

Note: This document is a direct translation of the *kessan tanshin* released in Japanese. All figures in millions of yen have been rounded down to the nearest million yen. If there are any discrepancies between this document and the original Japanese version, the original Japanese version prevails.

November 12, 2020

## TV Asahi Holdings Corporation

### Consolidated Earnings Report for the Six Months ended September 30, 2020 (Japanese GAAP)

Stock listing: Tokyo Stock Exchange (First Section)  
Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001 JAPAN  
Representative: Hiroshi Hayakawa, Chairman & CEO  
Information contact: Naoji Kobayashi, Treasurer

Securities code: 9409  
URL: <https://www.tv-asahi.co.jp/c/>  
Tel: +81-3-6406-1115

Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): November 12, 2020

Dividend payout: December 7, 2020

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: Yes

(Amounts rounded down to the nearest ¥ million)

#### 1. Consolidated Performance for the Six Months ended September 30, 2020 (April 1, 2020–September 30, 2020)

(1) Consolidated Operating Results (percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended September 30, 2020	118,026	(18.8)	2,317	(56.1)	4,272	(41.6)	2,837	(37.5)
Six months ended September 30, 2019	145,416	(1.7)	5,274	(7.1)	7,318	2.7	4,537	(7.7)

Note: Comprehensive income: Six months ended September 30, 2020 ¥ 11,243 million (83.8%)  
Six months ended September 30, 2019 ¥ 6,117 million (minus 63.5%)

	Earnings per share	Diluted earnings per share
	¥	¥
Six months ended September 30, 2020	27.29	-
Six months ended September 30, 2019	42.34	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
September 30, 2020	443,097	361,629	81.4
March 31, 2020	447,549	352,518	78.5

Note: \*Owners' equity: September 30, 2020: ¥ 360,562 million; March 31, 2020: ¥351,463 million

\*Owners' equity = Net assets – Share purchase warrants – Non-controlling interests

## 2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	¥	¥	¥	¥	¥
FYE March 31, 2020	—	20.00	—	20.00	40.00
FYE March 31, 2021	—	20.00			
Forecast for FYE March 31, 2021			—	20.00	40.00

Note: Revisions from the latest release of dividends forecasts: None

## 3. Forecast for the Fiscal Year ending March 31, 2021 (April 1, 2020 – March 31, 2021)

(percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of the parent		Earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FYE March 31, 2021	255,000	(13.2)	5,000	(60.2)	8,000	(75.0)	6,000	(77.3)	57.70

Note: Revisions from the latest release of dividends forecasts: Yes

## 4. Other Information

- (1) Changes in consolidation status of major subsidiaries during the term: None
- (2) Accounting methods specific to quarterly consolidated financial statements: Yes
- (3) Changes in accounting principles, changes in accounting estimates, and retrospective restatement
  - 1) Changes in accordance with amendments to accounting standards, etc.: None
  - 2) Changes other than noted in 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Shares outstanding (ordinary shares)

	September 30, 2020	March 31, 2020
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	4,545,946	4,556,957
	Six months ended September 30, 2020	Six months ended September 30, 2019
3) Average number of shares outstanding during the term	103,976,267	107,167,433

\* This document is outside the scope of quarterly review.

### \*Appropriate Use of Earnings Forecasts and Other Important Information

- The above forecasts are based on information available as of this report's publication. Actual results may differ from forecasts due to changes in the business environment. For information regarding the forecast for the fiscal year, please refer to Consolidated Earnings Forecasts and Other Forward-looking Statements on page 3.
- TV Asahi Holdings Corporation intends to publish the supplementary material to quarterly financial results on its website on Thursday, November 12, 2020.
- TV Asahi Holdings Corporation has scheduled an earnings presentation for analysts on Wednesday, November 18, 2020, and intends to publish the presentation handout materials on its website immediately after the event.

## Consolidated Earnings Forecasts and Other Forward-looking Statements

The Company had previously released that it was difficult to reasonably determine the full-year consolidated earnings forecast for the fiscal year ending March 31, 2021 due to the spread of COVID-19. However, based on information currently available to management, the Company announces a forecast.

The spread of COVID-19 has made a great impact on the Company's business environment including a decrease in the TV advertising market where the Company experienced a large year-on-year drop in spot sales for the first half of fiscal year ending March 31, 2021. The Company foresees that such circumstance will continue to a certain extent until the end of March 31, 2021 although a gradual recovery is anticipated.

As such, the Company forecasts net sales of 255 billion yen, operating income of 5 billion yen, ordinary income of 8 billion yen and profit attributable to owners of the parent of 6 billion yen.

Revision of the consolidated forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 – March 31, 2021)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of the parent	Earnings per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous Forecast (A)	-	-	-	-	-
New Forecast (B)	255,000	5,000	8,000	6,000	57.70
Difference (B-A)	-	-	-	-	
Difference (%)	-	-	-	-	
<Reference> Results for FYE March 31, 2020	293,638	12,565	32,048	26,398	248.58

## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	As of March 31, 2020 Amount	(millions of yen) As of September 30, 2020 Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	39,534	22,036
Trade notes and accounts receivable	74,417	55,292
Marketable securities	17,405	39,299
Inventories	11,791	12,056
Other current assets	12,455	13,802
Less allowance for doubtful accounts	(71)	(59)
<b>Total current assets</b>	<b>155,532</b>	<b>142,428</b>
<b>Fixed assets</b>		
Tangible assets		
Land	46,438	46,438
Other tangible assets, net	60,782	58,720
<b>Total tangible assets</b>	<b>107,221</b>	<b>105,159</b>
Intangible assets		
Other intangible assets	6,651	6,026
<b>Total intangible assets</b>	<b>6,651</b>	<b>6,026</b>
Investments and other assets		
Investment securities	155,951	167,096
Other investments and other assets	22,448	22,642
Less allowance for doubtful accounts	(256)	(256)
<b>Total investments and other assets</b>	<b>178,144</b>	<b>189,483</b>
<b>Total fixed assets</b>	<b>292,016</b>	<b>300,669</b>
<b>Total assets</b>	<b>447,549</b>	<b>443,097</b>

	As of March 31, 2020 Amount	(millions of yen) As of September 30, 2020 Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	8,934	6,893
Other current liabilities	54,693	39,951
Total current liabilities	63,627	46,845
<b>Non-current liabilities</b>		
Net defined benefit liabilities	19,120	18,777
Other non-current liabilities	12,282	15,845
Total non-current liabilities	31,403	34,622
Total liabilities	95,030	81,467
<b>Net assets</b>		
<b>Stockholders' equity</b>		
Common stock	36,654	36,665
Additional paid-in capital	70,427	70,438
Retained earnings	235,961	236,619
Treasury stock	(9,343)	(9,318)
Total stockholders' equity	333,699	334,404
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	23,240	31,450
Deferred loss on hedges	(88)	(106)
Foreign currency translation adjustments	(124)	(188)
Remeasurements of defined benefit plans	(5,264)	(4,998)
Total accumulated other comprehensive income	17,763	26,157
<b>Non-controlling interests</b>	1,055	1,067
<b>Total net assets</b>	352,518	361,629
<b>Total liabilities and net assets</b>	447,549	443,097

## (2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income			(millions of yen)
	Six Months ended September 30, 2019	Six Months ended September 30, 2020	
	Amount	Amount	
<b>Net sales</b>	145,416	118,026	
Cost of sales	109,689	90,827	
<b>Gross profit</b>	35,727	27,198	
<b>SGA expenses</b>	30,452	24,881	
<b>Operating income</b>	5,274	2,317	
<b>Non-operating revenue</b>			
Dividend income	817	786	
Share of profit of entities accounted for using equity method	1,031	1,044	
Other non-operating revenue	245	202	
Total non-operating revenue	2,094	2,033	
<b>Non-operating expenses</b>			
Loss on valuation on investment in securities	-	26	
Loss on disposal of non-current assets	29	32	
Other non-operating expenses	20	19	
Total non-operating expenses	50	78	
<b>Ordinary Income</b>	7,318	4,272	
<b>Extraordinary losses</b>			
Loss on valuation of investment securities	171	-	
Loss on COVID-19	-	274	
Total extraordinary losses	171	274	
<b>Income before income taxes</b>	7,147	3,998	
<b>Income taxes</b>	2,537	1,149	
<b>Profit</b>	4,610	2,849	
<b>Profit attributable to non-controlling interests</b>	72	11	
<b>Profit attributable to owners of the parent</b>	4,537	2,837	

### Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2019	Six Months ended September 30, 2020
	Amount	Amount
<b>Profit</b>	4,610	2,849
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,489	7,116
Deferred gain (loss) on hedges	(259)	(18)
Foreign currency translation adjustments	(14)	(8)
Remeasurements of defined benefit plans	237	262
Share of other comprehensive income of entities accounted for using equity method	52	1,043
Total other comprehensive income	1,506	8,394
<b>Comprehensive income</b>	6,117	11,243
Components:		
Comprehensive income attributable to owners of the parent	6,044	11,231
Comprehensive income attributable to non-controlling interests	72	11

## Segment Information

### Information about Sales and Segment Income by Reportable Segment

Six Months ended September 30, 2019 (April 1, 2019 to September 30, 2019)

	Reportable segment				Adjustments*1	(millions of yen) Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total		
Sales						
Sales to outside customers	114,237	6,267	24,912	145,416	-	145,416
Inter-segment sales and transfers	1,846	115	4,846	6,807	(6,807)	-
Total	116,083	6,382	29,758	152,224	(6,807)	145,416
Segment income	1,821	770	2,743	5,335	(60)	5,274

- Notes: 1. Segment income adjustments totaling minus 60 million yen includes elimination of inter-segment transactions of minus 64 million yen, 1,071 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,067 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
2. Segment income is adjusted to align it with operating income reported on the quarterly consolidated statements of income for the corresponding period.

Six Months ended September 30, 2020 (April 1, 2020 to September 30, 2020)

	Reportable segment				Adjustments*1	(millions of yen) Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total		
Sales						
Sales to outside customers	94,398	2,988	20,638	118,026	-	118,026
Inter-segment sales and transfers	1,568	109	4,565	6,243	(6,243)	-
Total	95,967	3,098	25,203	124,269	(6,243)	118,026
Segment income	1,305	274	740	2,320	(2)	2,317

- Notes: 1. Segment income adjustments totaling minus 2 million yen includes elimination of inter-segment transactions of minus 45 million yen, 1,115 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,073 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
2. Segment income is adjusted to align it with operating income reported on the quarterly consolidated statements of income for the corresponding period.