

Asahi Broadcasting Group Holdings Corporation

Presentation for the Second Quarter of Fiscal 2021

(For the fiscal year ended March 31, 2022)

November 15, 2021



Securities Code: 9405



Matters to be reported

- Overview of Consolidated Financial Report for the Second Quarter of Fiscal 2021
 - Consolidated Results and Segment Information ...P. 3
 - Asahi Television Broadcasting Results ...P.10

- ▽ Reference Materials ...P.21
 - Capital Investments/Depreciation and Amortization, Results of Major Group Companies, Household Viewer Ratings, ANN's TV Network

Consolidated Results

Susumu Okinaka
Representative Director and President
Asahi Broadcasting Group Holdings Corporation

Consolidated Results

(Millions of yen)

		FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)	YoY	% Change
Net Sales		33,077	40,889	7,812	23.6%
Operating Expenses		34,195	39,654	5,459	16.0%
Details	Cost of Sales	23,358	27,723	4,364	18.7%
	Selling, General and Administrative Expenses	10,836	11,930	1,094	10.1%
Operating Income		-1,118	1,234	2,353	-
Ordinary Income		-900	1,539	2,440	-
Profit Attributable to Owners of Parent		-604	1,133	1,737	-

< Higher revenue and profits >

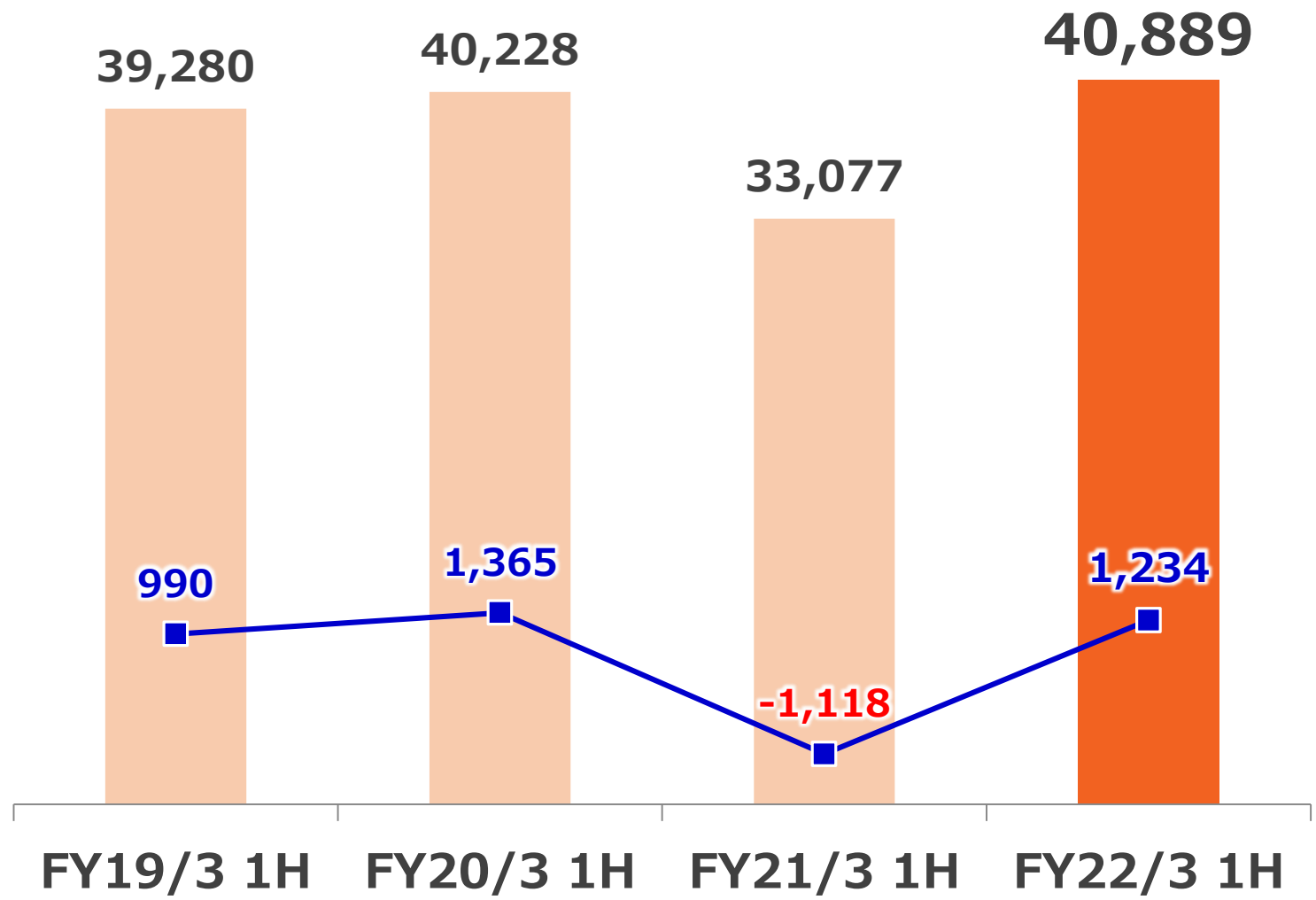
- Advertising market conditions improved for the Broadcasting business, while performance for the Content business, including anime and other streaming, was strong and performance in the Lifestyle business was firm.
- New consolidations contributed to the increase in sales.
- Meanwhile, profit increased significantly due to greater efficiencies stemming from work-style reform, voluntary restraints on travel during the declaration of a state of emergency, and other measures to reduce costs, despite an increase in program expense with the resumption of live sports broadcasts and other factors, as well as an increase in overall expenses due to upfront investments in new businesses.

(Note) FY22/3 refers to the fiscal year ending March 31, 2022 and all other fiscal years are referred to in the same manner.

Growth of Consolidated Results

(Millions of yen)

■ Net Sales ■ Operating Income



Point

■ Net Sales

Although certain areas continued to feel the impact of the COVID-19 pandemic, the trend toward recovery in the advertising market is becoming more pronounced, and streaming and other businesses are performing well. Sales increased compared pre-COVID-19 levels due to the impact of newly consolidated companies.

■ Operating Income

Performance recovered to nearly pre-COVID-19 levels. While we incurred upfront costs as investments for new businesses and program development, etc., changes in work styles are improving efficiencies. During the first half of the current fiscal year, voluntary restraints on travel during the declaration of a state of emergency resulted in cost reductions.

Results by Segment

(Millions of yen)



Net Sales		FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)	YoY	% Change
Broadcasting and Content		26,329	33,954	7,625	29.0%
By business	Broadcasting		26,215		
	Content		7,719		
	Other		19		
Lifestyle		6,747	6,934	187	2.8%
By business	Housing		5,215		
	Golf		410		
	At-home shopping		1,064		
	Other		244		
Operating Income		FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)	YoY	% Change
Broadcasting and Content		-1,104	962	2,066	-
Lifestyle		143	412	268	186.6%
Adjustments		-157	-140	17	-

■ Broadcasting*

- TV business spot revenue continued to recover from the decline caused by the COVID-19 pandemic.
- TV program streaming (mainly TVer) performed well.

* See P.23 for information on the sky-A and ABC Radio businesses.

■ Content*

- TV program streaming such as anime was strong.
- Virtual High School Baseball was favorable.
- Events resumed.
- Received orders for businesses related to COVID-19 prevention.
- Impact of newly consolidated companies.

* See P.24 for financial results of content companies other than TV business.

■ Lifestyle*

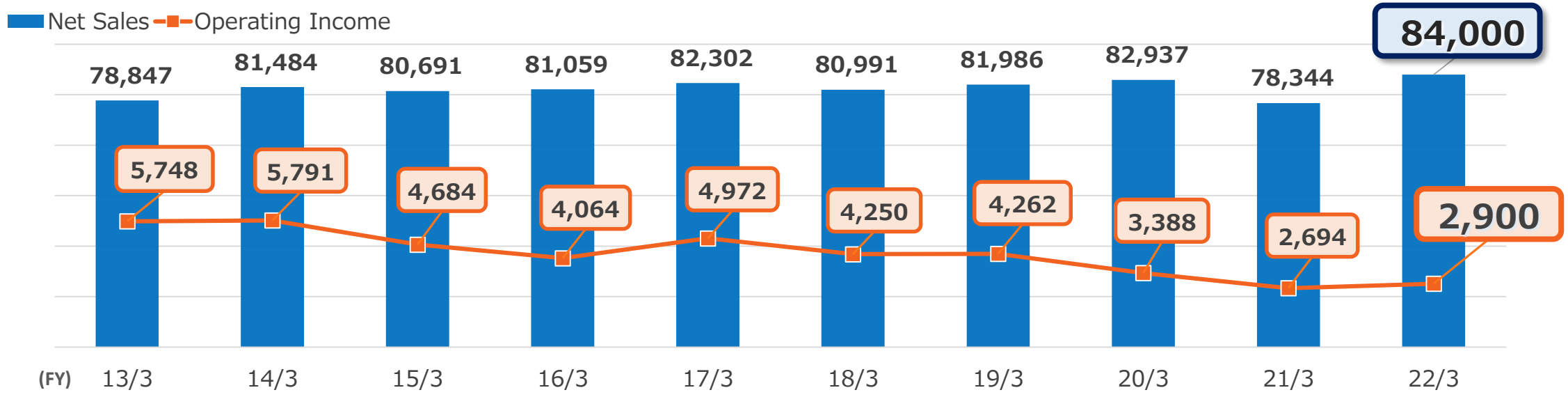
- The Housing business returned to normal activities for the housing exhibitions developed by ABC Development, and exhibit fees for tenants that had decreased during the pandemic have also returned to normal levels.
- The Golf business experienced an increase in guests and green fee revenues.
- The At-home shopping business recorded a slight decrease in sales as a negative rebound compared to strong performance in the previous year. Meanwhile the new consolidation of ONE DAY DESIGN had a positive impact on results.

* See P.25 for financial results of Lifestyle companies.

FY22/3 Consolidated Financial Results Forecasts

(Millions of yen)

	FY21/3 (actual)	FY22/3 (as of May)	FY 22/3 (revised in Nov.)	YoY	% Change
Net Sales	78,344	82,000	84,000	5,655	7.2%
Operating Income	2,694	2,300	2,900	205	7.6%
Ordinary Income	3,033	2,500	3,200	166	5.5%
Profit Attributable to Owners of Parent	-930	1,600	2,100	3,030	—



Financial Results Forecasts by Segment

(Millions of yen)

		Net Sales (as of May)	Net Sales (revised in Nov.)	Operating Income (as of May)	Operating Income (revised in Nov.)
Broadcasting and Content		67,800	69,500	1,700	2,200
By business	Broadcasting	54,900	56,100		
	Content	12,600	13,100		
	Other	300	300		
Lifestyle		14,200	14,500	900	1,000
By business	Housing	9,800	10,100		
	Golf	900	900		
	At-home shopping	2,900	2,900		
	Other	600	600		
Other				-300	-300

■ **Broadcasting**
(1.2 billion yen increase vs. forecast announced in May)

- Spot revenues are improving more than projected with the recovery in the advertising market; we expect strong performance throughout the second half as well.
- We expect TV program streaming revenues (mainly TVer) to continue to be strong throughout the second half.

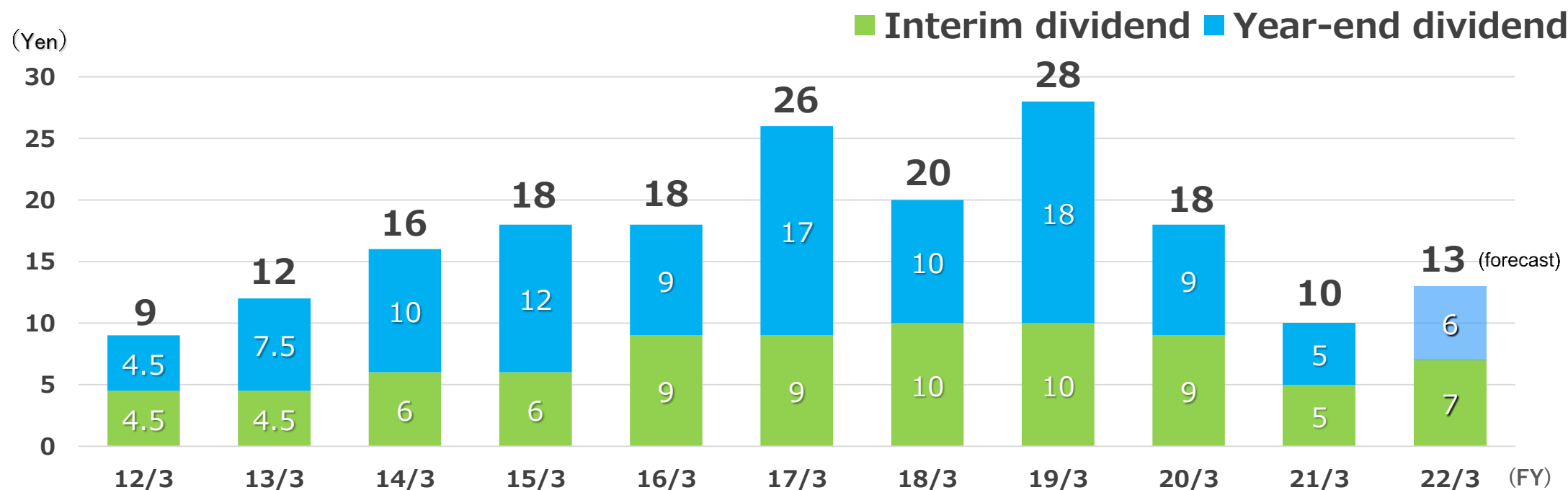
■ **Content**
(0.5 billion yen increase vs. forecast announced in May)

- In addition to the resumption of events as initially projected, a group company received an order for business related to COVID-19 infection prevention.
- We expect revenues for animation and drama, etc., on streaming platforms to continue to be strong in the second half.

■ **Lifestyle**
(0.3 billion yen increase vs. forecast announced in May)

- Trending toward recovery from declines during the COVID-19 pandemic. We expect performance to continue to be strong in the second half.

Dividends



Regarding shareholder returns, we will make determinations on dividend payment in a consistent, stable, and flexible manner, after comprehensive consideration of the balance between strengthening and maintaining our financial position and investing toward improved corporate value and toward our growth strategies. We maintain a target consolidated dividend payout ratio of 30%.

Therefore, taking into consideration the revision of financial results forecasts, we determined that the interim dividend would be ¥7.00, up ¥2.00 from the initial forecast ¥5.00 in May. On the other hand, The year-end dividend forecast remains unchanged from the initial forecast at ¥6.00 and a full-year dividend forecast is ¥13.00 per share.

ABC TV Results

Shinya Yamamoto
Representative Director and Vice-President
Asahi Broadcasting Group Holdings Corporation
Representative Director and President
Asahi Television Broadcasting Corporation

ABC TV Results



(Millions of yen)

		FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)	YoY	% Change
Net Sales		21,726	26,197	4,470	20.6%
Operating Expenses		23,354	25,833	2,478	10.6%
Details	Cost of Sales	14,596	16,285	1,688	11.6%
	Selling, General and Administrative Expenses	8,757	9,547	789	9.0%
Operating Income		-1,628	363	1,991	-
Ordinary Income		-1,590	420	2,010	-
Profit		-1,070	261	1,331	-
		FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)	YoY	% Change
Program Expenses		7,272	7,834	562	7.7%

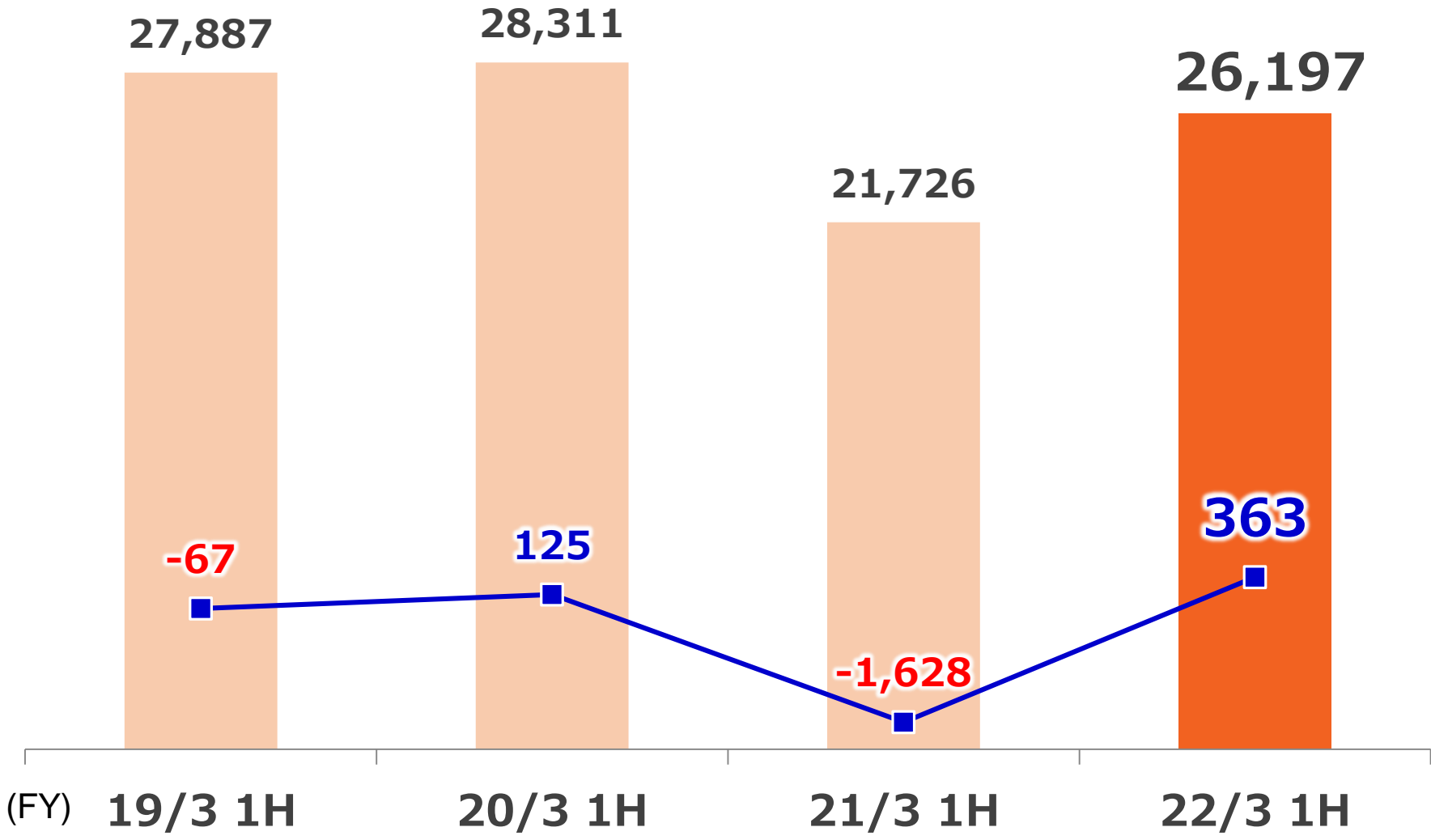
<Higher revenue and profits>

- Increase in revenue due to increase in spot advertising, recovery in the advertising market, resumption of events, and strong TVer performance.
- At the same time, despite an increase in program expense due to the resumption of live sports broadcasts and other factors, we recorded significant profit improvement due to efficiencies stemming from work-style reforms, voluntary restraints on travel during the declaration of a state of emergency, and other measures to reduce costs, leading to a decrease in certain expenses.

Growth of ABC TV Results

(Millions of yen)

■ Net Sales
 ■ Operating Income



Point

- Net Sales**
Significant improvement, although not back to pre-COVID-19 levels.
 While the impact of COVID-19 continues to affect some markets, the advertising market, in which our mainstay advertising revenue showed significant year-on-year improvement, experienced a market trend toward recovery from a downturn.
- Operating Income**
Operating income growth, even compared to pre-COVID-19 levels.
 Higher operating income margin due to increased efficiencies stemming from work-style changes and reduced costs in connection with voluntary restraints on travel during the declaration of a state of emergency.

Details of ABC TV Revenue

(Millions of yen)

	FY21/3 1H (Apr. to Sep. 2020) (reference)	FY22/3 1H (Apr. to Sep. 2021)
Broadcasting Revenue	20,317	23,463
Content Revenue	1,223	2,570
Other Revenue	184	163

■ **Broadcasting Revenue**

※ Recorded in the broadcasting business in the consolidated financial results

Mainly advertising revenue obtained through broadcasting (including revenue from TVer, a service streaming past broadcasts)

■ **Content Revenue**

※ Recorded in the content business in the consolidated financial results

Revenue obtained from multifaceted production and development of content and intellectual property (IP), including videos and events (including program sales to affiliates, content development derived from TV programs such as Virtual High School Baseball)

- Broadcasting Revenue*: Up approximately 15% from the previous fiscal year * See the following pages for more details.
- Content Revenue: Up approximately 110% from the previous fiscal year
 - Events and functions, which were mostly canceled or postponed in the previous year, resumed and contributed to sales growth.
 - Virtual high school baseball, which experienced a significant increase in broadcasts for regional tournaments, also contributed to sales growth.

Growth of ABC TV Major Broadcasting Revenues



(Millions of yen)

	FY19/3 1H (Apr. to Sep. 2018)	FY20/3 1H (Apr. to Sep. 2019)	FY21/3 1H (Apr. to Sep. 2020)	FY22/3 1H (Apr. to Sep. 2021)
Spot	15,757	15,340	11,045	14,178
Network (Time)	6,165	6,581	6,202	5,858
Local (Time)	3,030	3,251	2,673	2,859
TV Program Streaming (TVer, etc.)	45	84	97	249

Spot*

- Up 28.4% YoY

* See the following pages for more details.

Network (Time)

- Down 5.5% YoY

• The number of programming slots for nationwide networks decreased

Local (Time)

- Up 6.9% YoY

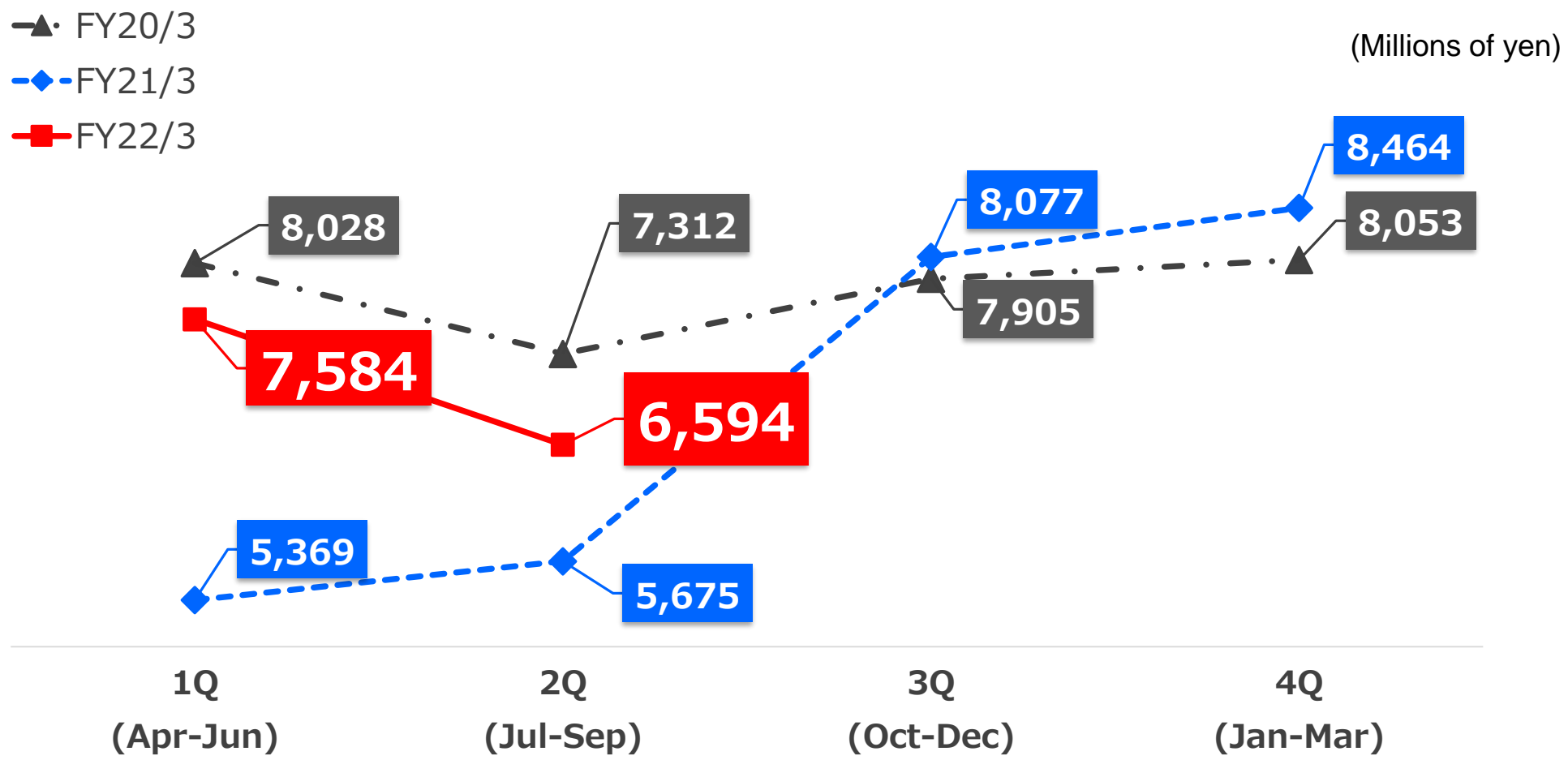
• High school baseball-related programs were favorable

TV Program Streaming (TVer, etc.)

- Up 155.2% YoY

• Kansai-local programs such as *Aiseki Shokudo* performed well.
 • Original content for TVer was well received.
 • Increase in late-night drama frame year on year resulted in increase in streaming content.

Spot Revenue of TV Business (Quarterly performance)



- The willingness of many advertisers to place advertisements is returning, and both the first quarter and second quarter have seen a significant improvement over the previous quarter, approaching the levels seen before the coronavirus crisis.
- ※Region revenues increased 28.4% year on year (same as our spot growth rate) / Share: 24.4% (same as previous year)

Spot Revenue of TV Business (By Top 20 Industries)

Industry	FY21/3 1H (Apr. to Sep. 2020)		FY22/3 1H (Apr. to Sep. 2021)	
	YoY	Composition rate	YoY	Composition rate
Transportation/ Leisure/ Food Services / Services	59.7%	10.1%	154.5%	12.1%
Foods	79.3%	11.7%	109.6%	10.0%
Beverages / Liquors	75.6%	9.0%	139.2%	9.8%
Information / Communications	69.9%	7.0%	154.0%	8.4%
Pharmaceuticals / Medical Supplies	88.6%	8.5%	113.8%	7.6%
Home Electric Appliances / Computer	66.7%	5.7%	168.4%	7.5%
Hobby (Movie / Game / Music etc.)	69.7%	4.9%	167.5%	6.4%
Cosmetics / Toiletries	66.2%	5.9%	130.6%	6.0%
Automobiles	62.9%	6.6%	108.9%	5.6%
Finance	66.6%	5.8%	98.6%	4.5%
Government / Political Organization	101.8%	4.4%	103.5%	3.6%
Publications	67.2%	2.4%	180.3%	3.4%
Housing / Real Estate / Construction	53.5%	2.7%	130.7%	2.8%
Mail Order Sales	185.1%	4.3%	81.2%	2.7%
Household Products	126.4%	2.0%	140.2%	2.2%
Fashion (Apparel / Jewelry etc.)	56.5%	2.3%	123.5%	2.2%
Distribution	63.4%	1.5%	130.7%	1.5%
Energy / Machines / Materials	58.6%	2.4%	70.3%	1.3%
Logistics Services / Businesses / Events	67.7%	1.3%	113.9%	1.1%
Various Organizations (Law Office etc.)	46.9%	1.1%	129.1%	1.1%
Others	120.1%	0.2%	97.8%	0.1%
Total		100.0%		100.0%

- We continued to see strong placements for home delivery services and other services associated with changes in lifestyles due to the coronavirus crisis.
- In addition to Google and Yahoo, which have performed well due to the increase in time spent at home, communications is also doing well, owing to the mobile phone carrier promotional campaign conducted in conjunction with the announcement of new rate plans.
- In the movie and theater industry, which had been experiencing a series of postponements last year, the number of new releases is increasing and the number of advertisements is increasing in the current fiscal year.

Television Viewer Ratings in Kansai Region for Apr-Sep 2021* [Individual (ALL)]

(*March 29, 2021 to October 3, 2021)

(Source: Video Research)

	All Day (6:00-24:00)	Golden Time (19:00-22:00)	Prime Time (19:00-23:00)	Prime 2 (23:00-25:00)
1	YTV 4.2%	YTV 6.4%	ABC · YTV 6.2% (-0.6)	YTV 3.5%
2	ABC · KTV 3.9% (-0.3)	NHK 6.3%	* * * * * *	ABC 2.9% (-0.3)
3	* * * * * *	ABC 5.9% (-0.5)	KTV 5.7%	KTV 2.6%
4	NHK 3.3%	KTV 5.8%	NHK 5.4%	MBS 2.5%
5	MBS 3.2%	MBS 5.0%	MBS 5.0%	NHK 1.3%

■ ABC (TV Asahi network) ■ MBS (TBS network) ■ KTV (Fuji TV network) ■ YTV (Nippon TV network) ■ NHK

*Figures in parentheses represent the company's year-on-year change.

The brand power of local programs for Kansai region has been increasing



▶ **Ohayo Asahi Desu** (airs on weekday morning 5:00-8:00)

October 2020 expansion and redesign led to rising U49* viewership.

No.1 across the board in viewer ratings during the first half, contributing to nationwide all-day viewer ratings.

*U49: Between the ages of 4 and 49 years (unique indicator used by ABC TV)



▶ **Living With My Daughter In Kyoto**

Drama set in Kyoto that aired six times beginning in January 2021 in the Kansai region.

Won the TOKYO DRAMA AWARD 2021 in the Local Drama Award category for the first time as a drama produced by ABC TV!

New development for internet streaming as content beyond the Kansai region



▶ **Local Kansai Variety Program x Sponsor Collaboration TVer Streaming Proves to be Popular**

Collaboration between *Aiseki Shokudo* and Kao for branded content production and streaming via TVer.

TVer views surpassed 750,000, contributing to an increase in streaming revenue.



▶ **Carnext Presents the 42nd ABC Owarai Grand Prix** (aired on July 11, 2021)

The winner was *Ozward*, the first-ever winner from Tokyo. In addition to local Kansai broadcasts, the event was broadcast live on ABEMA, rising to trend at No. 2 in Twitter Japan, successfully establishing a brand as nationwide content not limited to the Kansai region. The event has evolved even further with the decision to add a sole sponsor.

Strengthen our content for U49



▶ **Anata no Kawari ni Mitekimasu! Riatotsu WEST** (airs on Sunday afternoon 13:25-13:55)
We began broadcasting an experiential documentary/variety nationwide program in October in place of *Attack 25*, a program loved by viewers for 46 years. This program investigates all manner of topics, hosted by Johnny's WEST, a group featured in local Kansai region broadcasts.
*First regular nationwide network program featuring Johnny's WEST



▶ **Newly-established slot Choi-bara** (airs on Saturday late-night 1:00-1:30)
New style of short variety program consisting of two 15-minute segments by up-and-coming directors. Autumn schedule features *Role-Playing Game KOUTEI* and *Ikemen Otsu -Ikemen Kyou mo Otsukaresama desu*.



▶ **Drama L: Do You Still Swear Love?** (premiered in October, airs on Sunday night 23:25-23:55)
TV drama based on an adult romance comic/manga (over 15 million downloads from e-comic sites) that depicts the struggles of a married couple in their 30s. Strong debut at No.4 with more than 1.05 million views on TVer during the first week in October.

Increase volume of content of M-1 Grand Prix 2021 for distribution platforms!

▶ **6,017 duos/groups, the largest number in history, have entered the M-1 Grand Prix!**

The final round will be broadcast on Sunday, December 19.

We will also deliver a greatly increased volume of content for each distribution platform including YouTube and GYAO!



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Reference Materials

Capital Investments/Depreciation and Amortization

	FY21/3 1H (Apr. to Sep. 2020)		FY22/3 1H (Apr. to Sep. 2021)	
	Consolidated	ABC TV	Consolidated	ABC TV
Capital Investments	¥0.8 billion	¥0.6 billion	¥3.3 billion	¥2.8 billion
Depreciation and Amortization	¥1.5 billion	¥0.7 billion	¥1.6 billion	¥0.8 billion

(Amounts are rounded to the nearest hundred million yen.)

Major Group Companies① <Broadcasting Business>



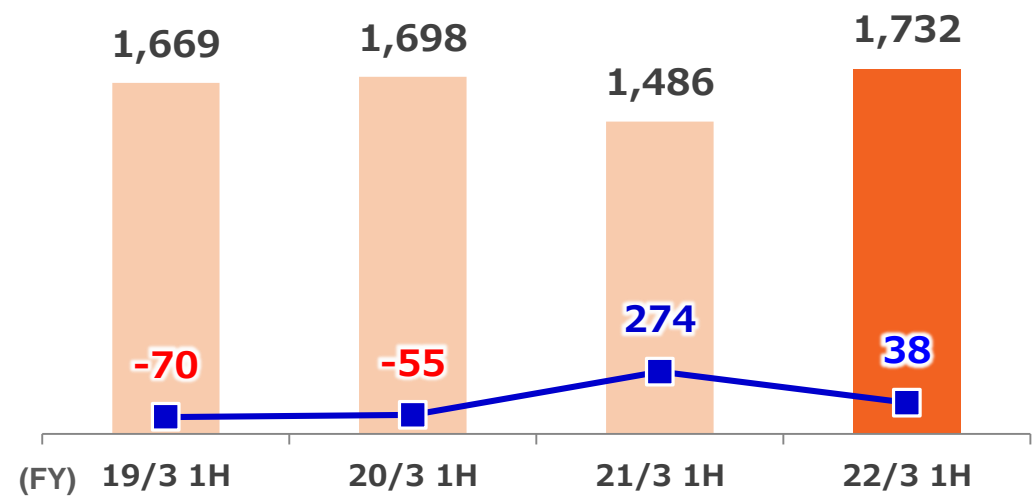
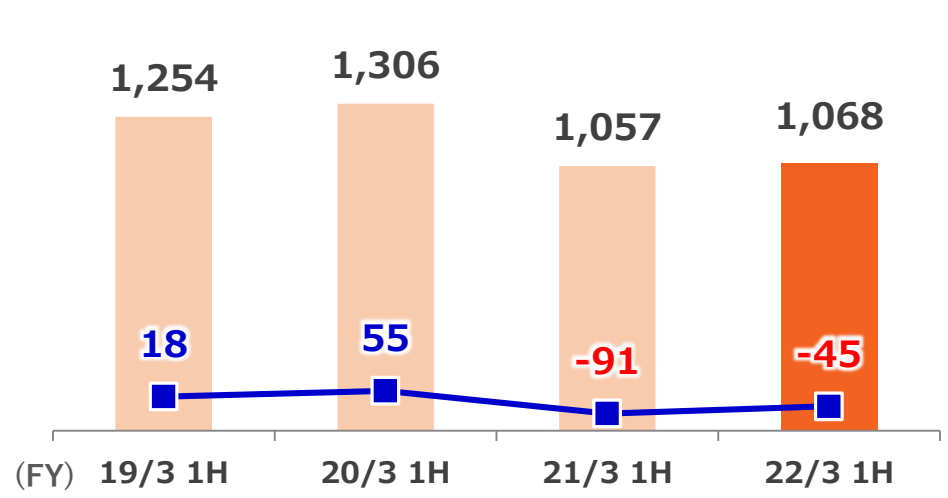
※Non-consolidated

(Millions of yen)

ABC Radio

sky-A (CS broadcasting)

Net Sales
Operating Income



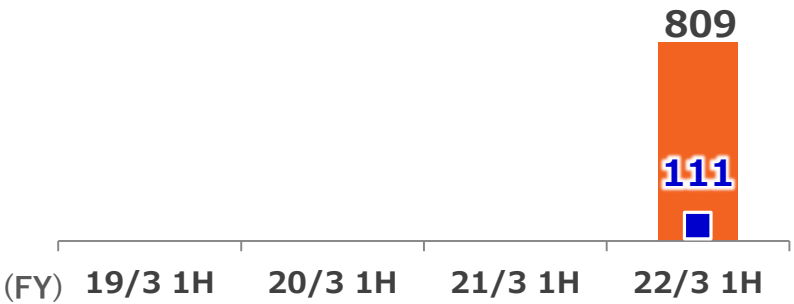
Major Group Companies② <Content Business>



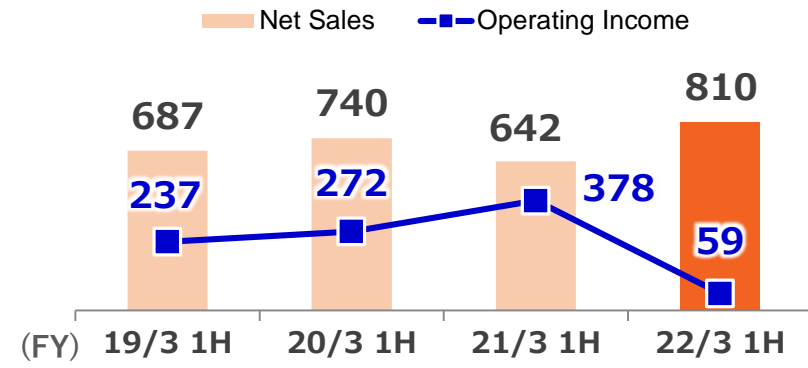
※Non-consolidated (Millions of yen)

ABC FRONTIER

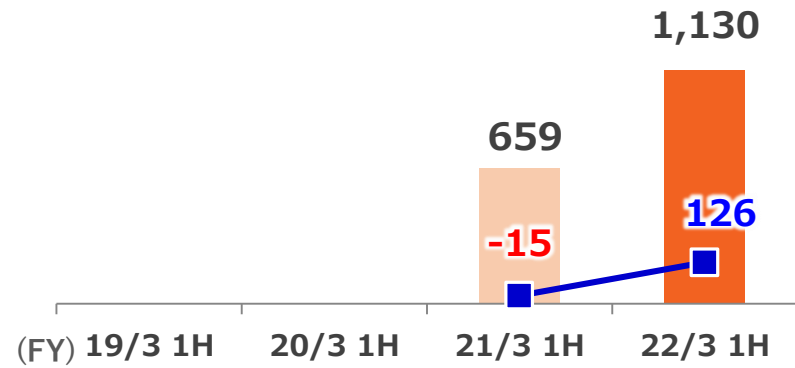
ABC FRONTIER split off subsidiary ABC Animation in FY22/3.
No figures are available for ABC FRONTIER for FY21/3 or earlier.



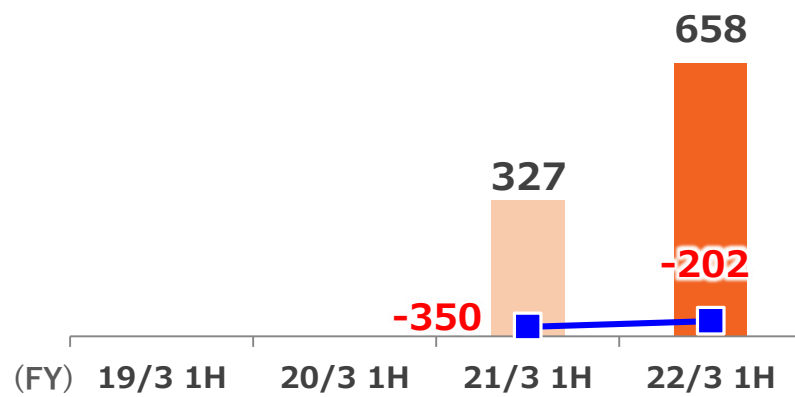
ABC Animation



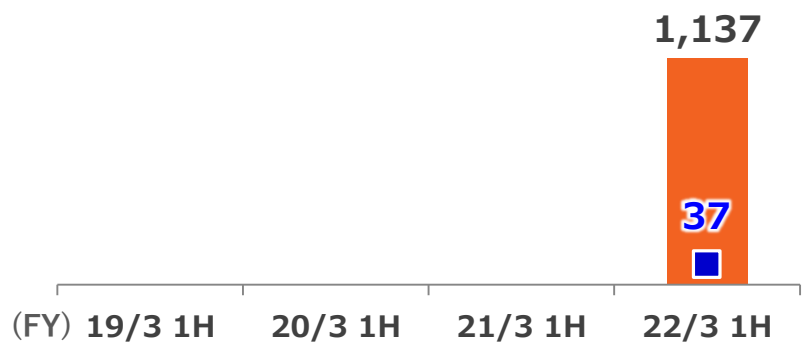
MASH



DLE Group (Consolidation including DLE, Churapps, AMIDUS., etc.)



SILVER LINK

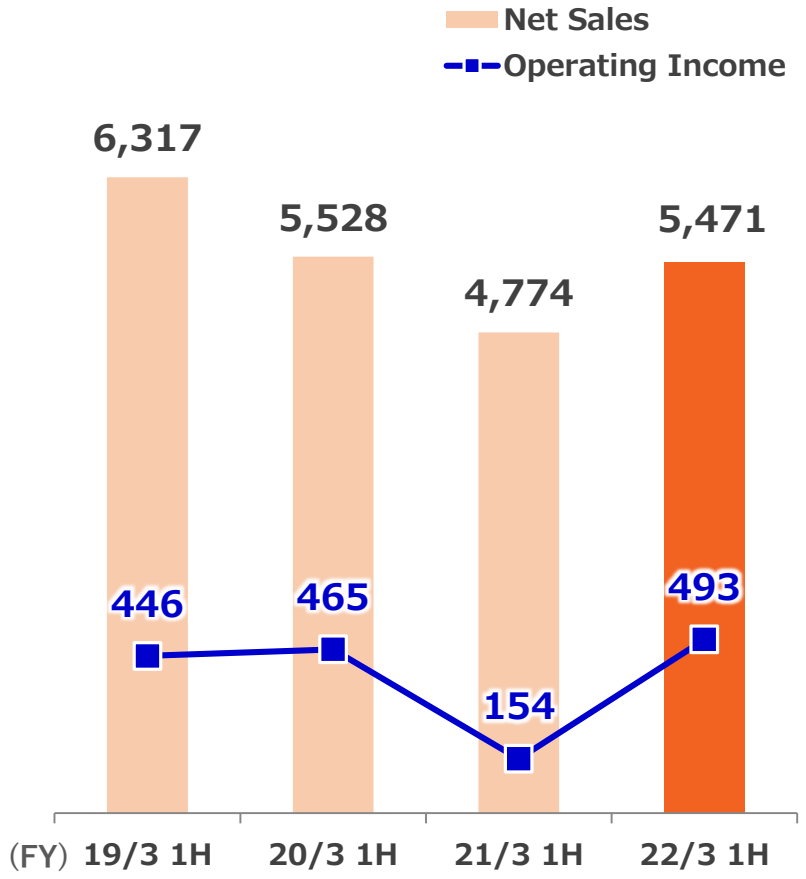


Major Group Companies③ <Lifestyle Business>

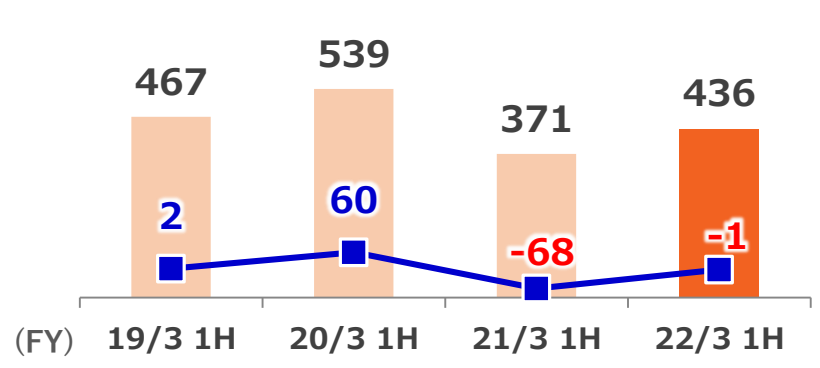


※Non-consolidated
(Millions of yen)

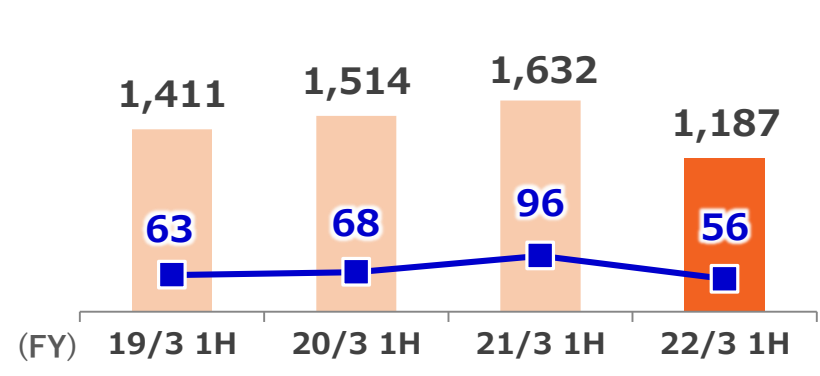
ABC Development



ABC GOLF CLUB



ABC Media Communications



Television Viewer Ratings in Kansai Region for Apr-Sep 2021* [Household]

(*March 29, 2021 to October 3, 2021)

(Source: Video Research)

	All Day (6:00-24:00)	Golden Time (19:00-22:00)	Prime Time (19:00-23:00)	Prime 2 (23:00-25:00)
1	YTV 7.6%	NHK 11.0%	ABC 10.7% (-1.2)	YTV 6.6%
2	ABC 7.1% (-0.7)	YTV 10.3%	YTV 10.1%	ABC 5.5% (-0.6)
3	KTV 7.0%	ABC 10.2% (-0.8)	NHK 9.5%	KTV 4.9%
4	NHK 6.1%	KTV 9.2%	KTV 9.2%	MBS 4.7%
5	MBS 5.8%	MBS 8.2%	MBS 8.3%	NHK 2.6%

■ ABC (TV Asahi network) ■ MBS (TBS network) ■ KTV (Fuji TV network) ■ YTV (Nippon TV network) ■ NHK

*Figures in parentheses represent the company's year-on-year change.

ANN's TV Network

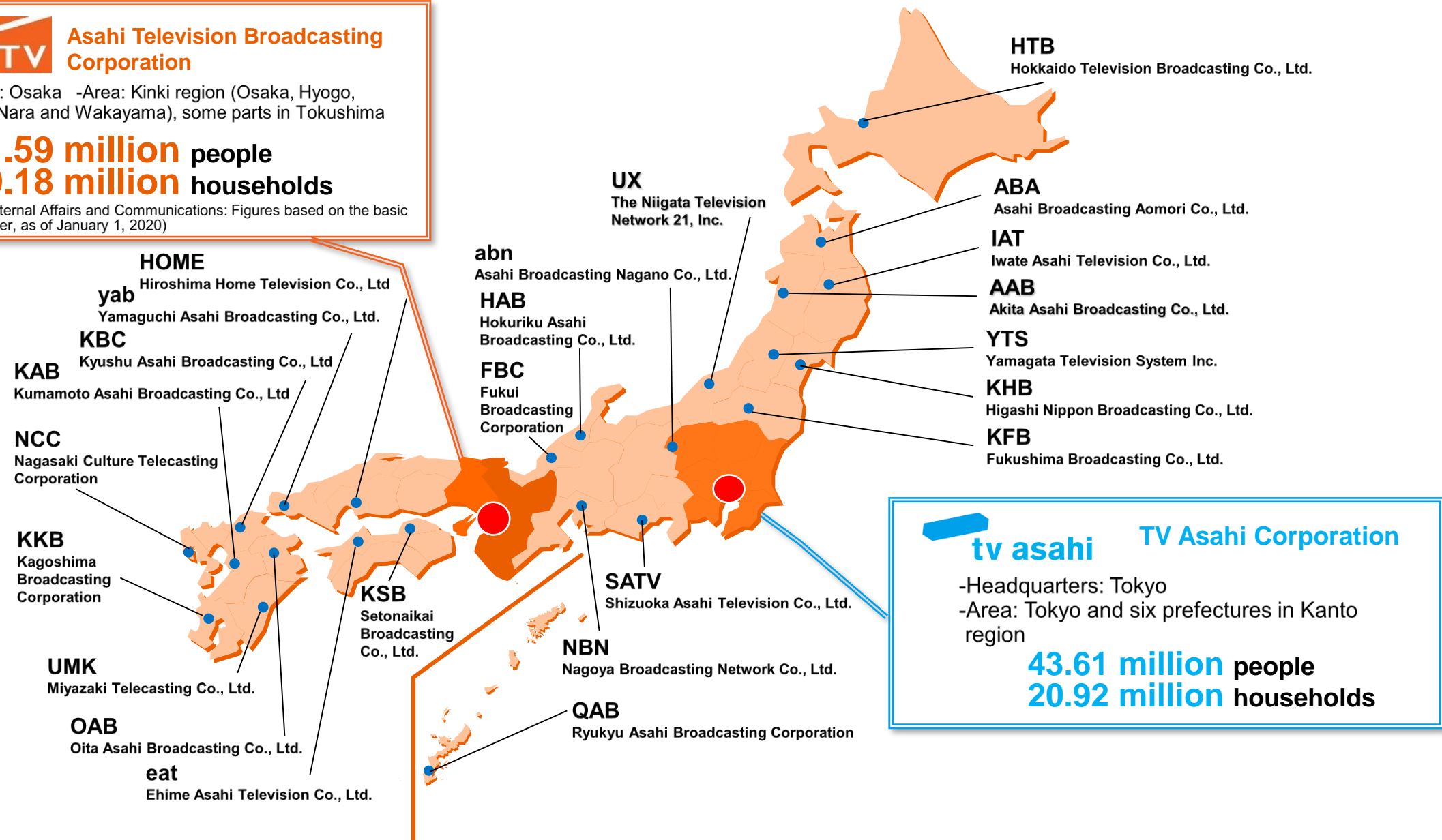


ABC TV **Asahi Television Broadcasting Corporation**

-Headquarters: Osaka -Area: Kinki region (Osaka, Hyogo, Kyoto, Shiga, Nara and Wakayama), some parts in Tokushima and Mie

21.59 million people
10.18 million households

(Ministry of Internal Affairs and Communications: Figures based on the basic resident register, as of January 1, 2020)



tv asahi **TV Asahi Corporation**

-Headquarters: Tokyo
-Area: Tokyo and six prefectures in Kanto region

43.61 million people
20.92 million households

Disclaimer

The financial results in the period in this presentation are determined on the information available at the moment and are based on the assumption that the Japanese economy will gradually recover. As a result, the information in this presentation contains inherent risks and uncertainties.

The outlook may significantly change due to external factors such as domestic and overseas economic trends in the future, as well as when COVID-19 comes to an end and the range of its impact. Should any event arise that affects the financial results of the Group, the Company will promptly announce it.

Corporate Information Website



<https://corp.asahi.co.jp/en/>

For all shareholders, more detailed information such as consolidated financial reports, annual securities reports and corporate reports (integrated report) can be found on the website.