

Note: This document is a direct translation of the *kessan tanshin* released in Japanese. All figures in millions of yen have thus 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.

August 5, 2022

TV Asahi Holdings Corporation
Consolidated Earnings Report for the Three Months ended June 30, 2022
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange

Securities code: 9409

Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001 JAPAN

URL: <https://www.tv-asahihd.co.jp/e/>

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Filing of statutory quarterly financial report (*shihanki hokokusho*): August 12, 2022

Dividend payout: -

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: No

(Amounts rounded down to the nearest ¥ million)

1. Consolidated Performance for the Three Months ended June 30, 2022 (April 1, 2022–June 30, 2022)

(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	%
Three months ended June 30, 2022	72,152	0.7	5,313	(26.3)	7,573	(11.5)	5,253	(3.6)
Three months ended June 30, 2021	71,676	24.7	7,212	207.3	8,554	132.1	5,447	133.8

Note: Comprehensive income: Three months ended June 30, 2022 ¥ (655) million (-%)

Three months ended June 30, 2021 ¥ 5,707 million (minus 35.1%)

	Earnings per share	Diluted earnings per share
	¥	¥
Three months ended June 30, 2022	51.71	-
Three months ended June 30, 2021	53.66	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
June 30, 2022	482,422	389,388	80.4
March 31, 2022	498,808	393,215	78.6

Note: Owners' equity*: June 30, 2022: ¥ 388,071 million; March 31, 2022: ¥ 391,917 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, 2022	—	20.00	—	30.00	50.00
FYE March 31, 2023	—				
Forecast for FYE March 31, 2023		20.00	—	20.00	40.00

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

3. Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)

(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, 2023	312,000	4.6	20,000	(6.7)	25,000	(5.5)	17,000	(19.0)	167.33

Note: Revisions from the latest release of earnings forecasts: No

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)

	June 30, 2022	March 31, 2022
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	6,930,668	6,930,668
	Three months ended June 30, 2022	Three months ended June 30, 2021
3) Average number of shares outstanding during the term	101,598,332	101,509,414

*** 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.
- TV Asahi Holdings Corporation intends to publish the supplementary material to quarterly financial results on its website on Friday, August 5, 2022.

* Changes in Reportable Segment

TV Asahi Holdings Corporation has resolved to change its reportable segment categories at the Board Meeting held on May 11, 2022.

For FYE March 31, 2022, the Company has used the segment categories of "TV Broadcasting Business," "Music Publication Business" and "Other Businesses." From FYE March 31, 2023, "Internet Business" and "Shopping Business" which are both important business areas and were formerly classified under "Other Businesses" have become new segments. Following this change, "production of TV shopping programs" which were included in "TV Broadcasting Business" has been classified under "Shopping Business," and "Music Publication Business" has been classified under "Other Businesses." The new reportable segments are "TV Broadcasting Business," "Internet

Business,” “Shopping Business” and “Other Businesses.”

Furthermore, for segment information for the three months ended June 30, 2021, the Company has recalculated the amount of net sales, profit/loss and other figures using the new reportable segments.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2022 Amount	(millions of yen) As of June 30, 2022 Amount
Assets		
Current assets		
Cash and deposits	67,666	25,591
Trade notes and accounts receivable	79,105	75,114
Marketable securities	12,399	51,798
Inventories	9,471	11,192
Other current assets	9,959	9,079
Less allowance for doubtful accounts	(76)	(71)
Total current assets	178,525	172,704
Fixed assets		
Tangible assets		
Land	53,630	53,630
Other tangible assets, net	51,747	49,960
Total tangible assets	105,378	103,591
Intangible assets		
Other intangible assets	8,748	8,177
Total intangible assets	8,748	8,177
Investments and other assets		
Investment securities	184,566	176,495
Other investments and other assets	22,177	22,042
Less allowance for doubtful accounts	(587)	(587)
Total investments and other assets	206,156	197,949
Total fixed assets	320,283	309,717
Total assets	498,808	482,422

	As of March 31, 2022	(millions of yen) As of June 30, 2022
	Amount	Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	7,254	6,252
Other current liabilities	62,251	53,932
Total current liabilities	69,505	60,185
Non-current liabilities		
Net defined benefit liabilities	16,807	16,683
Other non-current liabilities	19,280	16,164
Total non-current liabilities	36,087	32,848
Total liabilities	105,593	93,033
Net assets		
Stockholders' equity		
Common stock	36,677	36,677
Additional paid-in capital	70,472	70,472
Retained earnings	261,466	263,548
Treasury stock	(13,637)	(13,637)
Total stockholders' equity	354,978	357,059
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,072	33,518
Deferred gain (loss) on hedges	23	1
Foreign currency translation adjustments	340	866
Remeasurements of defined benefit plans	(3,496)	(3,374)
Total accumulated other comprehensive income	36,939	31,011
Non-controlling interests	1,298	1,316
Total net assets	393,215	389,388
Total liabilities and net assets	498,808	482,422

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

	(millions of yen)	
	Three Months ended June 30, 2021	Three Months ended June 30, 2022
	Amount	Amount
Net sales	71,676	72,152
Cost of sales	48,702	51,138
Gross profit	22,973	21,013
SGA expenses	15,760	15,699
Operating income	7,212	5,313
Non-operating revenue		
Dividend income	634	701
Share of profit of entities accounted for using equity method	464	1,342
Other non-operating revenue	261	250
Total non-operating revenue	1,360	2,294
Non-operating expenses		
Loss on disposal of non-current assets	9	16
Other non-operating expenses	10	19
Total non-operating expenses	19	35
Ordinary Income	8,554	7,573
Extraordinary losses		
Loss on COVID-19	172	-
Total extraordinary losses	172	-
Income before income taxes	8,381	7,573
Income taxes	2,907	2,300
Profit	5,474	5,272
Profit attributable to non-controlling interests	26	18
Profit attributable to owners of the parent	5,447	5,253

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Three Months ended June 30, 2021	Three Months ended June 30, 2022
	Amount	Amount
Profit	5,474	5,272
Other comprehensive income		
Valuation difference on available-for-sale securities	394	(6,594)
Deferred gain (loss) on hedges	1	(22)
Foreign currency translation adjustments	38	41
Remeasurements of defined benefit plans	121	124
Share of other comprehensive income of entities accounted for using equity method	(322)	523
Total other comprehensive income	233	(5,927)
Comprehensive income	5,707	(655)
Components:		
Comprehensive income attributable to owners of the parent	5,681	(673)
Comprehensive income attributable to non-controlling interests	26	18

Segment Information

Information regarding Sales and Segment Income by Reportable Segment

Three Months ended June 30, 2021 (April 1, 2021 - June 30, 2021)

(millions of yen)

	Reportable segment					Total	Adjustments ¹	Amounts reported on consolidated financial statements ²
	TV Broadcasting Business	Internet Business	Shopping Business	Other Businesses				
Sales								
Sales to outside customers	57,148	4,953	4,492	5,081	71,676	-	71,676	
Inter-segment sales and transfers	509	448	6	1,827	2,792	(2,792)	-	
Total	57,658	5,402	4,498	6,909	74,468	(2,792)	71,676	
Segment income	5,891	536	352	489	7,269	(57)	7,212	

- Notes:
1. Segment income adjustments totaling minus 57 million yen includes elimination of inter-segment transactions of minus 19 million yen, 525 million yen of income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 562 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.

Three Months ended June 30, 2022 (April 1, 2022 - June 30, 2022)

(millions of yen)

	Reportable segment					Total	Adjustments ¹	Amounts reported on consolidated financial statements ²
	TV Broadcasting Business	Internet Business	Shopping Business	Other Businesses				
Sales								
Sales to outside customers	55,653	5,340	4,363	6,795	72,152	-	72,152	
Inter-segment sales and transfers	503	421	7	1,730	2,662	(2,662)	-	
Total	56,156	5,761	4,370	8,525	74,814	(2,662)	72,152	
Segment income	4,251	170	410	533	5,366	(52)	5,313	

- Notes:
1. Segment income adjustments totaling minus 52 million yen includes elimination of inter-segment transactions of minus 15 million yen, 515 million yen of income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 552 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.