

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.

February 10, 2023

TV Asahi Holdings Corporation
Consolidated Earnings Report for the Nine Months ended December 31, 2022
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange (Prime Market)

Securities code: 9409

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

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

Representative: Hiroshi Hayakawa, Chairman

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Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): February 13, 2023

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 Nine Months ended December 31, 2022 (April 1, 2022–December 31, 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	%
Nine months ended December 31, 2022	226,167	1.8	13,223	(19.1)	20,828	0.8	15,308	8.4
Nine months ended December 31, 2021	222,223	16.6	16,353	80.6	20,665	66.5	14,118	81.7

Note: Comprehensive income: Nine months ended December 31, 2022 ¥ 9,149 million [(60.2)%]
 Nine months ended December 31, 2021 ¥ 22,994 million [19.8%]

	Earnings per share	Diluted earnings per share
	¥	¥
Nine months ended December 31, 2022	150.67	-
Nine months ended December 31, 2021	139.06	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
December 31, 2022	490,885	397,084	80.6
March 31, 2022	498,808	393,215	78.6

Note: *Owners' equity: December 31, 2022: ¥ 395,676 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	—	20.00	—		
Forecast for FYE March 31, 2023				20.00	40.00

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

Year-end dividend of 30 yen for FYE March 31, 2022 includes special dividend of 10 yen per share.

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	306,000	2.6	18,000	(16.0)	25,000	(5.5)	17,000	(19.0)	167.32

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)

	December 31, 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	6,926,396	6,930,668
	Nine months ended December 31, 2022	Nine months ended December 31, 2021
3) Average number of shares outstanding during the term	101,602,890	101,530,904

* 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, February 10, 2023.

* 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 nine months ended December 31, 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 December 31, 2022 Amount
Assets		
Current assets		
Cash and deposits	67,666	21,938
Trade notes and accounts receivable	79,105	79,382
Marketable securities	12,399	43,101
Inventories	9,471	13,121
Other current assets	9,959	13,278
Less allowance for doubtful accounts	(76)	(74)
Total current assets	178,525	170,748
Fixed assets		
Tangible assets		
Land	53,630	64,551
Other tangible assets, net	51,747	46,464
Total tangible assets	105,378	111,015
Intangible assets		
Other intangible assets	8,748	7,544
Total intangible assets	8,748	7,544
Investments and other assets		
Investment securities	184,566	180,461
Other investments and other assets	22,177	21,681
Less allowance for doubtful accounts	(587)	(565)
Total investments and other assets	206,156	201,577
Total fixed assets	320,283	320,137
Total assets	498,808	490,885

	As of March 31, 2022 Amount	(millions of yen) As of December 31, 2022 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	7,254	9,059
Other current liabilities	62,251	52,474
Total current liabilities	69,505	61,533
Non-current liabilities		
Net defined benefit liabilities	16,807	16,557
Other non-current liabilities	19,280	15,709
Total non-current liabilities	36,087	32,267
Total liabilities	105,593	93,800
Net assets		
Stockholders' equity		
Common stock	36,677	36,687
Additional paid-in capital	70,472	70,482
Retained earnings	261,466	271,461
Treasury stock	(13,637)	(13,624)
Total stockholders' equity	354,978	365,007
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,072	32,801
Deferred gain (loss) on hedges	23	(1)
Foreign currency translation adjustments	340	997
Remeasurements of defined benefit plans	(3,496)	(3,128)
Total accumulated other comprehensive income	36,939	30,669
Non-controlling interests	1,298	1,408
Total net assets	393,215	397,084
Total liabilities and net assets	498,808	490,885

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

	(millions of yen)	
	Nine Months ended December 31, 2021	Nine Months ended December 31, 2022
	Amount	Amount
Net sales	222,223	226,167
Cost of sales	157,616	164,862
Gross profit	64,606	61,305
SGA expenses	48,253	48,081
Operating income	16,353	13,223
Non-operating revenue		
Dividend income	1,185	1,321
Share of profit of entities accounted for using equity method	2,762	5,935
Other non-operating revenue	439	449
Total non-operating revenue	4,387	7,705
Non-operating expenses		
Loss on disposal of non-current assets	35	41
Other non-operating expenses	39	59
Total non-operating expenses	75	100
Ordinary Income	20,665	20,828
Extraordinary losses		
Loss on COVID-19	205	-
Total extraordinary losses	205	-
Income before income taxes	20,460	20,828
Income taxes	6,258	5,409
Profit	14,202	15,419
Profit attributable to non-controlling interests	83	110
Profit attributable to owners of the parent	14,118	15,308

Consolidated Statements of Comprehensive Income

	Nine Months ended December 31, 2021	(millions of yen) Nine Months ended December 31, 2022
	Amount	Amount
Profit	14,202	15,419
Other comprehensive income		
Valuation difference on available-for-sale securities	8,157	(6,670)
Deferred gain (loss) on hedges	(0)	(22)
Foreign currency translation adjustments	45	168
Remeasurements of defined benefit plans	342	372
Share of other comprehensive income of entities accounted for using equity method	246	(118)
Total other comprehensive income	8,791	(6,269)
Comprehensive income	22,994	9,149
Components:		
Comprehensive income attributable to owners of the parent	22,910	9,038
Comprehensive income attributable to non-controlling interests	83	110

Segment Information

Information about Sales and Segment Income by Reportable Segment

Nine Months ended December 31, 2021 (April 1, 2021 to December 31, 2021)

(millions of yen)

	Reportable segment					Adjustments ¹	Amounts reported on consolidated financial statements ²
	TV Broadcasting Business	Internet Business	Shopping Business	Other Businesses	Total		
Sales							
Sales to outside customers	176,596	14,994	14,733	15,898	222,223	-	222,223
Inter-segment sales and transfers	1,591	1,386	25	5,723	8,728	(8,728)	-
Total	178,188	16,381	14,759	21,621	230,951	(8,728)	222,223
Segment income	12,786	1,121	1,502	910	16,319	33	16,353

- Notes: 1. Segment income adjustments totaling 33 million yen includes elimination of inter-segment transactions of minus 52 million yen, 1,503 million yen of income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,417 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.

Nine Months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

(millions of yen)

	Reportable segment					Adjustments ¹	Amounts reported on consolidated financial statements ²
	TV Broadcasting Business	Internet Business	Shopping Business	Other Businesses	Total		
Sales							
Sales to outside customers	171,029	16,753	14,766	23,617	226,167	-	226,167
Inter-segment sales and transfers	2,171	1,494	8	6,042	9,716	(9,716)	-
Total	173,200	18,247	14,775	29,660	235,883	(9,716)	226,167
Segment income	8,659	935	1,200	2,416	13,212	10	13,223

- Notes: 1. Segment income adjustments totaling 10 million yen includes elimination of inter-segment transactions of minus 70 million yen, 1,536 million yen of income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,455 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.