

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 10, 2023

TV Asahi Holdings Corporation

Consolidated Earnings Report for the Six Months ended September 30, 2023 (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/>

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

Dividend payout: December 6, 2023

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, 2023 (April 1, 2023–September 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	%
Six months ended September 30, 2023	146,829	1.4	4,336	(40.9)	8,641	(30.5)	6,613	(28.9)
Six months ended September 30, 2022	144,775	0.8	7,340	(12.6)	12,438	9.4	9,306	21.3

Note: Comprehensive income: Six months ended September 30, 2023 ¥ 13,293 million [244.9%]

Six months ended September 30, 2022 ¥ 3,854 million [(77.5)%]

	Earnings per share	Diluted earnings per share
	¥	¥
Six months ended September 30, 2023	65.09	-
Six months ended September 30, 2022	91.60	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
September 30, 2023	499,044	404,907	80.8
March 31, 2023	495,123	394,763	79.4

Note: *Owners' equity: September 30, 2023: ¥ 403,291 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	-	20.00			
Forecast for FYE March 31, 2024			-	30.00	50.00

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

Year-end dividend of 30 yen for FYE March 31, 2023 includes special dividend of 10 yen per share.

Year-end dividend of 30 yen for FYE March 31, 2024 includes commemorative dividend of 10 yen per share.

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	147.62

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

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, 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	6,912,600	6,926,396
	Six months ended September 30, 2023	Six months ended September 30, 2022
3) Average number of shares outstanding during the term	101,608,516	101,603,013

*** 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, November 10, 2023.
- TV Asahi Holdings Corporation has scheduled an earnings presentation for analysts on Wednesday, November 15, 2023, and intends to publish the presentation handout materials on its website immediately after the event.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2023 Amount	As of September 30, 2023 Amount
Assets		
Current assets		
Cash and deposits	60,475	23,574
Trade notes and accounts receivable	81,796	72,928
Marketable securities	16,008	53,799
Inventories	11,146	13,096
Other current assets	12,444	9,881
Less allowance for doubtful accounts	(74)	(68)
Total current assets	181,797	173,211
Fixed assets		
Tangible assets		
Land	64,670	64,664
Other tangible assets, net	47,037	45,414
Total tangible assets	111,708	110,078
Intangible assets		
Other intangible assets	4,892	4,707
Total intangible assets	4,892	4,707
Investments and other assets		
Investment securities	176,092	190,239
Other investments and other assets	21,198	21,372
Less allowance for doubtful accounts	(564)	(564)
Total investments and other assets	196,725	211,047
Total fixed assets	313,326	325,833
Total assets	495,123	499,044

(millions of yen)

	As of March 31, 2023 Amount	As of September 30, 2023 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,749	7,758
Other current liabilities	57,232	52,789
Total current liabilities	68,982	60,547
Non-current liabilities		
Net defined benefit liabilities	16,965	16,818
Other non-current liabilities	14,411	16,770
Total non-current liabilities	31,377	33,589
Total liabilities	100,359	94,136
Net assets		
Stockholders' equity		
Common stock	36,687	36,699
Additional paid-in capital	70,482	70,494
Retained earnings	272,756	276,172
Treasury stock	(13,624)	(13,598)
Total stockholders' equity	366,302	369,766
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29,810	35,421
Deferred gain (loss) on hedges	(0)	2
Foreign currency translation adjustments	930	1,668
Remeasurements of defined benefit plans	(3,814)	(3,567)
Total accumulated other comprehensive income	26,925	33,525
Non-controlling interests	1,535	1,615
Total net assets	394,763	404,907
Total liabilities and net assets	495,123	499,044

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

(millions of yen)

	Six Months ended September 30, 2022	Six Months ended September 30, 2023
	Amount	Amount
Net sales	144,775	146,829
Cost of sales	106,274	111,673
Gross profit	38,501	35,155
SGA expenses	31,160	30,819
Operating income	7,340	4,336
Non-operating revenue		
Dividend income	771	753
Share of profit of entities accounted for using equity method	4,025	3,341
Other non-operating revenue	364	254
Total non-operating revenue	5,162	4,349
Non-operating expenses		
Loss on disposal of non-current assets	20	27
Other non-operating expenses	44	16
Total non-operating expenses	65	44
Ordinary Income	12,438	8,641
Extraordinary gains		
Gain on sale of investment securities	-	268
Total extraordinary gains	-	268
Income before income taxes	12,438	8,910
Income taxes	3,097	2,216
Profit	9,341	6,694
Profit attributable to non-controlling interests	34	80
Profit attributable to owners of the parent	9,306	6,613

Consolidated Statements of Comprehensive Income

(millions of yen)

	Six Months ended September 30, 2022	Six Months ended September 30, 2023
	Amount	Amount
Profit	9,341	6,694
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,551)	4,713
Deferred gain (loss) on hedges	(22)	-
Foreign currency translation adjustments	122	74
Remeasurements of defined benefit plans	248	252
Share of other comprehensive income of entities accounted for using equity method	716	1,559
Total other comprehensive income	(5,486)	6,599
Comprehensive income	3,854	13,293
Components:		
Comprehensive income attributable to owners of the parent	3,820	13,213
Comprehensive income attributable to non-controlling interests	34	80

Segment Information

I. Six Months ended September 30, 2022 (April 1, 2022 - September 30, 2022)

Information regarding Sales and Segment Income by Reportable Segment

(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	109,468	10,882	9,046	15,378	144,775	-	144,775
Inter-segment sales and transfers	1,540	936	15	3,923	6,415	(6,415)	-
Total	111,008	11,818	9,061	19,302	151,191	(6,415)	144,775
Segment income	4,917	277	755	1,386	7,336	4	7,340

- Notes: 1. Segment income adjustments totaling 4 million yen includes elimination of inter-segment transactions of minus 33 million yen, 1,031 million yen income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 993 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. Six Months ended September 30, 2023 (April 1, 2023 - September 30, 2023)

Information regarding Sales and Segment Income by Reportable Segment

(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	108,550	11,993	9,097	17,187	146,829	-	146,829
Inter-segment sales and transfers	1,693	1,272	4	4,346	7,317	(7,317)	-
Total	110,243	13,265	9,102	21,534	154,146	(7,317)	146,829
Segment income	1,173	680	770	1,769	4,393	(57)	4,336

- Notes: 1. Segment income adjustments totaling minus 57 million yen includes elimination of inter-segment transactions of minus 101 million yen, 1,029 million yen income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 985 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.