

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 8, 2024

TV Asahi Holdings Corporation

Consolidated Earnings Report for the Nine Months ended December 31, 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-asahi.co.jp/e/>

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Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): February 13, 2024

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, 2023 (April 1, 2023–December 31, 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	%
Nine months ended December 31, 2023	227,630	0.6	9,249	(30.1)	15,510	(25.5)	14,751	(3.6)
Nine months ended December 31, 2022	226,167	1.8	13,223	(19.1)	20,828	0.8	15,308	8.4

Note: Comprehensive income: Nine months ended December 31, 2023 ¥ 21,335 million [133.2%]
 Nine months ended December 31, 2022 ¥ 9,149 million [(60.2)%]

	Earnings per share	Diluted earnings per share
	¥	¥
Nine months ended December 31, 2023	145.18	-
Nine months ended December 31, 2022	150.67	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
December 31, 2023	508,778	410,834	80.4
March 31, 2023	495,123	394,763	79.4

Note: *Owners' equity: December 31, 2023: ¥ 409,084 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	303,000	(0.5)	10,500	(27.6)	16,500	(28.7)	15,000	147.62

Note: Revisions from the latest release of earnings 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)

	December 31, 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	6,912,696	6,926,396
	Nine months ended December 31, 2023	Nine months ended December 31, 2022
3) Average number of shares outstanding during the term	101,610,872	101,602,890

*** 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 Thursday, February 8, 2024.

Consolidated Earnings Forecasts and Other Forward-looking Statements

Due to the growing uncertainty resulting from the effects of global monetary tightening, the TV advertising market is progressing at a level below that of the previous year. Given such operating environment, the Company foresees that time revenue and spot revenue in the TV Broadcasting Business will be lower than those from the previous forecast (released on November 10, 2023) and as such, net sales, operating income and ordinary income for the fiscal year ending March 31, 2024 will be lower than those from the previous forecast.

Revision of the Full-year Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023-March 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of the parent	Earnings per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous forecast (A)	313,000	15,000	20,000	15,000	147.62
New forecast (B)	303,000	10,500	16,500	15,000	147.62
Difference (B-A)	(10,000)	(4,500)	(3,500)	-	
Difference (%)	(3.2) %	(30.0) %	(17.5) %	-	
<Reference> Results for FYE March 31, 2023	304,566	14,503	23,157	16,603	163.42

*The above forecast is based on information available as of this announcement's publication. Actual results may differ from the forecast due to changes in the business environment.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(millions of yen)	
	As of March 31, 2023 Amount	As of December 31, 2023 Amount
Assets		
Current assets		
Cash and deposits	60,475	22,883
Trade notes and accounts receivable	81,796	79,666
Marketable securities	16,008	44,799
Inventories	11,146	13,083
Other current assets	12,444	9,852
Less allowance for doubtful accounts	(74)	(73)
Total current assets	181,797	170,211
Fixed assets		
Tangible assets		
Land	64,670	64,664
Other tangible assets, net	47,037	54,536
Total tangible assets	111,708	119,201
Intangible assets		
Other intangible assets	4,892	4,479
Total intangible assets	4,892	4,479
Investments and other assets		
Investment securities	176,092	194,148
Other investments and other assets	21,198	21,282
Less allowance for doubtful accounts	(564)	(545)
Total investments and other assets	196,725	214,885
Total fixed assets	313,326	338,566
Total assets	495,123	508,778

(millions of yen)

	As of March 31, 2023 Amount	As of December 31, 2023 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,749	10,007
Other current liabilities	57,232	54,374
Total current liabilities	68,982	64,381
Non-current liabilities		
Net defined benefit liabilities	16,965	16,721
Other non-current liabilities	14,411	16,840
Total non-current liabilities	31,377	33,561
Total liabilities	100,359	97,943
Net assets		
Stockholders' equity		
Common stock	36,687	36,699
Additional paid-in capital	70,482	70,494
Retained earnings	272,756	282,195
Treasury stock	(13,624)	(13,598)
Total stockholders' equity	366,302	375,789
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29,810	35,225
Deferred gain (loss) on hedges	(0)	(0)
Foreign currency translation adjustments	930	1,512
Remeasurements of defined benefit plans	(3,814)	(3,443)
Total accumulated other comprehensive income	26,925	33,295
Non-controlling interests	1,535	1,749
Total net assets	394,763	410,834
Total liabilities and net assets	495,123	508,778

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

(millions of yen)

	Nine Months ended December 31, 2022	Nine Months ended December 31, 2023
	Amount	Amount
Net sales	226,167	227,630
Cost of sales	164,862	170,886
Gross profit	61,305	56,743
SGA expenses	48,081	47,493
Operating income	13,223	9,249
Non-operating revenue		
Dividend income	1,321	1,307
Share of profit of entities accounted for using equity method	5,935	4,768
Other non-operating revenue	449	331
Total non-operating revenue	7,705	6,407
Non-operating expenses		
Foreign exchange losses	-	43
Loss on disposal of non-current assets	41	78
Other non-operating expenses	59	24
Total non-operating expenses	100	146
Ordinary income	20,828	15,510
Extraordinary gains		
Gain on sale of investment securities	-	4,956
Total extraordinary gains	-	4,956
Income before income taxes	20,828	20,466
Income taxes	5,409	5,500
Profit	15,419	14,966
Profit attributable to non-controlling interests	110	214
Profit attributable to owners of the parent	15,308	14,751

Consolidated Statements of Comprehensive Income

(millions of yen)

	Nine Months ended December 31, 2022	Nine Months ended December 31, 2023
	Amount	Amount
Profit	15,419	14,966
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,670)	4,691
Deferred gain (loss) on hedges	(22)	-
Foreign currency translation adjustments	168	102
Remeasurements of defined benefit plans	372	378
Share of other comprehensive income of entities accounted for using equity method	(118)	1,196
Total other comprehensive income	(6,269)	6,369
Comprehensive income	9,149	21,335
Components:		
Comprehensive income attributable to owners of the parent	9,038	21,121
Comprehensive income attributable to non-controlling interests	110	214

Segment Information

Information regarding Sales and Segment Income by Reportable Segment

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 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.

Nine Months ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(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	168,178	18,558	14,638	26,253	227,630	-	227,630
Inter-segment sales and transfers	2,368	1,716	10	6,634	10,730	(10,730)	-
Total	170,546	20,275	14,649	32,888	238,360	(10,730)	227,630
Segment income	4,753	1,325	1,055	2,218	9,353	(103)	9,249

Notes: 1. Segment income adjustments totaling minus 103 million yen includes elimination of inter-segment transactions of minus 124 million yen, 1,531 million yen of income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 1,511 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.