

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 4, 2023

TV Asahi Holdings Corporation
Consolidated Earnings Report for the Three Months ended June 30, 2023
(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-asahi.co.jp/e/>

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Filing of statutory quarterly financial report (*shihanki hokokusho*): August 10, 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 Three Months ended June 30, 2023 (April 1, 2023–June 30, 2023)

(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, 2023	71,589	(0.8)	3,707	(30.2)	5,949	(21.4)	4,295	(18.2)
Three months ended June 30, 2022	72,152	0.7	5,313	(26.3)	7,573	(11.5)	5,253	(3.6)

Note: Comprehensive income: Three months ended June 30, 2023 ¥ 10,890 million (-%)

Three months ended June 30, 2022 ¥ (655) million (-%)

	Earnings per share	Diluted earnings per share
	¥	¥
Three months ended June 30, 2023	42.27	-
Three months ended June 30, 2022	51.71	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
June 30, 2023	496,339	402,482	80.8
March 31, 2023	495,123	394,763	79.4

Note: Owners' equity*: June 30, 2023: ¥ 400,888 million; March 31, 2023: ¥ 393,228 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, 2023	—	20.00	—	30.00	50.00
FYE March 31, 2024	—				
Forecast for FYE March 31, 2024		20.00	—	30.00	50.00

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

3. Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(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, 2024	313,000	2.8	15,000	3.4	20,000	(13.6)	15,000	(9.7)	147.63

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, 2023	March 31, 2023
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	6,926,396	6,926,396
	Three months ended June 30, 2023	Three months ended June 30, 2022
3) Average number of shares outstanding during the term	101,602,604	101,598,332

*** 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 4, 2023.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(millions of yen)	
	As of March 31, 2023	As of June 30, 2023
	Amount	Amount
Assets		
Current assets		
Cash and deposits	60,475	21,424
Trade notes and accounts receivable	81,796	74,456
Marketable securities	16,008	49,104
Inventories	11,146	14,905
Other current assets	12,444	11,170
Less allowance for doubtful accounts	(74)	(69)
Total current assets	181,797	170,992
Fixed assets		
Tangible assets		
Land	64,670	64,664
Other tangible assets, net	47,037	45,786
Total tangible assets	111,708	110,450
Intangible assets		
Other intangible assets	4,892	4,755
Total intangible assets	4,892	4,755
Investments and other assets		
Investment securities	176,092	189,493
Other investments and other assets	21,198	21,211
Less allowance for doubtful accounts	(564)	(564)
Total investments and other assets	196,725	210,140
Total fixed assets	313,326	325,346
Total assets	495,123	496,339

	(millions of yen)	
	As of March 31, 2023 Amount	As of June 30, 2023 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,749	7,199
Other current liabilities	57,232	53,119
Total current liabilities	68,982	60,318
Non-current liabilities		
Net defined benefit liabilities	16,965	16,886
Other non-current liabilities	14,411	16,652
Total non-current liabilities	31,377	33,538
Total liabilities	100,359	93,857
Net assets		
Stockholders' equity		
Common stock	36,687	36,687
Additional paid-in capital	70,482	70,482
Retained earnings	272,756	273,879
Treasury stock	(13,624)	(13,624)
Total stockholders' equity	366,302	367,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29,810	35,868
Deferred gain (loss) on hedges	(0)	2
Foreign currency translation adjustments	930	1,282
Remeasurements of defined benefit plans	(3,814)	(3,690)
Total accumulated other comprehensive income	26,925	33,462
Non-controlling interests	1,535	1,593
Total net assets	394,763	402,482
Total liabilities and net assets	495,123	496,339

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(millions of yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
	Amount	Amount
Net sales	72,152	71,589
Cost of sales	51,138	52,472
Gross profit	21,013	19,117
SGA expenses	15,699	15,409
Operating income	5,313	3,707
Non-operating revenue		
Dividend income	701	689
Share of profit of entities accounted for using equity method	1,342	1,473
Other non-operating revenue	250	104
Total non-operating revenue	2,294	2,267
Non-operating expenses		
Foreign exchange losses	-	11
Loss on disposal of non-current assets	16	6
Other non-operating expenses	19	8
Total non-operating expenses	35	26
Ordinary Income	7,573	5,949
Extraordinary gains		
Gain on sale of investment securities	-	255
Total extraordinary gains	-	255
Income before income taxes	7,573	6,204
Income taxes	2,300	1,851
Profit	5,272	4,353
Profit attributable to non-controlling interests	18	58
Profit attributable to owners of the parent	5,253	4,295

Consolidated Statements of Comprehensive Income

(millions of yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
	Amount	Amount
Profit	5,272	4,353
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,594)	4,897
Deferred gain (loss) on hedges	(22)	-
Foreign currency translation adjustments	41	5
Remeasurements of defined benefit plans	124	126
Share of other comprehensive income of entities accounted for using equity method	523	1,507
Total other comprehensive income	(5,927)	6,537
Comprehensive income	(655)	10,890
Components:		
Comprehensive income attributable to owners of the parent	(673)	10,832
Comprehensive income attributable to non-controlling interests	18	58

Segment Information

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

Information regarding Sales and Segment Income by Reportable Segment

(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.

II. Three Months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

Information regarding Sales and Segment Income by Reportable Segment

(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	54,442	5,576	4,341	7,229	71,589	-	71,589	
Inter-segment sales and transfers	642	528	1	2,109	3,281	(3,281)	-	
Total	55,084	6,105	4,342	9,339	74,871	(3,281)	71,589	
Segment income	2,166	277	307	1,019	3,770	(62)	3,707	

- Notes:
1. Segment income adjustments totaling minus 62 million yen includes elimination of inter-segment transactions of minus 38 million yen, 514 million yen of income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 539 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.