

# Investor's Guide 2022



tv asahi holdings corporation

## Company Creed

At Heart – Be Just, Be Bold, Be Remarkable

## TV Asahi Group Philosophy



### Corporate Mission

TV Asahi Group will take part in building a society that encourages the pursuit of dreams and hopes by providing information and content that are both inspiring and worthy to society through its broadcast and other businesses

### Five Declarations

TV Asahi Group pledges to evolve and grow with its customers, and will collectively work together to fulfill these promises:

#### With customers including viewers

Contribute to leading a safe and rich life by delivering diverse content such as timely and accurate news and high-quality entertainment while also earning trust from customers including viewers

#### With advertisers

Contribute to furthering free competition and sound corporate growth by enhancing the value of the Group's advertising channels by aptly capturing the needs of viewers and advertisers

#### With partners

Work as one with staff and members of partner companies including affiliate stations in order to achieve a prosperous coexistence

#### With society

Contribute to the advancement of society and local communities by appreciating the Group's public duty as a corporate citizen, abiding by the law and executing business in accordance with social customs and practices

#### With shareholders

Build a firm and enduring trustworthy relationship with shareholders by operating sound and transparent businesses that produce steady profits with aim of carrying out the Group's Philosophy

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On the cover: Light and Stars Metaverse Roppongi

## To Our Shareholders



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**Hiroshi Hayakawa**  
Chairman

I would like to take this opportunity to extend my sincere gratitude for your continued support of the TV Asahi Group (TV Asahi Holdings Corporation and its consolidated subsidiaries).

Both revenue and profits rose significantly during the fiscal year ended March 31, 2022. Consolidated net sales increased by 12.7% year on year to ¥298.2 billion and operating income 48.7% to ¥21.4 billion. Although a number of business units were affected by the COVID-19 pandemic, operating income reached a record high mainly due to the rebound in the TV advertising market, which had sharply declined in the previous fiscal year, as well as sturdy performance from new initiatives.

Two years have passed since the launch of our management plan “TV Asahi 360° 2020-2025.” The Business Solutions Headquarters, which was newly established to manage the integrated operation of TV Asahi’s content and business divisions, has played a central role in the prompt implementation of a variety of measures, leading to growth in revenue. Another achievement has been the strategic focus on growing the shopping business which resulted in capturing the stay-at-home demand from the pandemic by broadcasting special TV shopping programs.

With regard to Internet-related businesses, we carry out a broad range of online businesses, such as TELASA, a subscription-based video streaming service; ABEMA, an online multi-channel streaming service; UltraImpression, an online digital advertisement service; and TV Asahi Catch-up, a service that provides delayed viewing of programs (available through TVer, etc.). In April 2022, we started providing real-time streaming of programs in Prime Time on TVer and are working to further enhance the service. Going forward, we are looking to aggressively pursue initiatives in the metaverse, leveraging cutting-edge technologies.

In addition, as part of our Media City Strategy, we will construct a central hub that fuses entertainment and technology in the Ariake district in Tokyo Bay. Detailed construction and business plans are currently being developed so that we may further enhance the Group’s information and content distribution competency. Moreover, after a hiatus of three years, special event *TV Asahi Roppongi Hills SUMMER STATION* is scheduled to be held in summer 2022. We will update our offerings such as combining offline and online entertainment services so that people may enjoy the event both at Roppongi and home.

We believe these efforts will lead to further enhancing our corporate value and in order to consolidate such efforts, we are also actively advancing our sustainability initiatives. Following the establishment of the SDG Management Department in December 2021, we have identified issues that are material to us and have formulated the “TV Asahi Group Sustainability Statement” and the “Five Key Issues for the Future.” In addition to carrying out ventures to become a sustainable corporate entity, we, as a media group, will also contribute to the achievement of a sustainable society through the production of sustainability-related content.

The trend of digital transformation will continue even if concerns for the pandemic and current unpredictable global situation subside. There are views that the television advertising market will become increasingly adverse. However, we believe that the advancement of digitalization presents great opportunities where the importance of and demand for content will certainly grow.

To ensure that the TV Asahi Group continues to be cherished by our viewers and customers, we will tackle the challenges that lie ahead of us, not be shy of change and evolve into a broadcaster for the new era. As we strive to meet the expectations of our shareholders, I thank you once again for your continued support and understanding.

June 2022

## Evolving into a “TV Station for the New Era”

Appreciating that content is the source of all value and in order to evolve into a broadcaster for the new era, the TV Asahi Group is currently pursuing its mid-term management plan TV Asahi 360° 2020-2025. The aim is to maximize the value of its content by 360° management of the creation and distribution of content.

### Accelerating Endeavors in Growth Areas

Into the third year of the management plan, the Group has been successful in carrying out endeavors that further the reach and worth of its creative output to generate new revenue streams. The broadcast timetable being the foundation and showcase of content creation, TV Asahi has been aiming to mutually leverage efforts in the key growth areas, namely Internet services, shopping business and Media City efforts, and its timetable, in order to rapidly respond to the changing demands of advertisers and viewers.

Such ventures are being executed under the leadership of the Business Solutions Headquarters which manages the integrated operation of TV Asahi’s content and business divisions.

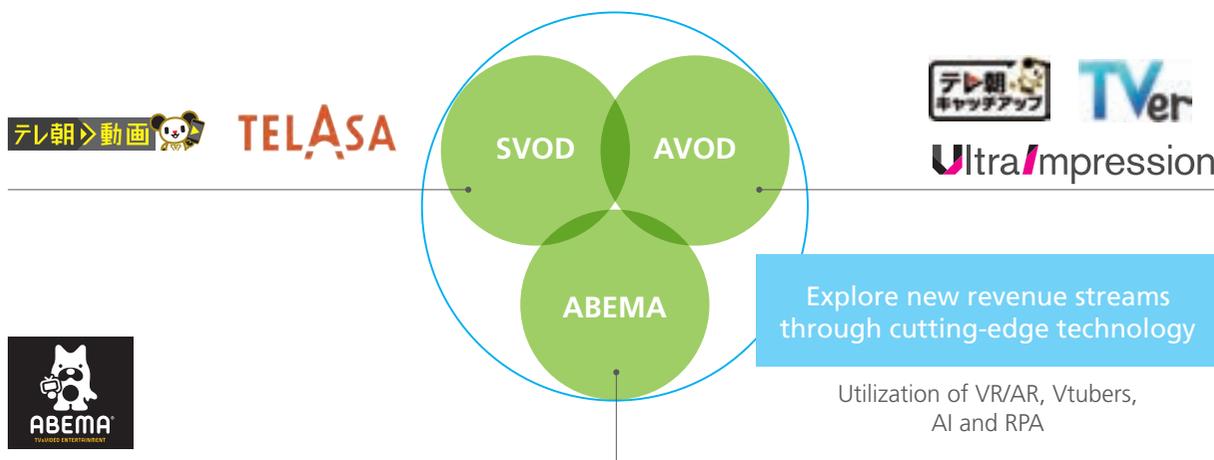
In the Internet business, ABEMA, SVOD and AVOD continues to be the vital growth services. ABEMA has competitive reach of the younger generation and ABEMA NEWS is becoming the dependable online channel for live breaking news. The SVOD service TELASA, consists mainly of TV Asahi premier content and original spin-offs of popular programs. The number of subscribers is growing and the business delivers profits. On the AVOD front, the joint operation by terrestrial broadcasters, TVer, has grown into the primary catch-up service and the Company looks forward to strengthening its real-time streaming service which started in April 2022 on TVer. Furthermore, Ultralmpression, Inc., an online video advertising platform and the only such business run by a broadcaster, is growing as demand for digital ads on streaming services continues to increase. The Group is also exploring content creation and business opportunities in new areas such as the metaverse.

In the shopping business, the tactical slotting of special shopping programs resulted in this segment to record its highest revenue and profits for two consecutive years. In order to maintain growth, the Company aims to strengthen its product development, reach younger generations through new shows and improve its e-commerce capabilities.

The Media City strategy is also an important pillar of the 360° Plan. Strong content travels well in the digital space, but it also has endearing effects in the real world. The Group has operated various events, including SUMMER STATION festival, that merges the Group’s content with cutting-edge technology. In order to push forward Media City endeavors and lead the way to creating technology-fused real entertainment experiences, TV Asahi is currently planning the construction of a new entertainment hub in Ariake, Tokyo which is scheduled to be opened in 2025.

Development plans are underway including specific schemes and initiatives aimed at shifting the Group’s business model to enhance its information and content distribution competency in the digital era.

#### Internet Strategy for the 5G Era





## Initiatives in the Metaverse

TV Asahi has identified the virtual reality space as a new focus area, and believes in particular there is a strong affinity between the metaverse and entertainment.

The Company is currently building “Metaverse Roppongi” on the platform operated by Cluster, Inc., in which the Company has investments in. While focusing on collaboration with its terrestrial program *Voice Actor Park Construction Planning VR Department (Seiyu Park Kensetsu Keikaku VR bu)*, the Company is gaining valuable knowledge by holding voice actor and announcer events, a Music Station collaborative event, a Halloween event where all of the participants became pumpkin avatars, and anime-related gatherings. The café at TV Asahi headquarters also exists in Metaverse Roppongi, where participants can socialize and purchase the same coffee beans sold in the real café. Collaborations with advertisers are also carried out, contributing to sales. Moreover, by leveraging its content production and booking capabilities, the Company will hold events within Metaverse Roppongi during the real event *TV Asahi Roppongi Hills SUMMER STATION*.

The Company is also experimenting with selling merchandise of its programs on platforms besides that of Cluster.

Working with TV Asahi Mediaplex Corporation, the Company is also a forerunner among its peers in the non-fungible tokens (NFTs) space. The Company is building a track record by selling digital trading cards of Toei robot anime series, short animated videos from TV programs, and animation frames from the series *RyriansClub*.



Halloween event at Metaverse Roppongi



TV Asahi café at Metaverse Roppongi



## Changes to Segment Category

### Former segments



### New segments



TV Asahi has been using the segment categories of “TV Broadcasting Business,” “Music Publication Business” and “Other Businesses.” From fiscal year ending March 31, 2023, the reportable segments will change in line with its key business operations where “Internet Business” and “Shopping Business” which were formerly classified under “Other Businesses” will become new segments. Following this change, “production of TV shopping programs” which were included in “TV Broadcasting Business” will be classified under “Shopping Business,” and “Music Publication Business” under “Other Businesses.”

The new reportable segments will be “TV Broadcasting Business,” “Internet Business,” “Shopping Business” and “Other Businesses.”



# TV BROADCASTING BUSINESS

Informing and entertaining people through reliable, relevant and creative content strengthened TV Asahi's position as a leader in content production and output.

## Net Sales

# 241.3

## Billion Yen

(up 13.2% year on year)

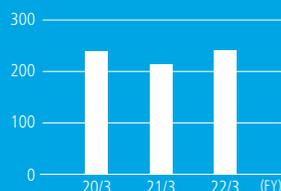
## Operating Income

# 18.8

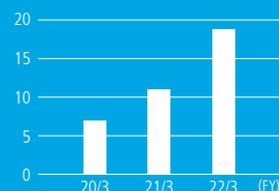
## Billion Yen

(up 70.4% year on year)

## Net Sales (Billions of yen)



## Operating Income (Billions of yen)



Despite the lingering effects of the COVID-19 pandemic, the Japanese economy showed signs of recovery as the severity of the situation gradually eased. Conditions in the television advertising market also showed signs of recuperation, with a strong showing from Tokyo area spot advertising volume, which far exceeded the previous fiscal year's weak performance due to the pandemic. As a result, the TV Broadcasting Business segment recorded net sales of ¥241.321 billion (up 13.2%), while operating expenses were ¥222.479 billion (up 10.1%), yielding an operating income of ¥18.842 billion (up 70.4%).

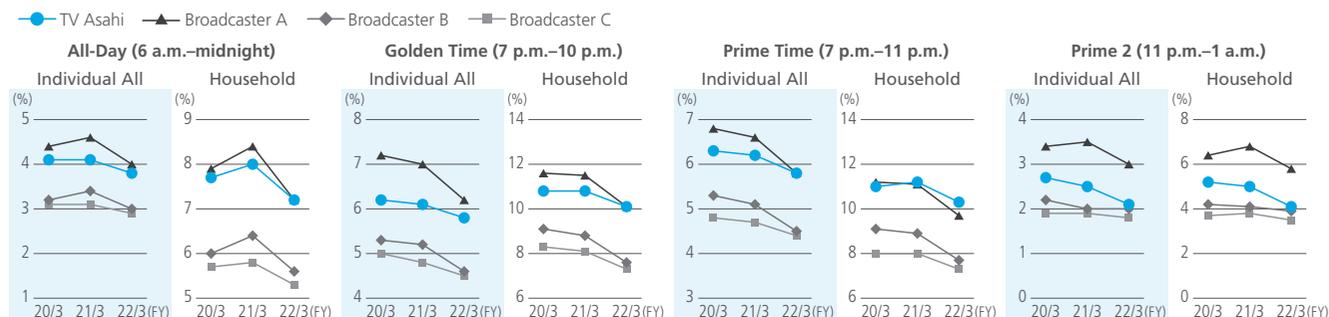
Average viewer ratings by segments were as follows:

- All Day (06:00-24:00): 3.8% for Individual All and 7.2% for Household, ranking second and first, respectively.
- Golden Time (19:00-22:00): 5.8% for Individual All and 10.1% for Household, ranking second and first as a commercial broadcaster, respectively.
- Prime Time (19:00-23:00): 5.8% for Individual All and 10.3% for Household, both ranking first.
- Prime 2 (23:00-01:00): 2.1% for Individual All and 4.1% for Household, both ranking second.

For Individual All, TV Asahi ranked first in Prime Time for the first time in nine years, and for Household, achieved the commercial broadcaster triple crown for the first time in its history.

In Golden Time and Prime Time, the Prime Time daily news shows, *Hodo Station*, which was renewed in October, *Saturday Station and Sunday Station* delivered strong results. With regards to serial dramas, four of our series entered the Top 10, including *Doctor X – Surgeon Daimon Michiko*, which scored the highest average ratings for the Individual All category among commercial station drama series broadcast in the fiscal year (Individual All 9.7%, Household 16.5%), followed by *Aibou: Tokyo Detective Duo Season 20* (Individual All 7.6%, Household 13.5%), *Tokuso 9* (Individual All 7.2%, Household 13.2%), and *Emergency Interrogation Room* (Individual All 6.7%, Household 12.2%). For variety programs, the weekend programs delivered high viewer ratings, notably *Zawatsuku! Friday, Matsuko & Ariyoshi's Karisome Tengoku and Sandwich Man & Ashida Mana's Hakase-chan*.

## Viewer Ratings for Japan's Top Four Commercial Broadcasters



Notes: 1. Viewer ratings has changed to Individual All from April 2020. Household ratings are provided for reference.  
 2. Individual All refers to the percentage of individuals watching television among households that own television sets.  
 3. Household refers to the percentage of households watching television among households that own television sets.

Source: Video Research Ltd.



# NO.1 in Prime Time

(Individual All and Household)



## Captured triple crown in Household ratings

(among commercial broadcasters)

**7.2%**  
All Day

**10.1%**  
Golden Time

**10.3%**  
Prime Time

In sports, TV Asahi captured the top average ratings among commercial broadcasters for the *Tokyo Summer Olympics*, with the *Softball Final: Japan vs. America* scoring particularly high ratings (Individual All 14.5%, Household 23.0%). The *Beijing Winter Olympics* programming drew high ratings as well, such as the *Figure Skating - Women's Free Skating* event (Individual All 11.4%, Household 19.0%). The broadcasts of the five home matches of the *FIFA World Cup Qatar 2022 AFC Asian Qualifiers* also captured high ratings (average: Individual All 9.7%, Household 15.9%).

In the All Day segment, the daily morning show *Shinichi Hatori's MORNING SHOW* topped its time slot for two consecutive years and captured its highest Individual All ratings, while *Jun Sanpo and Oshita Yoko Wide! Scramble* also delivered strong performances, contributing to winning the top spot in All Day ratings for the autumn programming season.

During the three-day New Year's holiday period, *Zawatsuku! Omisoka Kazushige Yoshizumi Chisako no Kai and Aibou: Tokyo Detective Duo New Year Special* earned high ratings, resulting in TV Asahi programs maintaining the top average viewer ratings for the three-day New Year's holidays in Prime Time for 14 consecutive years and in Golden Time, eight consecutive years.



Hodo Station



Shinichi Hatori's MORNING SHOW

### Time Sales

**85.5** Billion Yen (up 13.8% year on year)

Although advertisers continued to place importance on retaining flexibility in their advertising activities, thus refraining from long-term ad purchases, time revenue surged due to increased revenue from sports broadcasting events such as the Tokyo Olympics, Beijing Olympics, Artistic Gymnastics and Rhythmic Gymnastics World Championships, the FIFA World Cup Qatar 2022 AFC Asian Qualifiers, and the World Team Trophy in Figure Skating 2021.

### Spot Sales

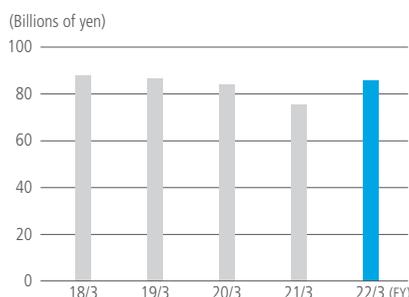
**93.5** Billion Yen (up 17.8% year on year)

Spot advertising sales revenue increased significantly due to a rebound in the Tokyo area's spot advertising volume from the slowdown in the previous fiscal year. With regards to the by-industry performance, despite a decline in "automobiles," revenues in many other sectors including "food-services and various services," "telecommunications, media & internet," "beverages and liquors" and "finance and insurance" increased.

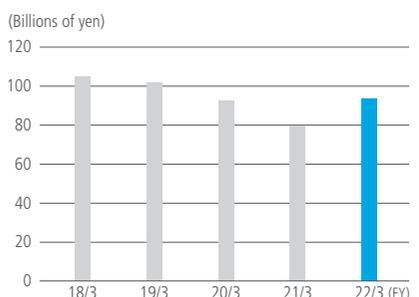
### Sales of TV Broadcasting Business

	Billions of yen		
	FY21/3	FY22/3	YoY
Time Sales	75.206	<b>85.596</b>	+ 13.8%
Spot Sales	79.423	<b>93.545</b>	+ 17.8%
Program Sales	12.825	<b>13.456</b>	+ 4.9%
BS/CS	24.903	<b>25.951</b>	+ 4.2%
Other	20.846	<b>22.771</b>	+ 9.2%
<b>Total</b>	<b>213.205</b>	<b>241.321</b>	+ 13.2%

### Time Sales Revenue



### Spot Sales Revenue





# MUSIC PUBLICATION BUSINESS

*The return of live concert events, although with restrictions, delivered unforgettable music experiences and sturdy results.*

Net Sales

**7.3**

**Billion Yen**

(up 14.9% year on year)

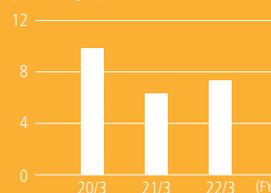
Operating Income

**0.9**

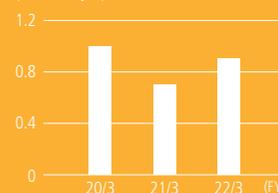
**Billion Yen**

(up 28.4% year on year)

Net Sales  
(Billions of yen)



Operating Income  
(Billions of yen)



The Music Publication Business consists of one company, TV ASAHI MUSIC, CO., LTD. The company aims to create, manage and control quality music as a music publisher as well as grow its artist management business.

Although numerous music events including the concert tours of artists under management were cancelled due to the impact of the COVID-19 pandemic, events made a comeback during the fiscal year under review, with *Hirai Dai*, *Shonan no Kaze*, and *Sonar Pocket* all embarking on nationwide concert tours. Due to these and other factors, net sales in the Music Publication Business reached ¥7.345 billion (up 14.9% year on year) while operating expenses were ¥6.418 billion (up 13.2%), resulting in operating income of ¥0.926 billion (up 28.4%).



*Hirai Dai Concert Tour 2021-22*

## Changes in Accounting Principles

TV Asahi Holdings Corporation has adopted the accounting standards for revenue recognition from the beginning of fiscal year ended March 31, 2022. The main effects of the adoption are as follows.

- (1) In the TV Broadcasting Business and Other Businesses, the gross amount was previously recognized as revenue for a number of transactions. By assessing the provider of the goods or services, the net amount is now recognized as revenue.
- (2) In Other Businesses, revenue was previously recognized throughout the term of the license period for a number of transactions regarding grant of license in the Internet business. Revenue is now recognized at the time when the promised goods or services have been transferred to the customer.

The cumulative effect of retrospective application of the standards was added to retained earnings at the beginning of fiscal year ended March 31, 2022, resulting in an increase of ¥487 million. In total, net sales decreased by ¥4,182 million, cost of sales decreased by ¥4,227 million and operating income, ordinary income and income before income taxes have respectively increased by ¥45 million for fiscal year ended March 31, 2022.



# OTHER BUSINESSES

Original and strategic endeavors in the Internet related business and shopping business captured new opportunities.

Net Sales

**63.4**

**Billion Yen**

(up 8.3% year on year)

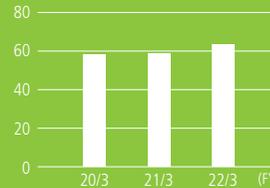
Operating Income

**1.7**

**Billion Yen**

(down 34.5% year on year)

Net Sales  
(Billions of yen)



Operating Income  
(Billions of yen)



The Other Businesses segment recorded net sales of ¥63.441 billion (up 8.3% year on year), while operating expenses were ¥61.718 billion (up 10.3%). As a result, operating income was ¥1.723 billion (down 34.5%).

With regard to Internet-related businesses, the subscription-video-on-demand (SVOD) service TELASA, launched in April 2020 as a joint venture with KDDI Corporation, steadily increased its subscribership and expanded the business by aggressively developing original content tied up with TV Asahi programs. Going forward, the content pipeline will be expanded in an effort to reach the target of two million subscribers. ABEMA, a joint venture with CyberAgent, Inc., remained strong in both free and paid memberships, consistently achieving its initial target of 10 million weekly active users (WAUs) with increased Premium paid members. ABEMA NEWS broadcasts high-profile real-time content such as news and press conferences regarding COVID-19 and disaster-related information and together with its timely news specials, it is becoming increasingly well-established as a “lifestyle infrastructure” during emergencies. The free-of-charge TV streaming service (AVOD) TVer achieved total application downloads exceeding 40 million in August 2021, and the number of monthly unique browsers is also growing steadily. From April 2022, the real-time streaming of mainly Prime Time segment of terrestrial broadcasts began and is expected to become a new business area. In addition, Ultralmpression, Inc., a consolidated subsidiary that develops and operates a video advertising platform, enjoys a strong reputation for its ability to conduct diverse targeting based on highly precise data. In terms of services for core fans, we have launched new initiatives such as *Ame-Talk CLUB* and *Doraemon Channel App*, a joint project with Fujiko F. Fujio Production and Shogakukan, in addition to the existing *New Japan Pro-Wrestling's NJPW WORLD* and *Toei Tokusatsu Fan Club*.

In the Special Events business, despite the continuing stringent restrictions related to the COVID-19 pandemic, several large-scale live music events were held, such as the *Fuji Rock Festival* and *Summer Sonic* both of which TV Asahi invests in, and the *TV Asahi*

*Dream Festival* which it organizes. Also, in response to the Thai drama boom in recent years, numerous new events, such as the GMMTV Exhibition, a collaboration with GMMTV of Thailand, and live online events where fans could meet popular actors, were carried out which contributed to increased revenues.

The shopping business recorded a significant revenue increase due to strong sales from the special TV shopping programs *Sakagami-kun ga Tameshite Mita!!* and *Koji Imada★ Hit World*, which were periodically aired throughout the year, together with steady sales from regular program *Jun Sanpo*. In addition, a late-night TV shopping program *Tokyo Tokimeki Hyakkaten*, was also launched.

Regarding our investment in motion pictures, *Doraemon: Nobita's Little Star Wars 2021*, originally scheduled to be released in the spring of 2021 but postponed due to the COVID-19 pandemic to March 4, 2022, was received by favorable reviews. *Crayon Shin-chan: School Mystery! The Flowers of Tenkasu Academy* performed well at the box office, grossing ¥1.77 billion, while *Woman of the Crime Lab - the Movie* was released as the culmination of 20 years of the series. However, overall revenue was down, due in part to last year's release of the Doraemon 50th anniversary film *STAND BY ME Doraemon 2*.

Several DVD titles were released, including *Johnny's Jr. × Music Station*, *The High School Heroes* from the Oshidora Saturday programming slot, and the popular series *Aibou: Tokyo Detective Duo*.

## Sales of Major Other Businesses

	FY21/3	FY22/3	YoY
Internet Related	21.372	<b>22.546</b>	+ 5.5%
Shopping	15.721	<b>19.468</b>	+ 23.8%
Equipment Sales/Lease	4.544	<b>4.956</b>	+ 9.1%
Motion Pictures	3.482	<b>1.226</b>	- 64.8%
Special Events	1.370	<b>3.606</b>	+163.1%
DVD	1.173	<b>0.990</b>	- 15.7%

# Sustainability Policy

## Sustainability Statement

The TV Asahi Group shall aim to contribute to building a sustainable society and attaining group growth by fulfilling its corporate mission to “take part in building a society that encourages the pursuit of dreams and hopes by providing information and content that are both inspiring and worthy to society.”

<p><b>With Earth</b></p>  <p>We will maximize use of all owned media in distributing information and providing content and services in order to resolve societal and environmental issues. We will also carry out corporate endeavors that will lead to resolution of such issues.</p>	<p><b>With People</b></p>  <p>We will respect our mutual rights and our diverse individuality and values to create a society that is safe and comfortable to all. We will also provide a sound working environment that is conducive to working gratifyingly.</p>	<p><b>Towards the Future</b></p>  <p>We will build enduring relationships with each of our stakeholders by carrying out just and healthy corporate operations that abides by the law and social norms.</p>
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**Five Key Issues (Materiality)**



**Creating a future where everyone fulfills their potential**



**Contributing to the future of earth**



**Building a new future with technology**





**Living together with kindness**

**Becoming a company that is forever trustworthy**

**Contributing to the future of earth**

We will engage in solving environmental issues in order to pass on the earth’s natural environment in all its richness and beauty to future generations. As a media, we will also call for protecting lives from natural hazards through disaster news coverage.

**Creating a future where everyone fulfills their potential**

We will provide “learning opportunities” through our content to all generations from young children to senior citizens. We will contribute to “creating a society where everyone fulfills their potential.”

**Building a new future with technology**

As our daily lives change rapidly due to technological progress, we will report on the latest technology as well as incorporate such innovations into our activities.

**Living together with kindness**

We will appreciate each other’s individuality and values to create a society that is safe and comfortable to all. We will also support our employee’s respective life stages.

**Becoming a company that is forever trustworthy**

We will strengthen our corporate governance and enforce compliance in order to fulfill our public duty as a broadcaster and news media. We will aim to enhance disclosure of information, improve transparency in management and will continue to build a structure that is responsive to rules and various practices of society.

For further information regarding the details and process of identifying the Five Key Issues and establishment of the SDGs Management Department, please refer to TV Asahi’s sustainability site: <https://www.tv-asahihd.co.jp/sustainability/english/>

# TV Asahi Group Initiatives for ESG

As a public broadcaster, the TV Asahi Group believes its duty is to serve the public. Guided by this belief and in accordance with its Sustainability Policy which is based on TV Asahi Group's Corporate Mission, the Group proactively carries out sustainable initiatives not only through the distribution of information and content but also as a responsible corporate citizen.

## SUSTAINABLE DEVELOPMENT GOALS



### Signatory to the SDG Media Compact

TV Asahi and Asahi Satellite Broadcasting Limited are both signatories to the SDG Media Compact and leverages its media and content reach to inspire and empower viewers to individually and collectively contribute towards the achievement of the SDGs.

## Environment

### CO<sub>2</sub> Emission Reduction and Renewable Energy

TV Asahi's headquarters building receives its heat supply from a cogeneration system which achieves high levels of efficiency through the centralization of the heat supply facilities in the district. Moreover, the Company carries out several practices to reduce its carbon footprint such as greening its building's rooftop, taking advantage of its glass-facade building for daylight, applying thermal insulation film to windows, maintaining air-conditioning temperatures at appropriate levels, switching to LED lighting, turning off unnecessary lights and installing sensor-activated lighting.

Through these initiatives, from fiscal year ended March 2017 to fiscal year ended March 2021, an average of 17.8% annual reduction in CO<sub>2</sub> emissions was achieved at the Headquarters and Ark Broadcasting Center compared with the standards set by the Tokyo Metropolitan Government's Environmental Security Ordinance.

In addition, TV Asahi Corporation is taking steps to reduce the amount of energy used at its studios by 50% compared to that used in 2020 and is also aiming to achieve 100% renewable energy at its headquarters building by 2030.

Asahi Satellite Broadcasting Limited has also been purchasing renewable energy certificates to lower CO<sub>2</sub> emissions since 2020.

### Recycling

TV Asahi has been engaged in separating recyclables and reutilizing such resources to ensure the effective use of limited resources. From fiscal year ended March 2017 to March 2021, an average of 86.8% of waste has been reduced. Such efforts contribute to lessening the energy required for waste disposal and CO<sub>2</sub> emissions.

### Water Sources

At its headquarter building, TV Asahi has been increasing the use of reclaimed water in areas where high standard quality water is not required. It also uses grease traps in its drainage system to prevent water pollution. Underground rainwater pits beneath the headquarters building are also installed to temporarily hold rainwater before it is discharged. This alleviates the impact on neighboring sewer systems following torrential rainfalls.

For data and details on environmentally sustainable efforts, please visit: <https://www.tv-asahihd.co.jp/sustainability/english/>



### Human Capital Development

TV Asahi believes that “content is the source of all value for the TV Asahi Group.” As it is the employees and staff who underpin the creation of such value, TV Asahi gives top priority to developing work environments that fosters physical and mental well-being of employees and staff to ensure sustainable growth and advancement of the company.

#### ▶ Workstyle Transformation

A range of “TV Asahi 360° Work Style Transformation” measures has been implemented which include the robotic process automation of administrative tasks, teleworking, introduction of “Lucky! Fridays” to encourage to take paid leave, and childcare/nursing care support for employees and their families. Many measures to support childcare and women’s health such as reduced working hours, longer leave periods, subsidizing childcare costs, etc., have also been introduced.

#### ▶ Training Personnel

Training is provided for employees in line with their years of service/rank (new employees, employees in their 3rd and 10th years of service, newly appointed managers, etc.). In addition, a free study program where employees choose the subject to study and a Chinese language program where employees enroll in a university in China to learn Chinese and about China are offered.

#### ▶ Valuing Diversity

TV Asahi is committed to promoting the advancement of women in the workplace. It has formulated an action plan to take steps to enhance the work environment that is focused on nurturing female executive candidates. Moreover, TV Asahi is the only commercial broadcaster in Japan participating in the 30% Club Japan, a campaign aimed at increasing the proportion of women in critical decision-making roles in business.



TV Asahi also recruits personnel with disabilities and mid-career personnel on an ongoing basis. It also rehires retired employees and the program not only supports the livelihoods of the retirees but also enables the Company to draw on the wealth of experience and skillsets of the retirees.

For more information and data regarding human capital development at TV Asahi, please visit:

<https://www.tv-asahi.co.jp/sustainability/english/>

### TV Asahi Privacy Policy

TV Asahi Corporation gives the greatest consideration in handling personal data and aims to protect personal data. For information and details on TV Asahi’s privacy policy, which includes not only its policy, but also regulations on the usage, management and protection of data, please visit:

<https://www.tv-asahi.co.jp/privacy/index.html> (Japanese only)

### Content Responsibility and Advancement

TV Asahi aims to produce programs that are well-received and trustworthy of viewers. As such, it incorporates various

measures in advancing the quality of its programs. Such measures include but are not limited to establishing Program Standards, Program Advisory Council, Broadcast Program Advancement Measures, Standards of Program Commissioning and Principles of Eliminating Anti-social Forces. Moreover, it periodically discloses the percentage of broadcast program genre and programs that are accessible.

For more information on content responsibility, please visit: <https://company.tv-asahi.co.jp/improve/> (Japanese only)

### Integrated Learning Support Activities

TV Asahi contributes to society through the provision of integrated learning support activities. The first among Tokyo-based key broadcasters to start Cater Classes in 2005, the classes are now offered both in real and online. Guided Tours at TV Asahi headquarters provide young students to learn about broadcasting operations and content production. Since 2021, video conference systems and official video channels are used to offer the option of not having to physically visit TV Asahi. TV Asahi Cater Courses and TV Asahi Academy targets a wider audience and content creators regard it as a valuable opportunity to hear “real” voices of viewers.

For more information and data regarding integrated learning support activities, please visit: <https://www.tv-asahi.co.jp/sustainability/english/>



Guided Tour at TV Asahi

### TV Asahi Welfare Foundation and Doraemon Charity Fund

In 1977, TV Asahi established the TV Asahi Welfare Foundation, the first-ever social welfare foundation to be established by a commercial broadcaster. By making use of being affiliated with a TV broadcaster, the foundation engages in a wide-range of welfare activities that focus on children, single-parent households, people with disabilities, senior citizens and others. For further information, please visit:

<https://www.tv-asahi.co.jp/fukushi/> (Japanese only)

Furthermore, since 1999, TV Asahi has been operating the TV Asahi Doraemon Charity Fund to aid disaster victims and support disaster-related welfare activities both in Japan and abroad. The first collection was undertaken in 1999 to aid the victims of the Izmit earthquake in Turkey and the Jiji earthquake in Taiwan. The company grants all of the donated funds collected to disaster-affected areas through the TV Asahi Welfare Foundation. For further information and track record of past donations, please visit:

<https://www.tv-asahi.co.jp/doraemonbokin/> (Japanese only)



Appreciating the Five Senses Music Concert 2019  
LIVE TOGETHER CONCERT

# Governance

## Corporate Governance

### Basic Policy on Corporate Governance

The Company, as a certified broadcasting holding company with commercial broadcasters as subsidiaries, pursues profit through just and appropriate means and contributes to the progress of democracy while remaining impartial. The Company appreciates the public nature and interest of broadcasting, abides by the Broadcasting Act, Radio Act and Civil Protection Act and its subsidiaries contribute to cultural development by providing information necessary to daily life and sound entertainment.

To conduct business while fulfilling its public mission as a broadcaster, the Company enhances its corporate value through the production and delivery of content that meet the needs of society, which is built upon nurturing and hiring workforce that share the same philosophy, gaining the trust of stakeholders, and assuming responsibility as a broadcasting and news media.

The Company believes the basis of its corporate governance lays in establishing and executing a system that facilitates sustained growth and medium to long-term development of corporate value while maintaining proper relationships with stakeholders.

### Corporate Governance System

The Company has adopted the “company with an audit and supervisory committee” system, whereby Audit and Supervisory Committee members who are responsible for auditing and supervising the execution of business by directors are appointed to the Board of Directors, which enables both business execution and appropriate management administration.

For further information on TV Asahi’s corporate governance system, please visit:

[https://www.tv-asahihd.co.jp/sustainability/english/Protecting Stakeholder Interests](https://www.tv-asahihd.co.jp/sustainability/english/Protecting%20Stakeholder%20Interests)

As a listed company, the Company assures the equality of shareholders by providing vital and appropriate information via its website and various means so that shareholders may appropriately exercise rights. In addition, as a certified broadcasting holding company and to maintain the public nature and public interest of and impartial position as a broadcaster, the Company ensures that,

based on the Broadcasting Act and other regulations, there are no doubts regarding the exercise of legal individual and common shareholders’ rights.

### Cross Shareholdings

The Company in principle does not hold cross shareholdings unless they are deemed to be shares of companies with which it has important business or collaborative relationships, or with which maintaining and developing business relationships are important, thereby contributing to corporate value.

Based on this policy, the Company has established the Investment Review Committee as a body under the Council of Executive Directors. The Committee deliberates investments according to the purpose, scale, type, necessity, risk, profitability and other factors. The Company determines whether to continue such investments based on assessments once a year.

### Information Disclosure

The Company appoints one of its full-time internal directors as the information officer who is responsible of the subject and content of information disclosed. Such information includes disclosures made in accordance with relevant laws and regulations, the Company’s financial position, management strategies, risks, and non-financial information such as ESG-related issues.

For further information on corporate governance, please refer to TV Asahi Holdings Corporate Governance Guidelines and Corporate Governance Report.

<https://www.tv-asahihd.co.jp/corp/governance.html> (Japanese only)

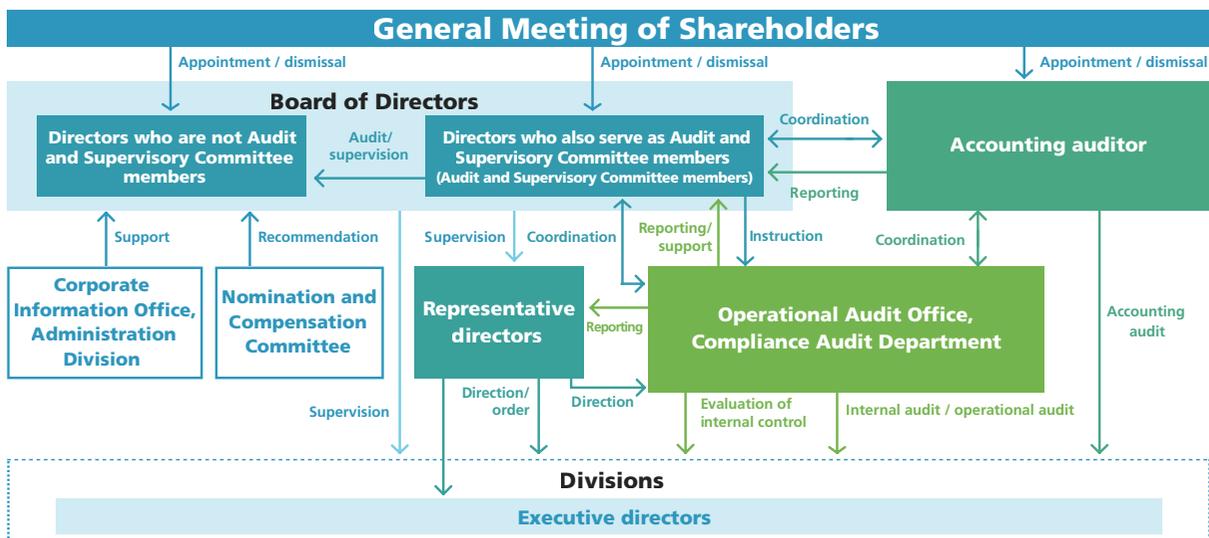
## Compliance

TV Asahi believes that its content is founded on the trust and expectations of stakeholders. As a broadcaster whose duty is to serve the public and to remain a trustful establishment, it is essential for all staff and employees who work at TV Asahi to be highly mindful of compliance issues. In such context, TV Asahi has established its internal compliance systems.

For more information on TV Asahi’s compliance framework and major practices please visit

<https://www.tv-asahihd.co.jp/sustainability/english/>

## Corporate Governance System



## Additional Information and Risks

### Critical Accounting Estimates and Assumptions

The consolidated financial statements are prepared in accordance with accounting standards generally accepted in Japan as fair and appropriate. When preparing consolidated financial statements, the Company uses estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues, and expenses. Figures based on these estimates and assumptions may differ from actual results.

### Risk Information

Forward-looking statements contained herein represent what the Company believes are reasonable assumptions as of March 31, 2022. These statements are not an exhaustive list of risks, and risks that are unforeseen or currently viewed as materially insignificant may affect the Company in the future. The TV Asahi Group endeavors to minimize risks by collectively sharing information that is necessary for determining management and business risks.

#### ● Risks Associated with Changes in the TV Broadcasting Business Environment

A large portion of TV Asahi Group's revenue is from the TV broadcasting business, which is contingent upon corporate advertising expenditures that is in turn affected greatly by the state of the Japanese economy. Furthermore, the business environment facing the Group is changing rapidly with the penetration of smartphones and tablet PCs changing the manners of television viewing. In addition, content distribution channels are diversifying, competition is intensifying and the position of terrestrial broadcasting on TV sets may become relativized.

Moreover, viewer ratings play an important role in determining sales price of advertising time, and weak consumer economics significantly impact the Group's business.

A decrease in the Group's revenue or inability to absorb costs required for multifaceted distribution of content due to the progression of these complex factors may have an adverse effect on the Group's financial position and business performance.

As such, in accordance with the Company's basic principle that content is the source of all corporate value, the Company engages in 360° distribution of content on media channels possessed by the Group in order to gain maximum revenue. As such, the Company has reformed the organizational structure of its core subsidiary TV Asahi, introducing the Business Solution Headquarters to integrate operations of the Content Programming Division, Sales Promotion Division, Business Development Division and IoT Division, and proceeded with content production and distribution, utilization of data and technology, and boosting information distribution that meets stakeholder demands.

The Company will also make strategic investments to implement these measures.

#### ● Risks Related to the Impacts of the COVID-19 Pandemic

Although economic activity is gradually showing signs of recovery following the administration of vaccinations and treatments against the worldwide COVID-19 pandemic, the situation continues to be severe with the number of infections increasing once again.

The TV Asahi Group has been experiencing a decline in sales due to postponement and cancellation of concert tours, events and motion pictures. Moreover, disruptions and delays in business operations may occur due to those infected and close contact persons required to take leave from work.

As such, TV Asahi has established the COVID-19 Emergency Countermeasures Committee and Emergency Countermeasures Implementation Team where measures to secure the continuation of broadcasting and business as well as preventing the spread of infection is implemented throughout the Group.

Specific examples of implemented measures include: disinfecting workspaces, strict accreditation process prior to entering buildings, off-peak commuting, teleworking and enhancing employee health management, etc. Rotating work shifts have also been implemented to prepare for the instance of employee infection and to ensure the continuation of broadcasting and business. At content production sites, the 3Cs (closed spaces, crowded places, and close contact) is avoided during meetings and filming. Moreover, each division and production team has implemented measures that include but are not limited to separate workspaces, prevention of infection during interviews and news-reporting, filming with no studio audiences, and temporary suspension of filming. Temperature screenings, thorough disinfection, no shared use of microphones, masks worn by staff have also been put into practice.

The purpose of the aforementioned Business Solutions Headquarters is to respond to all changes in the Group's business environment, so that content production and distribution, utilization of data and technology, and boosting information distribution that meets stakeholder demands are carried out. The Headquarters is demonstrating its capabilities in its response to the impact of COVID-19 on business.

#### ● Risks Associated with Capital Expenditures and Investments

The TV Asahi Group continues to incur capital expenditures and make investments to maintain technical standards. In addition, strategic investments are made to build competitive advantages in order to strengthen content production capacity, acquire appealing content and enhance its media strategy.

Although the Group has developed an internal system to assess risks in accordance with the scale, nature, and type of investment to ensure that capital expenditures and investments contribute steadily to profit growth, there is no guarantee that such investments will produce the expected returns. If returns fall short of expectations, the Group's financial position and business performance may be adversely affected.

#### ● Risks Associated with Handling of Personal Information

The TV Asahi Group holds personal information of individuals appearing in its programs, studio audience, viewers, as well as that of subscribers of its internet-related businesses and customers of its shopping business. In addition, the Group's endeavors go beyond the boundaries of conventional broadcasting and has adopted Internet technology such as utilizing big data to meet the needs of viewers, consumers, and advertisers.

While such personal information is strictly managed in accordance with internal rules and is handled with adequate

care, any leakage of information due to unauthorized access, mishandling or other abuses may lead to a decline in the reliability of the Company's information and data management system and may adversely affect business operations that use such information or hurt the Group's credibility and thus, may affect the revenue and business performance of the Company.

#### ● Risks Associated with Natural Disasters

In the TV broadcasting business, the principal business of the Group, major disasters may render broadcasting difficult or result in airing disaster information programs without advertisements. There is also the possibility that broadcasting hours are reduced to address power shortages. Furthermore, if damage occurs to vital facilities or if employees are affected due to the occurrence of earthquakes, heavy rains, flooding or other natural disasters or epidemics, the business operations may be disrupted. Although the Company has taken measures such as preparing a disaster response manual, conducting business continuity simulations, developing an employee safety confirmation system, and carrying out regular disaster drills, these measures cannot completely eliminate the effects or damage of natural disasters and as such, and the Group's business performance may be affected.

#### ● Risks Associated with Compliance

The TV broadcasting business, which is the Group's principal business, is subject to legal restrictions of the Broadcasting Act and related laws and regulations. By qualifying as a certified broadcasting holding company under the Broadcasting Act, the Company is permitted to own multiple terrestrial, BS and CS broadcasting companies as subsidiaries. The qualification may be rescinded, should the Company cease to satisfy the criteria and requirements relating to the assets of certified broadcasting holding company or the criteria stipulated in the Broadcasting Act. Should the qualification be rescinded, the business performance and financial position of the Group may be greatly impacted.

TV Asahi Corporation, Asahi Satellite Broadcasting Limited and CS One Ten, Ltd. are subject to the requirements and restrictions under the Radio Act, the Broadcasting Act, and other laws and regulations in conducting business.

The revocation of broadcast license due to violation of law or regulations, or failure to obtain the relevant broadcasting license may impact the performance of the Group. Furthermore, the Group is also subject to various legal regulations in pursuing business activities. The Group may become subject to legal penalties, litigation or social sanctions in the event of violation of laws, regulations or social imperatives, and this may result in loss of the Group's credibility. As the Group bases its activity as a broadcaster and news organization on credibility of its news and information delivery, such occurrence may affect the business performance of the Group.

In keeping with the belief that "multidimensional support for compliance with laws and other rules from top management to employees" is the basis for internal control, the Group has a framework and guideline which clearly appoints authority and responsibilities in its organizational structure. The Legal Affairs Department and Compliance Audit Department conducts internal reviews and reports activities to the Council of Executive Directors and other management committees.

The Company appoints the top executive as the officer responsible for compliance issues and under the direction of the officer, holds training and awareness sessions necessary for internal control.

Through the above measures, the Company strives to reduce the risk of violations of laws, regulations or societal norms by the Group and its employees.

#### ● Risks Associated with Shares Held by Foreign Nationals and Entities

Regarding voting rights of the Company held by foreign nationals, etc. stipulated in the Broadcasting Act ((i) those who are not Japanese nationals, (ii) foreign governments or representatives of such, (iii) foreign corporations or associations, (iv) corporations or associations which ratio of voting rights directly held by the aforementioned (i) through (iii) is the same or more than such ratio as stipulated in the Ordinance of the Ministry of Internal Affairs and Communications) (hereinafter, "foreign entities"), if the total of the ratio of voting rights directly held by those set out in (i) through (iii) and ratio of voting rights indirectly held by those set out in (i) through (iii) by those set out in (iv) as stipulated by the Ministry of Internal Affairs and Communications is 20 % or more, the certification for certified broadcasting holding company shall be revoked.

As such, upon such condition, based on the Broadcasting Act, the Company can refuse to enter or record the name and address of foreign entities in the shareholder register and the exercise of voting rights of foreign entities shall be restricted.

#### ● Risks Associated with Climate Change, the Environment and Sustainability

Climate change and other environmental issues are increasingly becoming severe on a global scale. Japan has suffered from frequent large-scale natural disasters caused by extreme weather conditions, resulting in calls to strengthen regulations and disclosure related to climate change risks, making this issue one that no company can neglect.

The Company established the SDG Management Department to enhance the medium to long-term value of the Group by addressing such issues. The Department is overseen by directors, including the Chairman of the Board. In accordance with the regulations governing the Board of Directors, important sustainability measures and matters must be reported to the Board so that it can monitor issues and their progress with addressing them.

The risks associated with these issues are likely to affect the Group's business activities over the long term. Therefore, the Company has identified the key material issues of the Group and established and disclosed targets for addressing the issues.

With respect to direct risks arising from climate change (physical risks) and from transition to a decarbonized society (transition risks), the Company will identify the risks and measures that need to be addressed, based on expectations regarding the Company's future business activities. Furthermore, as part of the Group's strategy, the Company will evaluate its resilience against environmental and sustainability-related challenges.

The Company will also endeavor to appropriately disclose how changes in risk will affect the growth of the Group.



## Five-Year Summary

TV Asahi Holdings Corporation and Consolidated Subsidiaries (As of and for the years ended March 31)

	Millions of yen				
	2018	2019	2020	2021	2022
<b>Operating Results:</b>					
Net sales	¥ 302,511	¥ 301,744	¥ 293,638	¥ 264,557	¥ <b>298,276</b>
Operating income	18,634	16,164	12,565	14,413	<b>21,431</b>
Ordinary income	22,053	19,097	32,048	17,980	<b>26,443</b>
Profit attributable to owners of the parent	15,848	12,879	26,398	12,600	<b>20,999</b>
Comprehensive income	22,157	18,445	11,067	32,386	<b>20,608</b>
Capital expenditures	6,813	14,615	17,449	10,229	<b>8,027</b>
Depreciation and amortization	9,752	10,350	10,801	10,661	<b>10,296</b>
<b>Financial Position:</b>					
Total assets	¥ 435,488	¥ 452,000	¥ 447,549	¥ 473,739	¥ <b>498,808</b>
Total net assets	340,161	353,757	352,518	376,105	<b>393,215</b>
<b>Cash Flows:</b>					
Cash flow from operating activities	¥ 18,149	¥ 20,273	¥ 24,513	¥ 20,596	¥ <b>30,126</b>
Cash flow from investing activities	4,134	(21,260)	(16,450)	(7,959)	<b>7,625</b>
Cash flow from financing activities	(6,506)	(7,430)	(9,878)	(8,251)	<b>(4,563)</b>
Cash and cash equivalents at end of period	49,961	41,533	39,709	44,062	<b>77,317</b>
<b>Per Share Data (yen):</b>					
Earnings per share	¥ 147.85	¥ 120.18	¥ 248.58	¥ 122.08	¥ <b>206.80</b>
Net assets per share	3,144.71	3,264.51	3,380.36	3,693.89	<b>3,857.52</b>
Cash dividends	50* <sup>1</sup>	50* <sup>2</sup>	40	40	<b>50*<sup>3</sup></b>
Dividend payout ratio (%)	33.8	41.6	16.1	32.8	<b>24.2</b>
<b>Key Ratios (%):</b>					
Operating margin	6.2	5.4	4.3	5.4	<b>7.2</b>
Return on equity (ROE)	4.8	3.8	7.5	3.5	<b>5.5</b>
Return on assets (ROA)	3.6	2.8	5.9	2.7	<b>4.3</b>
Equity Ratio	77.4	77.4	78.5	79.1	<b>78.6</b>
<b>Other Data:</b>					
Number of shares issued (Thousands)	108,529	108,529	108,529	108,529	<b>108,529</b>
Number of employees	4,938	5,085	5,229	5,332	<b>5,336</b>

\*1 The dividend of 50 yen per share for fiscal year ended March 31, 2018 includes a special dividend of 10 yen per share.

\*2 The dividend of 50 yen per share for fiscal year ended March 31, 2019 includes a commemorative dividend of 10 yen per share.

\*3 The dividend of 50 yen per share for fiscal year ended March 31, 2022 includes a special dividend of 10 yen per share.

# Consolidated Balance Sheets

As of March 31, 2021 and 2022

	Millions of yen	
	2021	2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	¥ 36,400	¥ 67,666
Trade notes and accounts receivable	74,757	79,105
Marketable securities	19,099	12,399
Inventories	12,211	9,471
Other current assets	9,149	9,959
Less allowance for doubtful accounts	(77)	(76)
<b>Total current assets</b>	<b>151,540</b>	<b>178,525</b>
<b>Fixed assets</b>		
<b>Tangible assets</b>		
Buildings and structures, net	29,133	28,490
Machinery and vehicles, net	16,378	14,608
Land	51,266	53,630
Other tangible assets, net	10,804	8,648
<b>Total tangible assets</b>	<b>107,582</b>	<b>105,378</b>
<b>Intangible assets</b>		
Other intangible assets	9,117	8,748
<b>Total intangible assets</b>	<b>9,117</b>	<b>8,748</b>
<b>Investments and other assets</b>		
Investment securities	183,834	184,566
Deferred tax assets	15,207	15,335
Other investments and other assets	7,316	6,842
Less allowance for doubtful accounts	(859)	(587)
<b>Total investments and other assets</b>	<b>205,498</b>	<b>206,156</b>
<b>Total fixed assets</b>	<b>322,199</b>	<b>320,283</b>
<b>Total assets</b>	<b>¥473,739</b>	<b>¥498,808</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	¥ 6,105	¥ 7,254
Other payables	16,191	17,730
Accrued expenses	27,246	30,336
Accrued taxes	3,644	5,686
Other current liabilities	7,175	8,498
<b>Total current liabilities</b>	<b>60,362</b>	<b>69,505</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	17,704	16,993
Net defined benefit liabilities	17,278	16,807
Other non-current liabilities	2,287	2,286
<b>Total non-current liabilities</b>	<b>37,271</b>	<b>36,087</b>
<b>Total liabilities</b>	<b>97,634</b>	<b>105,593</b>
<b>Net assets</b>		
<b>Stockholders' equity</b>		
Common stock	36,665	36,677
Additional paid-in capital	70,438	70,472
Retained earnings	244,232	261,466
Treasury stock	(13,837)	(13,637)
<b>Total stockholders' equity</b>	<b>337,499</b>	<b>354,978</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	41,213	40,072
Deferred gain (loss) on hedges	12	23
Foreign currency translation adjustments	(75)	340
Remeasurements of defined benefit plans	(3,686)	(3,496)
<b>Total accumulated other comprehensive income</b>	<b>37,464</b>	<b>36,939</b>
<b>Non-controlling interests</b>	<b>1,141</b>	<b>1,298</b>
<b>Total net assets</b>	<b>376,105</b>	<b>393,215</b>
<b>Total liabilities and net assets</b>	<b>¥473,739</b>	<b>¥498,808</b>

## Consolidated Statements of Income

Years ended March 31, 2021 and 2022

	Millions of yen	
	2021	2022
<b>Net sales</b>	¥264,557	¥298,276
Cost of sales	193,270	211,293
<b>Gross profit</b>	71,287	86,982
<b>SGA expenses</b>	56,873	65,550
<b>Operating income</b>	14,413	21,431
<b>Non-operating revenue</b>		
Dividend income	1,298	1,239
Share of profit of entities accounted for using equity method	2,118	3,389
Other non-operating revenue	377	590
Total non-operating revenue	3,794	5,220
<b>Non-operating expenses</b>		
Loss on disposal of noncurrent assets	147	149
Other non-operating expenses	79	59
Total non-operating expenses	226	208
<b>Ordinary Income</b>	17,980	26,443
<b>Extraordinary gains</b>		
Gain on sales of investment securities	2,223	4,655
Total extraordinary gains	2,223	4,655
<b>Extraordinary losses</b>		
Impairment loss	198	—
Loss on valuation of investment securities	98	371
Provision of allowance for doubtful accounts	603	—
Loss on COVID-19	470	260
Total extraordinary losses	1,370	631
<b>Income before income taxes</b>	18,833	30,467
<b>Income taxes</b>		
Current	7,078	9,864
Deferred	(930)	(531)
Total income taxes	6,147	9,333
<b>Profit</b>	12,685	21,134
<b>Profit attributable to non-controlling interests</b>	85	134
<b>Profit attributable to owners of the parent</b>	¥ 12,600	¥ 20,999

## Consolidated Statements of Comprehensive Income

Years ended March 31, 2021 and 2022

	Millions of yen	
	2021	2022
<b>Profit</b>	¥12,685	¥21,134
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	16,336	(1,534)
Deferred gain (loss) on hedges	99	11
Foreign currency translation adjustments	(29)	61
Remeasurements of defined benefit plans	1,485	185
Share of other comprehensive income of entities accounted for using equity method	1,808	751
Total other comprehensive income	19,701	(525)
<b>Comprehensive income</b>	¥32,386	¥20,608
Components:		
Comprehensive income attributable to owners of the parent	¥32,301	¥20,474
Comprehensive income attributable to non-controlling interests	85	134

# Consolidated Statements of Changes in Net Assets

Years ended March 31, 2021 and 2022

Millions of yen

	Stockholders' equity				Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at March 31, 2020</b>	¥36,654	¥70,427	¥235,961	¥ (9,343)	¥333,699	¥ 23,240	¥ (88)	¥(124)	¥(5,264)	¥ 17,763	¥ 1,055	¥352,518
<b>Changes during term</b>												
Issuance of new shares	11	11			22							22
Cash dividends			(4,299)		(4,299)							(4,299)
Profit attributable to owners of the parent			12,600		12,600							12,600
Purchase of treasury stock				(3,941)	(3,941)							(3,941)
Cancellation of treasury stock			(29)	29	—							—
Change in treasury stock arising from change in equity in entities accounted for using equity method				(582)	(582)							(582)
Net changes other than stockholder's equity						17,973	100	48	1,578	19,701	85	19,786
Total changes during term	11	11	8,271	(4,493)	3,799	17,973	100	48	1,578	19,701	85	23,586
<b>Balance at March 31, 2021</b>	¥36,665	¥70,438	¥244,232	¥(13,837)	¥337,499	¥ 41,213	¥ 12	¥ (75)	¥(3,686)	¥ 37,464	¥ 1,141	¥376,105
Amount reflected due to changes in accounting method			487		487						22	510
Balance at beginning of term reflecting the changes in accounting method	¥36,665	¥70,438	¥244,720	¥(13,837)	¥337,987	¥ 41,213	¥ 12	¥ (75)	¥(3,686)	¥ 37,464	¥ 1,163	¥376,616
<b>Changes during term</b>												
Issuance of new shares	11	11			23							23
Cash dividends			(4,229)		(4,229)							(4,229)
Profit attributable to owners of the parent			20,999		20,999							20,999
Disposal of treasury stock		21		174	196							196
Cancellation of treasury stock			(25)	25	—							—
Net changes other than stockholder's equity						(1,141)	11	415	189	(525)	134	(391)
Total changes during term	11	33	16,745	199	16,990	(1,141)	11	415	189	(525)	134	16,599
<b>Balance at March 31, 2022</b>	¥36,677	¥70,472	¥261,466	¥(13,637)	¥354,978	¥ 40,072	¥23	¥340	¥(3,496)	¥36,939	¥ 1,298	¥393,215

## Consolidated Statements of Cash Flows

Years ended March 31, 2021 and 2022

	Millions of yen	
	2021	2022
<b>Cash flows from operating activities</b>		
Income before income taxes	¥ 18,833	¥ 30,467
Depreciation and amortization	10,661	10,296
Impairment loss	198	—
Amortization of goodwill	362	610
(Gain) loss on disposal of noncurrent assets	147	149
(Gain) loss on sales of investment securities	(2,223)	(4,655)
Loss on valuation of investment securities	98	371
Increase (decrease) in allowance for doubtful accounts	5	(22)
Increase (decrease) in net defined benefit liabilities	429	602
Dividend income	(1,298)	(1,239)
Share of (profit) loss of entities accounted for using equity method	(2,118)	(3,389)
Provision for allowance for doubtful accounts	603	—
(Increase) decrease in trade notes and accounts receivables	(150)	(4,348)
(Increase) decrease in inventories	287	2,740
Increase (decrease) in trade notes and accounts payables	(2,899)	1,146
Other cash flows from operating activities	1,403	3,022
<b>Subtotal</b>	<b>24,341</b>	<b>35,750</b>
Interest and dividend received	2,340	2,187
Income taxes refunded	1,016	498
Income taxes paid	(7,102)	(8,309)
<b>Net cash provided by operating activities</b>	<b>20,596</b>	<b>30,126</b>
<b>Cash flows from investing activities</b>		
Purchase of marketable securities	(76,400)	(82,819)
Proceeds from redemption of marketable securities	84,800	92,000
Purchase of trust beneficiary right	(36,600)	—
Proceeds from redemption of trust beneficiary right	40,100	1,200
Purchase of tangible assets	(11,258)	(5,649)
Purchase of intangible assets	(1,859)	(1,719)
Purchase of investment securities	(6,498)	(272)
Proceeds from sales of investment securities	3,515	4,972
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,242)	—
Other cash flows from investing activities	(516)	(85)
<b>Net cash provided by (used in) investing activities</b>	<b>(7,959)</b>	<b>7,625</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury stock	(3,117)	—
Dividends paid to stockholders	(4,299)	(4,229)
Other cash flows from financing activities	(834)	(334)
<b>Net cash used in financing activities</b>	<b>(8,251)</b>	<b>(4,563)</b>
Effect of exchange rate changes on cash and cash equivalents	(32)	65
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,353</b>	<b>33,254</b>
Cash and cash equivalents at beginning of term	39,709	44,062
<b>Cash and cash equivalents at end of term</b>	<b>¥ 44,062</b>	<b>¥ 77,317</b>

# Segment Information

Business segment of the Company and its consolidated subsidiaries for the fiscal years ended March 31, 2021 and 2022 are summarized as follows:

## Business Segment Information

The Company's major business categories are TV broadcasting business, music publication business and other businesses.

	Millions of yen					Adjustments*1	Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Reportable segment		Total			
		Music Publication Business	Other Businesses				
<b>2021</b>							
Sales							
Sales to outside customers	¥209,485	¥6,168	¥48,903	¥264,557	¥ —		¥264,557
Inter-segment sales and transfers	3,720	223	9,701	13,645	(13,645)		—
Total	213,205	6,391	58,605	278,202	(13,645)		264,557
Segment income	11,059	721	2,630	14,411	2		14,413
Segment assets	261,686	9,104	87,518	358,310	115,429		473,739
<b>Other items</b>							
Depreciation/amortization	8,174	43	2,443	10,661	—		10,661
Investment in affiliates	21,380	—	31,560	52,940	17,279		70,219
Increase in tangible/intangible assets	8,408	24	1,796	10,229	—		10,229

\*1 Details of adjustments are as follows:

- 1) Segment income adjustments totaling 2 million yen includes elimination of inter-segment transactions of minus 109 million yen, 2,170 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 2,059 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
- 2) Segment assets adjustment of 115,429 million yen consists of corporate assets of 144,422 million yen and elimination of inter-segment claims and liabilities of minus 28,992 million yen.
- 3) Adjustment of investment in affiliates of 17,279 million yen is corporate assets.

\*2 Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.

	Millions of yen					Adjustments*1	Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Reportable segment		Total			
		Music Publication Business	Other Businesses				
<b>2022</b>							
Sales							
Sales to outside customers	<b>¥237,473</b>	<b>¥7,136</b>	<b>¥53,666</b>	<b>¥298,276</b>	¥ —		<b>¥298,276</b>
Inter-segment sales and transfers	<b>3,848</b>	<b>208</b>	<b>9,775</b>	<b>13,832</b>	<b>(13,832)</b>		<b>—</b>
Total	<b>241,321</b>	<b>7,345</b>	<b>63,441</b>	<b>312,108</b>	<b>(13,832)</b>		<b>298,276</b>
Segment income	<b>18,842</b>	<b>926</b>	<b>1,723</b>	<b>21,492</b>	<b>(60)</b>		<b>21,431</b>
Segment assets	<b>275,607</b>	<b>9,430</b>	<b>95,085</b>	<b>380,123</b>	<b>118,685</b>		<b>498,808</b>
<b>Other items</b>							
Depreciation/amortization	<b>7,692</b>	<b>36</b>	<b>2,567</b>	<b>10,296</b>	<b>—</b>		<b>10,296</b>
Investment in affiliates	<b>22,638</b>	<b>—</b>	<b>34,236</b>	<b>56,875</b>	<b>17,239</b>		<b>74,115</b>
Increase in tangible/intangible assets	<b>6,462</b>	<b>10</b>	<b>1,555</b>	<b>8,027</b>	<b>—</b>		<b>8,027</b>

\*1 Details of adjustments are as follows:

- 1) Segment income adjustments totaling minus 60 million yen includes elimination of inter-segment transactions of minus 96 million yen, 1,941 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,905 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
- 2) Segment assets adjustment of 118,685 million yen consists of corporate assets of 137,408 million yen and elimination of inter-segment claims and liabilities of minus 18,722 million yen.
- 3) Adjustment of investment in affiliates of 17,239 million yen is corporate assets.

\*2 Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.

## Holding Company Structure

### tv asahi holdings corporation

#### Consolidated Subsidiaries of TV Asahi Holdings Corporation

TV Asahi Corporation
Asahi Satellite Broadcasting Limited
CS One Ten, Ltd.

#### Equity-Method Affiliates of TV Asahi Holdings Corporation

Asahi Broadcasting Aomori Co., Ltd.
Iwate Asahi Television Co., Ltd.
HIGASHI NIPPON BROADCASTING Co., Ltd.
Akita Asahi Broadcasting Co., Ltd.
Yamagata Television System Inc.
Fukushima Broadcasting Co., Ltd.
The Niigata Television Network 21, Inc.
Asahi Broadcasting Nagano Co., Ltd.
Shizuoka Asahi Television Co., Ltd.
TOEI COMPANY, LTD.

#### Consolidated Subsidiaries of TV Asahi Corporation

AbemaProduction, Inc.	Tokyo Sound Production Inc.
Bunkakobo, inc.	TRUST NETWORK INC.
FLEX Co., Ltd.	TV ASAHI AMERICA, Inc.
HOSOGIYUTSUSHA CO., LTD.	TV Asahi ASK Co., Ltd.
ITTY, Inc.	TV Asahi BEST Co., Ltd.
Japan Cable Television, Ltd.	TV Asahi Create Corporation
Media Mix Japan Co., Ltd.	TV Asahi mediaplex corporation
Plus ZERO Co., Ltd.	TV ASAHI MUSIC CO., LTD.
ROPPING LIFE Co., Ltd.	TV Asahi Productions Co., Ltd.
SHIN-EI ANIMATION Co., Ltd.	TV Asahi Service Co., Ltd.
TAKESYSTEMS Co., Ltd.	Ultracompression Inc.

#### Equity-Method Affiliates of TV Asahi Corporation

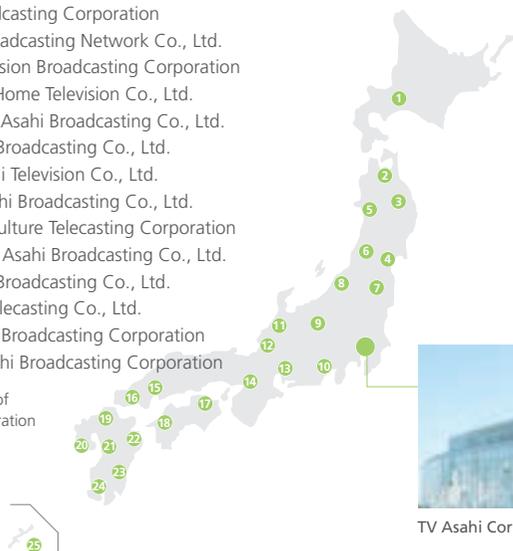
AbemaNews, inc.	Ray Corporation
AbemaTV, inc.	TELASA Corporation
Kaeru AbemaTV, Inc.	TOEI ANIMATION CO., LTD.
New Japan Pro-Wrestling Co., Ltd.	

TV BROADCASTING BUSINESS MUSIC PUBLICATION BUSINESS OTHER BUSINESSES

## Domestic Network

- 1 HTB Hokkaido Television Broadcasting Co., Ltd.
- 2 ABA Asahi Broadcasting Aomori Co., Ltd.\*
- 3 IAT Iwate Asahi Television Co., Ltd.\*
- 4 KHB HIGASHI NIPPON BROADCASTING Co, Ltd.\*
- 5 AAB Akita Asahi Broadcasting Co., Ltd.\*
- 6 YTS Yamagata Television System Inc.\*
- 7 KFB Fukushima Broadcasting Co., Ltd.\*
- 8 UX The Niigata Television Network 21, Inc.\*
- 9 abn Asahi Broadcasting Nagano Co., Ltd.\*
- 10 SATV Shizuoka Asahi Television Co., Ltd.\*
- 11 HAB Hokuriku Asahi Broadcasting Co., Ltd.
- 12 FBC Fukui Broadcasting Corporation
- 13 NBN Nagoya Broadcasting Network Co., Ltd.
- 14 ABC Asahi Television Broadcasting Corporation
- 15 HOME Hiroshima Home Television Co., Ltd.
- 16 yab Yamaguchi Asahi Broadcasting Co., Ltd.
- 17 KSB Setonaikai Broadcasting Co., Ltd.
- 18 eat Ehime Asahi Television Co., Ltd.
- 19 KBC Kyusyu Asahi Broadcasting Co., Ltd.
- 20 NCC Nagasaki Culture Telecasting Corporation
- 21 KAB Kumamoto Asahi Broadcasting Co., Ltd.
- 22 OAB Oita Asahi Broadcasting Co., Ltd.
- 23 UMK Miyazaki Telecasting Co., Ltd.
- 24 KKB Kagoshima Broadcasting Corporation
- 25 QAB Ryukyu Asahi Broadcasting Corporation

\* Equity-Method Affiliates of TV Asahi Holdings Corporation



## International Network

### Bureaus

- **North America**  
New York\*  
Washington, D.C.\*  
Los Angeles\*
- **Europe/Africa**  
London  
Moscow  
Cairo  
Paris (ABC\*\*)
- **Asia/Oceania**  
Bangkok (News Bureau)  
Bangkok (Business Bureau)  
Beijing  
Seoul  
Shanghai (ABC\*\*)

\*TV ASAHI AMERICA, Inc.  
\*\*ABC: Asahi Television Broadcasting Corporation

### Media Partners

- **North America**  
CNN USA
- **Europe/Africa**  
RTL Germany  
TF1 France
- **Asia/Oceania**  
JTBC South Korea  
CCTV China  
SMG China  
CTV Taiwan  
ETTV Taiwan  
CH3 Thailand  
Kantana Thailand  
ZEEL India  
CH7 Australia



TV Asahi Corporation

## Board of Directors As of June 29, 2022

### Chairman

Hiroshi Hayakawa\*

### President

Hiroshi Shinozuka\*

### Members of the Board

Toru Takeda

Gengo Sunami

Satoru Takada

Junji Itabashi

Arata Nishi

Katsumi Sasaki

Mieko Kenjo

Osamu Tezuka

Shiro Nakamura

Katsuhiko Ikeda

Akira Genma

Sadayoshi Fujishige

Keiko Miyata

\*Representative Directors

(Notes)

1. Mieko Kenjo, Osamu Tezuka, Shiro Nakamura, Katsuhiko Ikeda, Akira Genma, Sadayoshi Fujishige and Keiko Miyata are Outside Members of the Board.
2. Katsumi Sasaki, Katsuhiko Ikeda, Akira Genma, Sadayoshi Fujishige and Keiko Miyata are Members of the Board who also serve as Audit and Supervisory Committee members.

## Stock Information

Authorized Number of Shares	300,000,000
Issued Number of Shares	108,529,000
Number of Stockholders	20,796
Foreign Stockholding Ratio (%)	14.86%
Listing	Tokyo Stock Exchange

## Stockholder Information

Fiscal Year-End	March 31
General Meeting of Stockholders	June
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited

## Underwriter

Daiwa Securities Co. Ltd.

## Sub-Underwriter

Nomura Securities Co., Ltd.  
SMBC Nikko Securities Inc.

## Corporate Data

Corporate Name	TV Asahi Holdings Corporation
Abbreviation	TV Asahi HD
Head Office	6-9-1, Roppongi, Minato-Ku, Tokyo 106-8001, Japan Tel. +81-3-6406-1115 <a href="http://www.tv-asahi-hd.co.jp/e/">http://www.tv-asahi-hd.co.jp/e/</a>
Date of Establishment	November 1, 1957
Paid-in Capital	¥36,677,300,000

## Major Stockholders

Name	Shares	Shareholding Ratio (%)
The Asahi Shimbun Company	26,151,840	24.73
TOEI COMPANY, LTD.	18,522,900	17.51
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,208,800	6.81
KOSETSU Museum of Art	5,030,000	4.75
Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trust Dai Nippon Printing Account Re trustee Trust & Custody Services Bank, Ltd	4,030,000	3.81
Kyushu Asahi Broadcasting Co., Ltd.	3,333,500	3.15
The Asahi Shimbun Foundation	2,297,100	2.17
Custody Bank of Japan, Ltd. (Trust Account)	2,223,600	2.10
Asahi Broadcasting Group Holdings Corporation	1,572,000	1.48
Kodansha Ltd.	1,364,000	1.29

Note: The Shareholding Ratio is calculated by deducting the Company's treasury stock (2,800,320 shares)

