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

November 11, 2024

Company name: Asahi Broadcasting Group Holdings Corporation
 Listing: Tokyo
 Securities code: 9405
 URL: <https://corp.asahi.co.jp/en/>
 Representative: Shinya Yamamoto, Representative Director
 Inquiries: Yoko Kumada, Executive Officer and General Manager, Financial Affairs Division
 Telephone: +81-6-6458-5321
 Scheduled date to file semi-annual securities report: November 12, 2024
 Scheduled date to commence dividend payments: December 2, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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 profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	41,657	(0.3)	(1,160)	-	(1,047)	-	(852)	-
September 30, 2023	41,776	1.6	(992)	-	(832)	-	(673)	-

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ (1,377) million [-%]
 Six months ended September 30, 2023: ¥ 15 million [(88.6)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	(20.42)	-
September 30, 2023	(16.13)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	119,469	73,114	59.8
March 31, 2024	123,225	76,153	59.3

(Reference) Equity: As of September 30, 2024: ¥ 71,452 million
 As of March 31, 2024: ¥ 73,022 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	6.00	-	6.00	12.00
Fiscal year ending March 31, 2025	-	6.00			
Fiscal year ending March 31, 2025 (Forecast)			-	6.00	12.00

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

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 profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	91,000	0.6	2,200	164.2	2,300	218.1	1,500	-	35.91

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

- (1) Significant changes in the scope of consolidation during the period: Yes
- Newly included: Two companies (Company name: Eim.co.,Ltd and Toydium Inc.)
- Excluded: One company (Company name: DLE, Inc.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(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 (common shares)

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

September 30, 2024:	41,833,000 shares
March 31, 2024:	41,833,000 shares

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

September 30, 2024:	90,278 shares
March 31, 2024:	58,521 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	41,746,583 shares
Six months ended September 30, 2023:	41,750,109 shares

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

* 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.

The Company will hold a briefing for institutional investors and analysts (online), scheduled for Monday, November 18, 2024. The document to be used at this briefing shall be published on the Japanese website of the Company at 10:00 a.m. on the day of the event.

Semi-annual Consolidated Financial Statements
(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	24,353	20,344
Notes and accounts receivable - trade, and contract assets	14,088	13,668
Securities	1,200	2,199
Inventories	1,988	1,802
Income taxes refund receivable	277	22
Other	3,676	3,177
Allowance for doubtful accounts	(191)	(172)
Total current assets	45,393	41,042
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,115	17,892
Land	15,941	16,754
Other, net	8,702	8,413
Total property, plant and equipment	41,759	43,060
Intangible assets		
Software	1,631	1,597
Software in progress	3	57
Goodwill	532	865
Other	124	145
Total intangible assets	2,292	2,665
Investments and other assets		
Investment securities	19,293	18,006
Retirement benefit asset	2,651	2,845
Other	11,933	11,835
Allowance for doubtful accounts	(115)	(25)
Total investments and other assets	33,763	32,661
Total non-current assets	77,815	78,387
Deferred assets		
Bond issuance costs	16	38
Total deferred assets	16	38
Total assets	123,225	119,469

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	172	67
Current portion of long-term borrowings	484	554
Current portion of bonds payable	5,000	-
Accounts payable - other	8,631	8,280
Income taxes payable	356	79
Provisions	50	483
Other	7,970	6,098
Total current liabilities	22,665	15,564
Non-current liabilities		
Long-term borrowings	3,415	4,889
Bonds payable	5,000	10,000
Retirement benefit liability	6,789	6,883
Asset retirement obligations	1,473	1,458
Other	7,727	7,557
Total non-current liabilities	24,406	30,790
Total liabilities	47,072	46,354
Net assets		
Shareholders' equity		
Share capital	5,299	5,299
Capital surplus	6,000	6,026
Retained earnings	53,764	52,661
Treasury shares	(36)	(57)
Total shareholders' equity	65,028	63,929
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,623	3,331
Foreign currency translation adjustment	(83)	-
Remeasurements of defined benefit plans	4,453	4,191
Total accumulated other comprehensive income	7,994	7,523
Share acquisition rights	8	-
Non-controlling interests	3,121	1,661
Total net assets	76,153	73,114
Total liabilities and net assets	123,225	119,469

(2) 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	41,776	41,657
Cost of sales	29,977	29,743
Gross profit	11,798	11,914
Selling, general and administrative expenses	12,790	13,074
Operating loss	(992)	(1,160)
Non-operating income		
Interest income	2	2
Dividend income	121	136
Subsidy income	34	13
Other	79	113
Total non-operating income	237	266
Non-operating expenses		
Interest expenses	18	35
Share of loss of entities accounted for using equity method	24	66
Loss on disposal of non-current assets	16	14
Provision of allowance for doubtful accounts	-	8
Other	18	27
Total non-operating expenses	77	153
Ordinary loss	(832)	(1,047)
Extraordinary income		
Gain on sale of investment securities	54	76
Gain on forgiveness of debts	-	22
Total extraordinary income	54	99
Extraordinary losses		
Loss on liquidation of subsidiaries	-	120
Total extraordinary losses	-	120
Loss before income taxes	(777)	(1,068)
Income taxes	(38)	(162)
Loss	(739)	(905)
Loss attributable to non-controlling interests	(65)	(53)
Loss attributable to owners of parent	(673)	(852)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Loss	(739)	(905)
Other comprehensive income		
Valuation difference on available-for-sale securities	729	(186)
Foreign currency translation adjustment	0	83
Remeasurements of defined benefit plans, net of tax	25	(261)
Share of other comprehensive income of entities accounted for using equity method	-	(107)
Total other comprehensive income	755	(472)
Comprehensive income	15	(1,377)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(36)	(1,323)
Comprehensive income attributable to non-controlling interests	52	(54)

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Loss before income taxes	(777)	(1,068)
Depreciation	1,809	1,758
Amortization of goodwill	60	53
Loss (gain) on liquidation of subsidiaries	-	120
Gain on forgiveness of debts	-	(22)
Increase (decrease) in allowance for doubtful accounts	8	8
Increase (decrease) in retirement benefit liability	(38)	(501)
Interest and dividend income	(123)	(139)
Interest expenses	18	35
Loss (gain) on disposal of non-current assets	16	14
Loss (gain) on sale of investment securities	(54)	(76)
Decrease (increase) in trade receivables	599	330
Decrease (increase) in inventories	(605)	160
Increase (decrease) in trade payables	(155)	(377)
Decrease (increase) in investment	209	303
Other, net	(737)	71
Subtotal	229	671
Interest and dividends received	131	144
Interest paid	(18)	(25)
Income taxes refund (paid)	409	(54)
Net cash provided by (used in) operating activities	752	735
Cash flows from investing activities		
Payments into time deposits	(212)	(284)
Proceeds from withdrawal of time deposits	242	262
Decrease (increase) in short-term loans receivable	47	36
Purchase of property, plant and equipment	(1,531)	(3,508)
Proceeds from sale of property, plant and equipment	1	0
Purchase of intangible assets	(205)	(255)
Purchase of long-term prepaid expenses	(1,862)	(201)
Purchase of investment securities	(101)	(37)
Proceeds from sale of investment securities	165	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(139)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(440)
Other, net	(449)	(8)
Net cash provided by (used in) investing activities	(3,906)	(4,575)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(30)	(119)
Proceeds from long-term borrowings	1,730	1,580
Repayments of long-term borrowings	(334)	(283)
Proceeds from issuance of bonds	-	4,971
Redemption of bonds	(13)	(5,000)
Purchase of treasury shares	-	(66)
Dividends paid	(250)	(250)
Dividends paid to non-controlling interests	(11)	(11)
Repayments of lease liabilities	(13)	(10)
Net cash provided by (used in) financing activities	1,076	809
Effect of exchange rate change on cash and cash	0	0

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
equivalents		
Net increase (decrease) in cash and cash equivalents	(2,076)	(3,031)
Cash and cash equivalents at beginning of period	23,991	25,136
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-	(0)
Cash and cash equivalents at end of period	21,914	22,104

(4) Notes regarding Semi-annual Consolidated Financial Statements

(Going Concern Assumptions)

Not applicable.

(Any Major Change in the Amount of Consolidated Shareholders' Equity)

Not applicable.

(Segment Information, etc.)

Information on net sales and profit or loss by reportable segment

For the six months ended September 30, 2023

(Millions of Yen)

	Reportable Segment			Adjustments (Note 1, 2)	Amounts Recorded on Semi-annual Consolidated Statement of Income (Note 3)
	Broadcasting and Content	Lifestyle	Total		
Sales					
Revenues from external customers	35,541	6,234	41,776	—	41,776
Transactions with other segments	245	86	332	(332)	—
Total	35,787	6,320	42,108	(332)	41,776
Segment loss	(733)	(60)	(793)	(198)	(992)

Notes:

1. The adjustment to transactions with other segments of negative ¥332 million represents the amount of intersegment transaction elimination.
2. The adjustment to segment loss of negative ¥198 million represents the elimination of intersegment transactions of ¥0 million and the amount of expenses which do not belong to any reportable segment of negative ¥199 million, mainly regarding development of new business and market.
3. Segment loss refers to operating loss recorded on the semi-annual consolidated statement of income.

For the six months ended September 30, 2024

(Millions of Yen)

	Reportable Segment			Adjustments (Note 1, 2)	Amounts Recorded on Semi-annual Consolidated Statement of Income (Note 3)
	Broadcasting and Content	Lifestyle	Total		
Sales					
Revenues from external customers	35,198	6,459	41,657	—	41,657
Transactions with other segments	326	89	415	(415)	—
Total	35,524	6,548	42,072	(415)	41,657
Segment profit (loss)	(858)	7	(851)	(308)	(1,160)

Notes:

1. The adjustment to transactions with other segments of negative ¥415 million represents the amount of intersegment transaction elimination.
2. The adjustment to segment profit (loss) of negative ¥308 million represents the elimination of intersegment transactions of ¥4 million and the amount of expenses which do not belong to any reportable segment of negative ¥313 million, mainly regarding development of new business and market.
3. Segment profit (loss) refers to operating loss recorded on the semi-annual consolidated statement of income.