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Consolidated Financial Report for Fiscal 2020  
(The Fiscal Year Ended March 31, 2021 under Japanese GAAP)



May 12, 2021

Company Name: Asahi Broadcasting Group Holdings Corporation  
 Stock Exchange Listing: Tokyo Stock Exchange  
 Securities Code: 9405  
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 Scheduled Date of Ordinary General Meeting of Shareholders: June 23, 2021  
 Scheduled Date of Dividend Payment Commencement: June 24, 2021  
 Scheduled Date of Securities Report Filing: June 24, 2021  
 Preparation of Annual Supplementary Explanatory Materials: Yes  
 Annual Results Briefing Held: Yes (for institutional investors and analysts)

(Figures are rounded down to the nearest million yen unless otherwise stated.)

1. Consolidated Financial Results for Fiscal 2020 (April 1, 2020 to March 31, 2021)

(1) Consolidated Operating Results

(Percentage figures show the year-on-year increase (decrease).)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal 2020	78,344	(5.5)	2,694	(20.5)	3,033	(16.5)	(930)	—
Fiscal 2019	82,937	1.2	3,388	(20.5)	3,633	(20.9)	2,278	(39.1)

Note: Comprehensive Income Fiscal 2020: ¥1,105 million (35.3%)  
 Fiscal 2019: ¥817 million (-78.8%)

	Basic Earnings per Share	Diluted Earnings per Share	Rate of return on equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	¥	¥	%	%	%
Fiscal 2020	(22.69)	—	(1.4)	2.6	3.4
Fiscal 2019	55.63	—	3.5	3.3	4.1

(Reference) Equity in Earnings of Affiliates Fiscal 2020: ¥— million  
 Fiscal 2019: ¥— million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Asset Ratio	Net Assets per Share
	¥ million	¥ million	%	¥
March 31, 2021	119,079	69,700	55.5	1,609.44
March 31, 2020	114,786	69,091	56.8	1,591.64

(Reference) Shareholders' Equity March 31, 2021: ¥66,035 million  
 March 31, 2020: ¥65,230 million

(3) Consolidated Cash Flows

	Net Cash Provided By (Used In) Operating Activities	Net Cash Provided By (Used In) Investing Activities	Net Cash Provided By (Used In) Financing Activities	Ending Balance of Cash and Cash Equivalents
	¥ million	¥ million	¥ million	¥ million
Fiscal 2020	5,952	(10,311)	4,583	26,739
Fiscal 2019	4,546	2,655	3,203	26,643

## 2. Dividends

	Annual Dividend per Share					Total Dividends	Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1Q-End	2Q-End	3Q-End	Period-End	Total			
	¥	¥	¥	¥	¥	¥ million	%	%
Fiscal 2019	—	9.00	—	9.00	18.00	737	32.4	1.1
Fiscal 2020	—	5.00	—	5.00	10.00	410	—	0.6
Fiscal 2021 (Forecast)	—	5.00	—	6.00	11.00		28.2	

## 3. Consolidated Financial Results Forecasts for Fiscal 2021 (April 1, 2021 to March 31, 2022)

(Percentage figures show the year-on-year increase (decrease).)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Basic Earnings per Share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full Fiscal Year	82,000	4.7	2,300	(14.6)	2,500	(17.6)	1,600	—	39.01

### \* Notes

(1) Changes in the number of important subsidiaries during the period: None

(2) Changes in accounting policies, accounting estimates and restatements

1) Changes in accounting policies in accordance with changes in accounting standards, etc.: None

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares issued and outstanding (common shares)

1) Number of shares issued and outstanding as of the period-end (including treasury shares)	March 31, 2021	41,833,000 shares	March 31, 2020	41,833,000 shares
2) Number of treasury shares as of the period-end	March 31, 2021	802,674 shares	March 31, 2020	850,078 shares
3) Average number of shares issued and outstanding for the period	March 31, 2021	41,015,725 shares	March 31, 2020	40,956,135 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for Fiscal 2020 (April 1, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results

(Percentage figures show the year-on-year increase (decrease).)

	Net Sales		Operating Income		Ordinary Income		Profit	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal 2020	5,457	(4.5)	478	(52.6)	633	(44.4)	(2,253)	—
Fiscal 2019	5,718	8.4	1,009	10.4	1,139	(4.3)	1,457	54.4

	Basic Earnings per Share	Diluted Earnings per Share
	¥	¥
Fiscal 2020	(54.94)	—
Fiscal 2019	35.60	—

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Asset Ratio	Net Assets per Share
	¥ million	¥ million	%	¥
March 31, 2021	62,546	50,851	81.3	1,239.36
March 31, 2020	58,966	52,432	88.9	1,279.37

(Reference) Shareholders' Equity March 31, 2021: ¥50,851 million  
March 31, 2020: ¥52,432 million

\* These consolidated financial results are outside the scope of audit by certified public accountants and audit corporations

\* Explanation concerning the appropriate use of forecasts and other special instructions

(Caution regarding forward-looking statements, etc.)

Results forecasts and other forward-looking statements contained in this report are based on the assumptions, beliefs, and uncertainties in light of information available to the Company's management as of the publication date and do not represent promises by the Company or its management that these performance figures will be attained. Actual results may differ materially from forecasts due to a variety of factors. Please refer to "1. Overview of Business Results, etc. (4) Future Outlook" on page 4 of the attached supplementary materials for information regarding the underlying assumptions for financial results forecasts, as well as explanatory and other notes regarding the use of financial results forecasts.

The Company will hold a briefing for institutional investors and analysts (online), scheduled for Monday, May 17, 2021. The document to be used at this briefing shall be published on the Company's website at 10:00 a.m. on the day of the event.

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## 1. Overview of Business Results, etc.

### (1) Overview of Business Results for the Fiscal Year under Review

In fiscal 2020, which extended from April 1, 2020 to March 31, 2021, the Japanese economy repeatedly worsened and recovered slightly due to the continued impact of COVID-19 as the global economy did. Vaccination has begun, but the outlook for the economy remains uncertain as it is difficult to forecast when COVID-19 will recede.

Under these circumstances, net sales of the broadcasting field, where the Asahi Broadcasting Group (the Group) conducts its core business, decreased due to a large decrease in TV spot advertising sales, the mainstay of the business. Net sales of the housing business were up due to the conclusion of real estate sales, despite the impact of COVID-19. Net sales of the golf business decreased due to a decrease in play revenue owing to a decrease in the number of visitors attributable to the impact of COVID-19 and other factors.

As a result of these factors, the Group's net sales for the fiscal year ended March 31, 2021 decreased ¥4,592 million, or 5.5%, compared to the previous fiscal year and amounted to ¥78,344 million. From the cost standpoint, cost of sales decreased ¥2,566 million (4.7%) compared with the previous fiscal year, to ¥52,393 million. Selling, general and administrative expenses decreased ¥1,332 million (5.4%) compared with the previous fiscal year, to ¥23,256 million.

As a result of the above, operating income for the period decreased ¥694 million, or 20.5%, to ¥2,694 million, while ordinary income totaled ¥3,033 million, a decrease of ¥599 million, or 16.5%. Additionally, ¥3,445 million of extraordinary loss due to loss on valuation of investment securities, etc. was recorded.

As a result, income before income taxes were ¥256 million, a decrease of ¥3,437 million, or 93.1%, and loss attributable to owners of parent was ¥930 million, a decrease of ¥3,209 million from the profit attributable to owners of parent in the previous fiscal year.

Results by business segment are as follows:

#### *Broadcasting Business*

In the fiscal year under review, net sales in the broadcasting business totaled ¥64,602 million, down ¥5,002 million, or 7.2%, compared to the previous fiscal year. The principal factor accounting for this decrease in revenue was a decrease in TV spot advertising sales, the mainstay of the business. On the other hand, operating expenses decreased 7.1% from the previous fiscal year, due to factors including a decrease in program expenses. As a result, operating income amounted to ¥2,186 million, a decrease of ¥330 million, or 13.1%, from the previous fiscal year.

#### *Housing Business*

In the housing business, net sales amounted to ¥12,958 million, an increase of 586 million, or 4.7%, compared with the previous fiscal year. The principal factor was the significant contribution of real estate sales despite facility closures due to the spread of COVID-19. Meanwhile, operating expenses rose 7.2% mainly due to the recording of costs associated with real estate sales. As a result, operating income amounted to ¥874 million, a decrease of ¥227 million, or 20.6%, from the previous fiscal year.

#### *Golf Business*

Net sales in the golf business amounted to ¥783 million, a decrease of ¥176 million, or 18.4%, compared with the previous fiscal year. The principal factor was a decrease in the number of visitors attributable to the impact of COVID-19. On the other hand, operating expenses dropped 10.6% due to increases in sundry expenses, labor expenses, and other expenses. As a result, operating income decreased ¥124 million from the previous fiscal year to an operating loss of ¥52 million.

## **(2) Overview of Financial Position for the Fiscal Year under Review**

### *(Assets)*

Total assets as of the end of the fiscal year under review were ¥119,079 million, ¥4,293 million higher than at the end of the previous fiscal year (March 31, 2020). This was primarily attributable to an increase in non-current assets as a result of purchase of land, etc.

### *(Liabilities)*

Total liabilities were ¥49,378 million, ¥3,683 million higher than at the end of the previous fiscal year. The principal reason for the increase in liabilities was the issuance of bonds.

### *(Net Assets)*

Consolidated total net assets came to ¥69,700 million, ¥609 million higher than at the end of the previous fiscal year. This was attributable mainly to an increase in valuation difference on available-for-sale securities as a result of a rise in the market value of listed shares the Company held.

## **(3) Overview of Cash Flows for the Fiscal Year under Review**

For the fiscal year under review, net cash provided by operating activities totaled ¥5,952 million. Net cash used in investing activities was ¥10,311 million, and net cash provided by financing activities came to ¥4,583 million. Accounting for each of these activities, the ending balance of cash and cash equivalents stood at ¥26,739 million, an increase of ¥95 million compared with the end of the previous fiscal year. In specific terms, cash flow activities are presented as follows.

### *(Cash Flows from Operating Activities)*

Net cash provided by operating activities was ¥5,952 million (an inflow of ¥4,546 million during the previous fiscal year) due mainly to a decrease in inventories and the recording of depreciation and amortization.

### *(Cash Flows from Investing Activities)*

Net cash used in investing activities was ¥10,311 million (an inflow of ¥2,655 million during the previous fiscal year) due to purchase of property, plant and equipment and investment securities.

### *(Cash Flows from Financing Activities)*

Net cash provided by financing activities was ¥4,583 million (an inflow of ¥3,203 million during the previous fiscal year) due mainly to the issuance of bonds.

#### **(4) Future Outlook**

At present, it is extremely difficult to forecast when the spread of COVID-19 will recede, the status of recovery of economic activity after the virus recedes, etc.

As for the outlook for the Japanese economy in fiscal 2021, we must say that the situation is extremely uncertain. Amid these circumstances, the Group will strive to improve viewer ratings in the broadcasting business, where we conduct our core business, while investing in further expansion of content-related business and in digital transformation, as well as proactively addressing regional revitalization and the Sustainable Development Goals (SDGs).

For fiscal 2021 on a consolidated basis, we forecast net sales of ¥82,000 million, operating income of ¥2,300 million, ordinary income of ¥2,500 million, and profit attributable to owners of parent of ¥1,600 million.

#### **(5) Significant Events regarding Going Concern Assumptions**

Not applicable.

#### **2. Rationale behind the Choice of Accounting Standards**

To sustain comparability of consolidated financial statements between periods as well as between companies, the Group shall, for the time being, prepare consolidated financial statements under Japanese GAAP.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheet

(Millions of Yen)

	March 31, 2020	March 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	27,048	22,362
Notes and accounts receivable - trade	12,825	13,219
Short-term investment securities	204	5,621
Inventories	4,668	3,011
Income taxes receivable	262	173
Other	2,314	2,292
Allowance for doubtful accounts	(15)	(15)
Total current assets	47,307	46,664
Non-current assets		
Property, plant and equipment		
Buildings and structures	34,744	35,490
Accumulated depreciation	(16,348)	(16,035)
Buildings and structures, net	18,396	19,454
Machinery equipment and vehicles	21,701	21,517
Accumulated depreciation	(15,630)	(16,503)
Machinery equipment and vehicles, net	6,070	5,013
Tools furniture and fixtures	1,910	1,902
Accumulated depreciation	(1,417)	(1,396)
Tools furniture and fixtures, net	493	506
Land	10,363	12,543
Lease assets	108	143
Accumulated depreciation	(39)	(65)
Lease assets, net	69	78
Construction in progress	1,551	2,164
Total property, plant and equipment	36,944	39,760
Intangible assets		
Software	1,195	1,145
Software in progress	144	503
Goodwill	22	1,203
Other	122	142
Total intangible assets	1,485	2,995
Investments and other assets		
Investment securities	17,299	18,606
Long-term loans receivable	108	104
Long-term prepaid expenses	1,086	970
Deferred tax assets	8,255	7,391
Other	2,310	2,575
Allowance for doubtful accounts	(35)	(33)
Total investments and other assets	29,024	29,614
Total non-current assets	67,454	72,370
Deferred assets		
Bond issuance cost	24	44
Total deferred assets	24	44
Total assets	114,786	119,079



(Millions of Yen)

	March 31, 2020	March 31, 2021
<b>Liabilities</b>		
Current liabilities		
Current portion of long term loans payable	586	564
Current portion of bonds	26	26
Lease obligations	15	20
Accounts payable - other	5,970	6,615
Accrued expenses	1,724	1,782
Income taxes payable	567	1,060
Provision for directors' bonuses	102	68
Provision for loss on venue closing	272	—
Other	4,383	4,974
Total current liabilities	13,647	15,112
Non-current liabilities		
Long term loans payable	931	1,200
Bonds payable	5,065	10,039
Lease obligations	51	60
Net defined benefit liability	16,512	14,111
Long-term guarantee deposited	7,486	6,799
Deferred tax liabilities	988	1,131
Other	1,011	923
Total non-current liabilities	32,047	34,266
Total liabilities	45,694	49,378
<b>Net assets</b>		
Shareholders' equity		
Capital stock	5,299	5,299
Capital surplus	5,847	5,862
Retained earnings	54,415	52,910
Treasury stock	(426)	(402)
Total shareholders' equity	65,135	63,670
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,941	3,320
Foreign currency translation adjustment	—	(129)
Remeasurements of defined benefit plans	(1,846)	(825)
Total valuation and translation adjustments	94	2,365
Subscription rights to shares	0	—
Non-controlling interests	3,860	3,664
Total net assets	69,091	69,700
Total liabilities and net assets	114,786	119,079

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

## Consolidated Statement of Income

(Millions of Yen)

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
Net sales	82,937	78,344
Cost of sales	54,959	52,393
Gross profit	27,977	25,951
Selling, general and administrative expenses	24,588	23,256
Operating income	3,388	2,694
Non-operating income		
Interest and dividends income	247	205
Subsidy income	15	154
Other	149	132
Total non-operating income	412	492
Non-operating expenses		
Interest expenses	20	29
Loss on disposal of non-current assets	8	34
Loss on investments in partnership	49	60
Loss on investments in silent partnership	64	4
Other	25	23
Total non-operating expenses	168	153
Ordinary income	3,633	3,033
Extraordinary income		
Gain on sales of non-current assets	1,089	—
Gain on sales of investment securities	747	607
Gain on reversal of provision for loss on venue closing	—	61
Total extraordinary income	1,837	668
Extraordinary loss		
Loss on valuation of investment securities	—	3,202
Loss on valuation of stocks of subsidiaries and affiliates	19	110
Loss on valuation of investments in capital	—	49
Loss on venue closing	943	—
Impairment loss	566	24
Loss on sales of non-current assets	167	—
Special retirement expenses	80	57
Total extraordinary loss	1,776	3,445
Income before income taxes	3,694	256
Income taxes - current	1,222	1,244
Income taxes - deferred	371	185
Total income taxes	1,594	1,429
Profit (loss)	2,099	(1,173)
Profit (loss) attributable to non-controlling interests	(179)	(242)
Profit (loss) attributable to owners of parent	2,278	(930)

Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
Profit (loss)	2,099	(1,173)
Other comprehensive income		
Valuation difference on available-for-sale securities, net of tax	(1,077)	1,388
Foreign currency translation adjustment	—	(130)
Remeasurements of defined benefit plans, net of tax	(205)	1,021
Total other comprehensive income	(1,282)	2,279
Comprehensive income	817	1,105
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	995	1,340
Comprehensive income attributable to non-controlling interests	(178)	(234)

**(3) Consolidated Statement of Changes in Equity**

Fiscal 2019 (April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	5,299	5,775	53,241	(470)	63,846
Changes of items during the period					
Dividends from surplus			(1,104)		(1,104)
Profit attributable to owners of parent			2,278		2,278
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		18		43	61
Change in treasury shares of parent arising from transactions with non-controlling shareholders		53			53
Net changes of items other than shareholders' equity					—
Total changes of items during the period	—	71	1,173	43	1,288
Balance at the end of period	5,299	5,847	54,415	(426)	65,135

	Valuation and translation adjustments				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total valuation and translation adjustments			
Balance at the beginning of period	3,018	—	(1,641)	1,377	—	1,826	67,049
Changes of items during the period							
Dividends from surplus							(1,104)
Profit attributable to owners of parent							2,278
Purchase of treasury stock							(0)
Disposal of treasury stock							61
Change in treasury shares of parent arising from transactions with non-controlling shareholders							53
Net changes of items other than shareholders' equity	(1,077)	—	(205)	(1,282)	0	2,034	752
Total changes of items during the period	(1,077)	—	(205)	(1,282)	0	2,034	2,041
Balance at the end of period	1,941	—	(1,846)	94	0	3,860	69,091

Fiscal 2020 (April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	5,299	5,847	54,415	(426)	65,135
Changes of items during the period					
Dividends from surplus			(573)		(573)
Loss attributable to owners of parent			(930)		(930)
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		15		23	38
Change in treasury shares of parent arising from transactions with non-controlling shareholders		0			0
Net changes of items other than shareholders' equity					—
Total changes of items during the period	—	15	(1,504)	23	(1,465)
Balance at the end of period	5,299	5,862	52,910	(402)	63,670

	Valuation and translation adjustments				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total valuation and translation adjustments			
Balance at the beginning of period	1,941	—	(1,846)	94	0	3,860	69,091
Changes of items during the period							
Dividends from surplus				—			(573)
Loss attributable to owners of parent				—			(930)
Purchase of treasury stock				—			(0)
Disposal of treasury stock				—			38
Change in treasury shares of parent arising from transactions with non-controlling shareholders				—			0
Net changes of items other than shareholders' equity	1,379	(129)	1,021	2,271	(0)	(196)	2,074
Total changes of items during the period	1,379	(129)	1,021	2,271	(0)	(196)	609
Balance at the end of period	3,320	(129)	(825)	2,365	—	3,664	69,700

**(4) Consolidated Statement of Cash Flows**

(Millions of Yen)

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
<b>Cash flows from operating activities</b>		
Income before income taxes	3,694	256
Depreciation and amortization	3,223	3,088
Impairment loss	1,076	24
Amortization of goodwill	40	52
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in provision for loss on venue closing	272	(272)
Increase (decrease) in net defined benefit liability	(1,229)	(1,306)
Interest and dividend income	(247)	(205)
Interest expenses	20	29
Loss (gain) on sales of property, plant and equipment	(922)	—
Loss on retirement of property, plant and equipment	8	34
Loss (gain) on sales of investment securities	(747)	(607)
Loss (gain) on valuation of investment securities	19	3,202
Loss on valuation of stocks of subsidiaries and affiliates	—	110
Loss on valuation of investments in capital	—	49
Loss (gain) on investments in partnership	49	60
Loss (gain) on investments in silent partnership	64	4
Decrease (increase) in notes and accounts receivable - trade	1,248	(384)
Decrease (increase) in inventories	624	1,807
Increase (decrease) in notes and accounts payable - trade	(877)	456
Decrease (increase) in investment	(309)	(279)
Other, net	(24)	167
Subtotal	5,983	6,287
Interest and dividend income received	262	305
Interest expenses paid	(20)	(28)
Income taxes paid	(1,679)	(612)
Net cash provided by (used in) operating activities	4,546	5,952
<b>Cash flows from investing activities</b>		
Payments into time deposits	(319)	(295)
Proceeds from withdrawal of time deposits	323	277
Purchase of investment securities	—	(19)
Proceeds from sales of short-term investment securities	—	5
Purchase of property, plant and equipment	(1,616)	(6,116)
Proceeds from sales of property, plant and equipment	1,720	—
Purchase of intangible assets	(299)	(373)
Payments for asset retirement obligations	(315)	—
Purchase of investment securities	(326)	(3,748)
Proceeds from sales of investment securities	874	640
Proceeds from redemption of investment securities	800	—
Payments for investments in silent partnership	(75)	(100)
Proceeds from withdrawal of investments in silent partnership	10	95
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	1,597	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(276)
Payments for transfer of business	—	(277)
Payments of loans receivable	(10)	(168)
Collection of loans receivable	14	46
Other, net	279	(0)
Net cash provided by (used in) investing activities	2,655	(10,311)

(Millions of Yen)

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
Cash flows from financing activities		
Proceeds from long-term loans payable	140	1,000
Repayments of long-term loans payable	(637)	(813)
Proceeds from issuance of bonds	4,972	4,971
Redemption of bonds	(16)	(26)
Proceeds from share issuance to non-controlling shareholders	—	50
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(1,104)	(573)
Dividends paid to non-controlling interests	(17)	(11)
Repayments of lease obligations	(14)	(13)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(119)	—
Net cash provided by (used in) financing activities	3,203	4,583
Effect of exchange rate change on cash and cash equivalents	—	(128)
Net increase (decrease) in cash and cash equivalents	10,404	95
Beginning balance of cash and cash equivalents	16,239	26,643
Ending balance of cash and cash equivalents	26,643	26,739

## (5) Notes regarding Consolidated Financial Statements

(Going Concern Assumptions)

Not applicable.

(Segment Information, etc.)

(Segment Information)

### 1. Description of Reportable Segments

The reportable segments of the Group are its constituent units for which separate financial information is available and which are subject to periodic examination in order for the Board of Directors to determine the allocation of management resources and evaluate financial results.

The Group maintains three reportable segments with business activities undertaken primarily in the broadcasting, housing, and golf club business fields.

The broadcasting business comprises television, radio, and related broadcasting activities. The housing business is made up of housing exhibition site operating and related activities. The golf club business includes golf club operating activities.

### 2. Calculation Method of Measurements of Sales, Profit, Loss, Asset, Liability and Other Items for Each Reportable Segment

The accounting treatment methods for reported business segments are generally the same as those for statements in “Significant Matters for the Preparation of Consolidated Financial Statements.”

Profit in the reportable segments is based on operating income. In addition, intrasegment revenues or transfers are based on prevailing market prices.

### 3. Explanation of Measurements of Sales, Profit, Loss, Asset, Liability and Other Items for Each Reportable Segment

Fiscal 2019 (April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Reportable Segment				Adjustments (Note 1)	Amounts Recorded on Consolidated Financial Statements (Note 2)
	Broadcasting	Housing	Golf Club	Total		
Sales						
Revenues from external customers	69,605	12,372	960	82,937	—	82,937
Transactions with other segments	531	19	55	606	(606)	—
Total	70,136	12,391	1,016	83,543	(606)	82,937
Segment profit	2,516	1,101	72	3,690	(301)	3,388
Segment assets	69,072	15,063	10,896	95,031	19,754	114,786
Other items						
Depreciation and amortization	2,515	618	89	3,223	—	3,223
Increase in property, plant and equipment and intangible assets	2,253	205	126	2,585	—	2,585



Notes:

- Adjustments are outlined as follows:
  - The adjustment to transactions with other segments of negative ¥606 million represents the amount of intrasegment transaction elimination.
  - The adjustment to segment profit of negative ¥301 million represents the amount of expenses which do not belong to any reportable segment, mainly regarding development of new business and market.
  - The adjustment to segment assets of ¥19,754 million represents companywide assets which are not allocated to the reportable segments of ¥20,513 million and negative ¥758 million as the amount of intrasegment receivables and payables elimination.  
Companywide assets are primarily cash and deposits and investment securities which do not belong to any reportable segment.
- Segment profit refers to operating income recorded on the consolidated statement of income.
- Amortization and increases of long-term prepaid expenses are included in depreciation and amortization as well as increase in property, plant and equipment and intangible assets.

Fiscal 2020 (April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Reportable Segment				Adjustments (Note 1)	Amounts Recorded on Consolidated Financial Statements (Note 2)
	Broadcasting	Housing	Golf Club	Total		
Sales						
Revenues from external customers	64,602	12,958	783	78,344	—	78,344
Transactions with other segments	435	19	7	463	(463)	—
Total	65,038	12,978	791	78,808	(463)	78,344
Segment profit (loss)	2,186	874	(52)	3,008	(314)	2,694
Segment assets	68,361	14,283	10,726	93,372	25,707	119,079
Other items						
Depreciation and amortization	2,479	519	88	3,088	—	3,088
Increase in property, plant and equipment and intangible assets	1,184	3,902	29	5,116	—	5,116

Notes:

- Adjustments are outlined as follows:
  - The adjustment to transactions with other segments of negative ¥463 million represents the amount of intrasegment transaction elimination.
  - The adjustment to segment profit (loss) of negative ¥314 million represents the amount of expenses which do not belong to any reportable segment, mainly regarding development of new business and market.
  - The adjustment to segment assets of ¥25,707 million represents companywide assets which are not allocated to the reportable segments of ¥26,475 million and negative ¥767 million as the amount of intrasegment receivables and payables elimination.  
Companywide assets are primarily cash and deposits and investment securities which do not belong to any reportable segment.
- Segment profit (loss) refers to operating income recorded on the consolidated statement of income.
- Amortization and increases of long-term prepaid expenses are included in depreciation and amortization as well as increase in property, plant and equipment and intangible assets.

[Explanation of Impairment Loss on Non-Current Assets for Each Reportable Segment]

Fiscal 2019 (April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Broadcasting	Housing	Golf Club	Total	Corporate and Elimination	Total
Impairment loss	423	653	—	1,076	—	1,076

Fiscal 2020 (April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Broadcasting	Housing	Golf Club	Total	Corporate and Elimination	Total
Impairment loss	—	24	—	24	—	24

[Explanation of Amortization of Goodwill and Unamortized Balance for Each Reportable Segment]

Fiscal 2019 (April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Broadcasting	Housing	Golf Club	Total	Corporate and Elimination	Total
Amortization during the period	40	—	—	40	—	40
Balance at the end of the period	22	—	—	22	—	22

Fiscal 2020 (April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Broadcasting	Housing	Golf Club	Total	Corporate and Elimination	Total
Amortization during the period	52	—	—	52	—	52
Balance at the end of the period	1,203	—	—	1,203	—	1,203

## (Per Share Information)

(Yen)

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
Net assets per share	1,591.64	1,609.44
Basic earnings (loss) per share	55.63	(22.69)

## Notes:

1. Diluted earnings per share information has been omitted as there were no potential shares with a dilutive effect.
2. The basis for calculating basic earnings (loss) per share is presented as follows.

	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (Millions of Yen)	2,278	(930)
Amount not attributable to common shareholders (Millions of Yen)	—	—
Profit (loss) attributable to owners of parent related to common stock (Millions of Yen)	2,278	(930)
Average number of common stock shares issued and outstanding during the period (Thousands of Shares)	40,956	41,015

3. The basis for calculating net assets per share is presented as follows:

	March 31, 2020	March 31, 2021
Total net assets (Millions of Yen)	69,091	69,700
Amount excluded from total net assets (Millions of Yen)	3,861	3,664
(Non-controlling interests)	(3,860)	(3,664)
Net assets attributable to common stock as of the end of the period (Millions of Yen)	65,230	66,035
Number of shares of common stock issued and outstanding as of the end of the period calculated under net assets per share (Thousands of Shares)	40,982	41,030

## (Significant Events after Reporting Period)

Not applicable.

#### **4. Other Information**

##### **(1) Changes to the Officers of the Company**

Please refer to the “Notice of Changes in Personnel” announced on May 12, 2021. (Available in Japanese only.)