113.27)	(1425.47)	114.95	31.97	28.44	65.92	39.79	44.71	71.70
Cash Flow From Operations	1732.95	2145.52	2495.85	1818.78	3056.01	(1858.97)	3478.18	1680.67	1835.24	2553.66	2357.49	2459.85	2657.01
CapEx (Acq of Fixed & Intangibles)	(1459.11)	(1371.63)	(1281.89)	(957.66)	(1224.30)	(728.34)	(1674.92)	(1516.22)	(1243.58)	(1365.40)	(1491.66)	(1470.43)	(1713.66)
Disposal of Fixed & Intangibles	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-
Net change in LT investment	(37.75)	0.00	(85.00)	0.00	(21.60)	(20.01)	(25.32)	(30.39)	(19.46)	(23.36)	(23.71)	(24.45)	(24.27)
Net cash from Acq (Subs & JV)	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	-	-
Other Investing Activities	(12.39)	1.98	(76.44)	(9.10)	(39.01)	25.49	-	-	-	-	-	-	-
Cash Flow From Investing	(1509.25)	(1369.64)	(1443.33)	(966.75)	(1284.91)	(722.86)	(1700.25)	(1546.61)	(1263.05)	(1388.76)	(1515.37)	(1494.88)	(1737.93)
Dividends Paid	(25.07)	(25.18)	(50.31)	(23.99)	(191.95)	(288.77)	(176.38)	(95.50)	(185.81)	(198.49)	(207.82)	(217.91)	(232.70)
Increase/(Decrease) in ST Debt	0.00	0.00	0.00	0.00	0.00	0.00	(1.15)	1.33	(0.96)	0.37	0.21	0.24	0.40
Increase/(Decrease) in LT Debt	(55.45)	(210.55)	189.40	(9.11)	(9.56)	(210.29)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repurchase of Equity	(0.05)	0.00	(346.14)	(0.16)	(0.25)	(0.22)	-	-	-	-	-	-	-
Other Financing Activities	(0.00)	331.17	(48.90)	(0.00)	54.76	(15.28)	16.20	78.85	15.06	28.83	34.56	29.24	38.72
Cash from Financing	(80.57)	95.44	(255.96)	(33.26)	(147.00)	(514.55)	(161.32)	(15.33)	(171.70)	(169.29)	(173.06)	(188.43)	(193.58)
FX effect	(0.68)	(5.16)	2.94	4.28	4.43	(10.53)	-	-	-	-	-	-	-
Net Change In Cash	142.46	866.16	799.50	823.05	1628.53	(3106.90)	1616.61	118.73	400.49	995.61	669.07	776.54	725.50
Beg Cash Bal.	3497.24	3639.70	4505.86	5305.36	6128.41	7756.94	4650.04	6266.65	6385.38	6785.87	7781.49	8450.55	9227.09
End Cash Bal.	3639.70	4505.86	5305.36	6128.41	7756.94	4650.04	6266.65	6385.38	6785.87	7781.49	8450.55	9227.09	9952.59

Appendix

IG Port - Revenue

FYE 31 May (in million JPY)							Historical							Estimated						
Revenue	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F	2032F							
Film Production Business	5,498.39	5,349.85	5,956.84	6,106.97	6,206.57	7,318.83	7,747.82	7,825.27	7,935.87	8,374.92	8,477.31	8,612.36	9,063.59							
Animation Video Production for TV & Distribution & Video	0.00	0.00	3,859.48	4,711.84	4,829.22	5,672.67	5,842.85	6,018.14	6,198.68	6,384.64	6,576.18	6,773.46	6,976.67							
Animation Video Production for Theaters	0.00	0.00	1,196.80	897.12	770.47	447.11	670.67	536.54	429.23	643.84	515.07	412.06	618.09							
Other Animation Video Production	0.00	0.00	804.84	360.90	588.23	1,127.10	1,160.91	1,195.74	1,231.61	1,268.56	1,306.62	1,345.82	1,386.19							
Others	0.00	0.00	95.72	137.11	18.64	71.95	73.38	74.85	76.35	77.88	79.43	81.02	82.64							
Licensing Business	1,746.17	2,131.56	2,932.02	1,853.61	3,004.01	3,956.17	2,317.61	2,433.49	2,555.17	2,682.93	2,817.07	2,957.93	3,105.82							
Products & Services	0.00	0.00	1,954.55	1,070.10	1,635.04	2,825.17	1,130.07	1,186.57	1,245.90	1,308.19	1,373.60	1,442.28	1,514.40							
Other Sources	0.00	0.00	977.46	783.51	1,368.97	1,131.00	1,187.55	1,246.92	1,309.27	1,374.73	1,443.47	1,515.64	1,591.42							
Publishing Business	1,581.44	2,160.72	2,646.94	2,903.46	2,335.84	2,224.83	2,296.74	2,385.42	2,493.71	2,607.19	2,726.12	2,850.77	2,981.42							
Ebooks	0.00	0.00	1,697.10	1,809.03	1,899.24	1,831.54	1,923.12	2,019.28	2,120.24	2,226.25	2,337.57	2,454.44	2,577.17							
Publishing comics & books	0.00	0.00	764.51	722.36	431.33	393.28	373.62	366.15	373.47	380.94	388.56	396.33	404.26							
Others	0.00	0.00	185.33	372.07	5.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							
Merchandise Sales Business	0.00	0.00	0.00	0.00	27.30	870.44	940.07	1,015.28	1,076.19	1,140.77	1,197.80	1,257.69	1,320.58							
YoY						3087.95%	8.00%	8.00%	6.00%	6.00%	5.00%	5.00%	5.00%							
Other Business	236.98	291.96	336.56	299.67	267.64	228.01	284.77	283.33	272.68	267.28	267.21	275.05	273.11							
Total	9,062.98	9,934.08	11,872.35	11,163.70	11,841.35	14,598.26	13,587.01	13,942.79	14,333.63	15,073.09	15,485.52	15,953.81	16,744.53							
Operating Profit	2020A	2021A	2022A	2023A	2024A	2025A														
Film Production Business	35.34	(127.29)	(402.80)	87.16	(940.05)	(1101.63)														
Licensing Business	272.39	495.27	590.38	476.79	1823.00	1934.07														
Publishing Business	128.34	410.50	541.43	562.18	482.39	348.64														
Merchandise Sales Business	0.00	0.00	0.00	0.00	(25.08)	377.87														
Other Business	(43.13)	35.73	(43.79)	5.93	6.81	(0.95)														
Corporate Expenses	(110.00)	(123.32)	0.00	0.00	0.00	0.00														
Adjustments	(111.80)	(123.32)	(111.73)	(140.67)	(121.33)	(131.81)														
Total	171.15	567.58	573.49	991.38	1,225.74	1,426.19														
OP Margin	2020A	2021A	2022A	2023A	2024A	2025A														
Film Production Business	0.64%	-2.38%	-6.76%	1.43%	-15%	-15%														
Licensing Business	15.60%	23.24%	20.14%	25.72%	60.69%	48.89%														
Publishing Business	8.12%	19.00%	20.45%	19.36%	20.65%	15.67%														
Merchandise Sales Business	0.00%	0.00%	0.00%	0.00%	-91.87%	43.41%														
Other Business	-18.20%	12.24%	-13.01%	1.98%	2.54%	-0.42%														
Total	1.89%	5.71%	4.83%	8.88%	10.35%	9.77%														

Appendix

IG Port - DCF

Key assumption			Units:		Units:		
Date		2025/11/11			Implied EV - By Growth Rate	JPY \$M	26,405
Current Share Price	\$ as Stated	\$1,412			(+) Cash & Cash-Equivalents:		4,650
Outstanding Share	M Shares	19.13			(-) Total Debt:		(25)
Current Equity Value		27,012			Implied Equity Value	JPY \$M	31,030
					Implied Stock Price		1,622
Unlevered Beta		0.49			Implied EV - By Exit Multiple	JPY \$M	27,265
WACC	%	4.7%			(+) Cash & Cash-Equivalents:		4,650
Terminal Growth Rate	%	1.5%			(-) Total Debt:		(25)
Terminal EBITDA Exit Multiple	x	6.0			Implied Equity Value	JPY \$M	31,890
					Implied Stock Price		1,667

WACC Calculation		
<b>Cost of Equity</b>	<b>4.69%</b>	
Risk Free Rate	1.7%	(10Y JGB)
Beta	0.49	(Yahoo Finance 5Y monthly)
Equity Risk Premium	6.1%	(Damodaran Japan ERP)
<b>Cost of Debt</b>	<b>2.08%</b>	
Pre Tax Cost of Debt (Adjusted)	3.00%	(Credit rating BB+ by R&I)
Tax Rate	30.8%	
Equity Value	27,011.56	
Total Debt	24.63	
Proporation of Equity	99.91%	
Proporation of Debt	0.09%	
<b>WACC</b>	<b>4.69%</b>	



Appendix

IG Port - DCF

DCF - By Growth Rate	Units:	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
# of Years	#							1	2	3	4	5	6	7
EBIT	JPY \$M	282.9	690.9	573.5	991.4	1,225.7	1,426.2	1,354.6	715.8	1,429.0	1,532.9	1,605.8	1,686.2	1,803.3
Effective Tax Rate	%	99.0%	36.8%	104.0%	23.6%	26.5%	42.2%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
EBIT*(1 - Tax Rate)	JPY \$M	2.7	436.7	(22.8)	757.3	900.6	823.8	937.4	495.4	989.0	1,060.8	1,111.3	1,167.0	1,248.0
(+) D&A	JPY \$M	1,180.1	1,096.1	1,731.0	889.6	607.6	1,509.4	739.5	1,169.8	1,329.2	1,289.8	1,324.6	1,401.4	1,433.2
(-) CapEx	JPY \$M	(1,459.1)	(1,371.6)	(1,281.9)	(957.7)	(1,224.3)	(728.3)	(1,674.9)	(1,516.2)	(1,243.6)	(1,365.4)	(1,491.7)	(1,470.4)	(1,713.7)
(-) Change in NWC	JPY \$M	327.4	474.8	194.6	613.5	915.4	(4,618.4)	1,769.1	(14.2)	(515.4)	172.7	(109.5)	(139.5)	(55.4)
FCF	JPY \$M	51.1	636.0	621.0	1,302.7	1,199.3	(3,013.5)	1,771.1	134.8	559.2	1,158.0	834.7	958.5	912.1
PV of FCF								1,691.8	123.0	487.4	964.1	663.8	728.2	661.9
Terminal Value														29,053.5
Sum of PV of FCF	5,320													
PV of Terminal Value	21,084													
Implied EV	26,405													

DCF - By Exit Multiple	Units:	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
# of Years	#							1	2	3	4	5	6	7
EBIT	JPY \$M	282.9	690.9	573.5	991.4	1,225.7	1,426.2	1,354.6	715.8	1,429.0	1,532.9	1,605.8	1,686.2	1,803.3
(+) D&A	JPY \$M	1,463.0	1,787.0	2,304.5	1,881.0	1,833.3	2,935.6	2,094.0	1,885.6	2,758.2	2,822.7	2,930.4	3,087.7	3,236.5
EBITDA	JPY \$M	1,746.0	2,477.9	2,878.0	2,872.4	3,059.1	4,361.8	3,448.6	2,601.4	4,187.2	4,355.5	4,536.1	4,773.9	5,039.8
PV of FCF								1,691.8	123.0	487.4	964.1	663.8	728.2	661.9
Terminal Value														30,238.8
Sum of PV of FCF	5,320													
PV of Terminal Value	21,945													
Implied EV	27,265													

Appendix

IG Port - DCF

Sensitivity Analysis												
Terminal Growth Rate	WACC											
	1,612	3.7%	3.9%	4.1%	4.3%	4.5%	4.7%	4.9%	5.1%	5.3%	5.5%	5.7%
	2.5%	3,707	3,209	2,837	2,549	2,318	2,130	1,973	1,840	1,726	1,628	1,542
	2.3%	3,243	2,866	2,574	2,341	2,150	1,991	1,857	1,742	1,643	1,556	1,479
	2.1%	2,896	2,600	2,364	2,171	2,010	1,874	1,758	1,657	1,569	1,492	1,423
	1.9%	2,626	2,387	2,192	2,029	1,892	1,774	1,672	1,583	1,505	1,435	1,372
	1.7%	2,411	2,213	2,049	1,910	1,791	1,688	1,598	1,518	1,447	1,384	1,327
	1.5%	2,235	2,069	1,928	1,807	1,703	1,612	1,531	1,460	1,396	1,338	1,286
	1.3%	2,089	1,946	1,824	1,719	1,626	1,545	1,473	1,408	1,350	1,297	1,249
	1.1%	1,965	1,841	1,735	1,641	1,559	1,486	1,420	1,361	1,308	1,260	1,215
	0.9%	1,859	1,751	1,656	1,573	1,499	1,432	1,373	1,319	1,270	1,225	1,184
	0.7%	1,767	1,671	1,587	1,512	1,445	1,385	1,330	1,281	1,235	1,194	1,156
	0.5%	1,687	1,601	1,525	1,458	1,397	1,341	1,291	1,246	1,204	1,165	1,129
Exit Multiple	WACC											
	1,769	3.7%	3.9%	4.1%	4.3%	4.5%	4.7%	4.9%	5.1%	5.3%	5.5%	5.7%
	7.0	2,090	2,067	2,045	2,022	2,000	1,979	1,957	1,936	1,915	1,895	1,875
	6.8	2,046	2,023	2,001	1,979	1,958	1,937	1,916	1,895	1,875	1,855	1,836
	6.6	2,001	1,979	1,957	1,936	1,915	1,895	1,875	1,855	1,835	1,816	1,797
	6.4	1,956	1,935	1,914	1,893	1,873	1,853	1,833	1,814	1,795	1,776	1,757
	6.2	1,911	1,891	1,870	1,850	1,831	1,811	1,792	1,773	1,755	1,736	1,718
	6.0	1,866	1,846	1,827	1,807	1,788	1,769	1,751	1,732	1,714	1,697	1,679
	5.8	1,822	1,802	1,783	1,764	1,746	1,727	1,709	1,692	1,674	1,657	1,640
	5.6	1,777	1,758	1,740	1,721	1,703	1,686	1,668	1,651	1,634	1,617	1,601
	5.4	1,732	1,714	1,696	1,678	1,661	1,644	1,627	1,610	1,594	1,578	1,562
	5.2	1,687	1,670	1,652	1,635	1,618	1,602	1,586	1,569	1,554	1,538	1,522
	5.0	1,643	1,626	1,609	1,592	1,576	1,560	1,544	1,529	1,513	1,498	1,483