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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 8, 2024

Company name: TV Asahi Holdings Corporation
 Listing: Tokyo
 Securities code: 9409
 URL: <https://www.tv-asahi.co.jp/e>
 Representative: Hiroshi Hayakawa, Chairman
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 Scheduled date to file semi-annual securities report: November 13, 2024
 Scheduled date to commence dividend payments: December 6, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	153,835	4.8	6,047	39.5	10,542	22.0	7,699	16.4
September 30, 2023	146,829	1.4	4,336	(40.9)	8,641	(30.5)	6,613	(28.9)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 14,776 million [11.2%]
 Six months ended September 30, 2023: ¥ 13,293 million [244.9%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	75.77	-
September 30, 2023	65.09	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	532,979	434,146	81.1
March 31, 2024	520,432	423,577	81.0

(Reference) Owners' equity*: As of September 30, 2024: ¥ 432,184 million
 As of March 31, 2024: ¥ 421,751 million

*Owner's equity = Net assets – Share purchase warrants – Non-controlling interests

2. Dividends

	Dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	20.00	-	40.00	60.00
Fiscal year ending March 31, 2025	-	20.00			
Fiscal year ending March 31, 2025 (Forecast)			-	30.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

Year-end dividend of 40.00 yen for FYE March 31, 2024 includes commemorative dividend of 10.00 yen.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	312,000	1.3	16,000	29.7	22,000	10.4	20,000	16.7	196.80

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(Note) For details, refer to P.6 Notes to Semi-Annual Consolidated Financial Statements.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (ordinary shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024: 108,529,000 shares

March 31, 2024: 108,529,000 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 6,902,143 shares

March 31, 2024: 6,912,696 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 101,620,826 shares

Six months ended September 30, 2023: 101,608,516 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

- 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. For assumptions regarding earnings forecasts, refer to P.1 Consolidated Earnings Forecasts and Other Forward-looking Statements.
- TV Asahi Holdings Corporation intends to publish the supplementary material to financial results on its website on Friday, November 8, 2024.
- TV Asahi Holdings Corporation is scheduled to hold an earnings presentation for analysts on Tuesday, November 12, 2024, and intends to publish the presentation materials on its website on the same day.

Consolidated Earnings Forecasts and Other Forward-looking Statements

Due to viewer ratings performing well and the ad placements of the spot advertising market in the Tokyo area is progressing at a level above that of the previous year, net sales of the TV Broadcasting Business are expected to be higher than that from the previous forecast (released on August 2, 2024). Moreover, operating expenses such as retirement benefit costs are expected to be lower than the previous forecast and as such, net sales, operating income and ordinary income and profit attributable to owners of the parent for the fiscal year ending March 31, 2025, will be higher than those from the previous forecast.

Revision of the Full-year Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024-March 31, 2025)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of the parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	309,000	13,000	20,000	18,000	177.14
New forecast (B)	312,000	16,000	22,000	20,000	196.80
Difference (B-A)	3,000	3,000	2,000	2,000	
Difference (%)	1.0%	23.1%	10.0%	11.1%	
<Reference> Results for FYE March 31, 2024	307,898	12,337	19,919	17,138	168.66

*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.

Semi-Annual Consolidated Financial Statements
Semi-Annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	47,126	16,766
Trade notes and accounts receivable	84,029	77,438
Marketable securities	23,898	44,990
Inventories	10,227	10,394
Other current assets	10,094	12,788
Less allowance for doubtful accounts	(76)	(73)
Total current assets	175,300	162,304
Fixed assets		
Tangible assets		
Land	64,664	64,763
Other tangible assets, net	54,977	67,682
Total tangible assets	119,641	132,445
Intangible assets		
Other intangible assets	4,863	4,777
Total intangible assets	4,863	4,777
Investments and other assets		
Investment securities	202,158	214,666
Other investments and other assets	19,012	19,256
Less allowance for doubtful accounts	(545)	(470)
Total investments and other assets	220,626	233,452
Total fixed assets	345,131	370,674
Total assets	520,432	532,979
Liabilities		
Current liabilities		
Trade notes and accounts payable	8,537	8,869
Other current liabilities	59,671	57,729
Total current liabilities	68,208	66,598
Non-current liabilities		
Net defined benefit liabilities	10,374	10,193
Other non-current liabilities	18,271	22,040
Total non-current liabilities	28,646	32,233
Total liabilities	96,855	98,832

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Stockholders' equity		
Common stock	36,699	36,710
Additional paid-in capital	70,494	70,505
Retained earnings	284,581	288,030
Treasury shares	(13,598)	(13,579)
Total stockholders' equity	378,175	381,667
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,025	46,643
Deferred gain (loss) on hedges	0	6
Foreign currency translation adjustments	1,703	1,990
Remeasurements of defined benefit plans	1,846	1,876
Total accumulated other comprehensive income	43,576	50,516
Non-controlling interests	1,825	1,962
Total net assets	423,577	434,146
Total liabilities and net assets	520,432	532,979

Semi-Annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	146,829	153,835
Cost of sales	111,673	116,554
Gross profit	35,155	37,280
SGA expenses	30,819	31,233
Operating income	4,336	6,047
Non-operating revenue		
Dividend income	753	742
Share of profit of entities accounted for using equity method	3,341	3,563
Other non-operating revenue	254	288
Total non-operating revenue	4,349	4,595
Non-operating expenses		
Loss on disposal of non-current assets	27	64
Other non-operating expenses	16	35
Total non-operating expenses	44	99
Ordinary income	8,641	10,542
Extraordinary gains		
Gain on sale of investment securities	268	-
Total extraordinary gains	268	-
Income before income taxes	8,910	10,542
Income taxes	2,216	2,706
Profit	6,694	7,836
Profit attributable to non-controlling interests	80	136
Profit attributable to owners of parent	6,613	7,699

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	6,694	7,836
Other comprehensive income		
Valuation difference on available-for-sale securities	4,713	6,261
Deferred gain (loss) on hedges	-	8
Foreign currency translation adjustments	74	127
Remeasurements of defined benefit plans	252	43
Share of other comprehensive income of entities accounted for using equity method	1,559	499
Total other comprehensive income	6,599	6,940
Comprehensive income	13,293	14,776
Components:		
Comprehensive income attributable to owners of parent	13,213	14,640
Comprehensive income attributable to non-controlling interests	80	136

Notes to Semi-Annual Consolidated Financial Statements

(Notes on Premise of Going Concern)

There are no items to report.

(Notes on Substantial Changes in the Amount of Stockholders' Equity)

There are no items to report.

(Use of Accounting Methods Specific to Preparation of Semi-Annual Consolidated Financial Statements)

(Calculation of Tax Expenses)

Regarding tax expenses, a reasonable estimate has been made of the effective tax rate after tax effect accounting has been applied to the net income before taxes for the fiscal year which includes the six months under review, and this estimate has been multiplied by the net income before taxes for the six months under review to calculate the tax expenses. However, in the event the calculated tax expenses using the aforementioned estimated effective tax rate produces a considerably unreasonable figure, the statutory effective tax rate shall be used.

Segment Information

I. 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 segments					Adjustments ¹	Amount 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 of 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 semi-annual consolidated statements of income for the corresponding period.

II. Six Months ended September 30, 2024 (April 1, 2024–September 30, 2024)

Information regarding Sales and Segment Income by Reportable Segment

(millions of yen)

	Reportable segments					Adjustments ¹	Amount reported on consolidated financial statements ²
	TV Broadcasting Business	Internet Business	Shopping Business	Other Businesses	Total		
Sales							
Sales to outside customers	109,644	12,884	9,796	21,509	153,835	-	153,835
Inter-segment sales and transfers	1,696	1,034	28	4,634	7,394	(7,394)	-
Total	111,340	13,919	9,825	26,144	161,229	(7,394)	153,835
Segment income	2,090	1,077	833	2,065	6,066	(19)	6,047

- Notes:
1. Segment income adjustments totaling minus 19 million yen includes elimination of inter-segment transactions of minus 63 million yen, 1,028 million yen of income accruing from inter-company transactions with subsidiaries, and corporate expenses of minus 984 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 semi-annual consolidated statements of income for the corresponding period.