

Nippon Television Holdings, Inc.**Consolidated Flash Report****Results for the fiscal year ended March 31, 2023 (FY 2022)**

May 11, 2023

(Japanese GAAP)

Stock listing: Tokyo Stock Exchange (Prime Section)

Code number: 9404

URL:<https://www.ntvhd.co.jp/>

Representative: Yoshikuni Sugiyama, Representative Director, Chairman

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Schedule dates

General shareholders' meeting: June 29, 2023 Dividends payout: June 30, 2023

Filing of statutory financial report: June 30, 2023

Supplementary materials to financial results available: Yes

Result meeting held: Yes

1. Results for the fiscal year 2022 (From April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

(Figures less than 1 million yen have been omitted.)

	Net sales		Operating profit		Recurring profit	
	(% change from the previous year)		(% change from the previous year)		(% change from the previous year)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2022	413,979	1.9	46,593	△20.6	51,775	△20.1
FY 2021	406,395	3.8	58,682	70.0	64,838	51.0

(Note) Comprehensive income: FY2022 ¥1,532 million (△96.0%) FY2021 ¥38,258 million (△48.7%)

	Net income attributable to owners of the parent		Net income per share	Diluted income per share	Return on equity	Total capital to recurring profit	Operating profit margin
	(% change from the previous year)						
	Millions of yen	%	yen	yen	%	%	%
FY 2022	34,081	△28.1	133.61	133.28	4.1	4.9	11.3
FY 2021	47,431	97.3	185.95	185.66	5.7	6.2	14.4

(Reference) Equity in earnings of affiliates: FY 2022 ¥903 million FY 2021 ¥3,133 million

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
FY 2022	1,035,501	843,585	80.8	3,280.35
FY 2021	1,061,571	850,825	79.6	3,311.63

(Reference) Equity capital: FY 2022 ¥836,759 million FY 2021 ¥844,741 million

(3) Consolidated statements of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financial activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2022	45,461	△23,724	△9,452	74,915
FY 2021	58,503	△70,534	△9,384	62,412

(Note) Regarding the business combination with Murayama HD and its subsidiary, Murayama, which took place on March 31, 2022, provisional accounting treatment was applied for FY2021. Each figure for FY2021 reflects the details of the finalized provisional accounting treatment.

2. Cash Dividends

	Dividends per share					Total dividend payout Millions of yen	Dividends payout ratio %	Net assets to dividend ratio %
	1Q	2Q	3Q	Year-end	Annual			
	yen	yen	yen	yen	yen			
FY 2021	—	10.00	—	27.00	37.00	9,258	19.9	1.1
FY 2022	—	10.00	—	27.00	37.00	9,493	27.7	1.1
Forecast for FY 2023	—	10.00	—	27.00	37.00		25.5	

3. Forecast for FY 2023 (From April 1, 2023 to March 31, 2024) (percentages indicate year-on-year changes)

	Net sales		Operating profit		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023	436,000	5.3	48,000	3.0	54,000	4.3

	Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	yen
FY2023	37,000	8.6	145.05

* Notes

(1) Changes in significant subsidiaries during the period (Reclassification due to change in scope of consolidation):

None

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

- ① Changes in accounting policies due to amendment of accounting standards: Yes
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimate: None
- ④ Restatement: None

(3) Issued shares (Common stock)

① Issued shares at the end of period (Including treasury stock)	FY 2022	263,822,080 shares	FY 2021	263,822,080 shares
② Treasury stock at the end of period	FY 2022	8,739,371 shares	FY 2021	8,738,721 shares
③ Average shares	FY 2022	255,083,139 shares	FY 2021	255,083,445 shares

* This flash report is outside the scope of audit by certified public accountants or an audit firm.

* Explanation of appropriate use of forecasts of financial results; other important items The forward-looking statements made in this document, including the aforementioned forecasts, are based on all information available to the management at the time of this document's release and certain assumptions considered rational. Actual results may differ materially from the forecasts due to various factors in the future.

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of March 31,2023
Assets		
Current assets		
Cash and deposits	63,760	75,228
Notes and accounts receivable - trade, and contract assets	106,986	103,047
Securities	76,500	28,000
Inventories	3,362	2,667
Program rights	4,369	6,919
Other	21,302	21,851
Allowance for doubtful accounts	(469)	(427)
Total current assets	275,812	237,285
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	66,228	64,729
Machinery, equipment and vehicles, net	12,762	11,039
Tools, furniture and fixtures, net	2,813	2,673
Land	172,726	174,711
Leased assets, net	3,364	2,615
Construction in progress	1,821	1,198
Total property, plant and equipment	259,717	256,968
Intangible assets		
Goodwill	12,888	11,894
Other	16,438	14,807
Total intangible assets	29,326	26,702
Investments and other assets		
Investment securities	464,172	479,593
Long-term loans receivable	2,867	2,334
Deferred tax assets	2,916	3,314
Other	27,880	30,267
Allowance for doubtful accounts	(1,123)	(964)
Total investments and other assets	496,714	514,545
Total non-current assets	785,758	798,215
Total assets	1,061,571	1,035,501

(Million yen)

	As of March 31,2022	As of March 31,2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,473	13,013
Short-term borrowings	2,580	3,084
Accounts payable - other	8,659	8,626
Accrued expenses	53,194	55,784
Income taxes payable	12,904	8,562
Provision for loss on store closings	-	758
Other	20,003	15,684
Total current liabilities	107,816	105,514
Non-current liabilities		
Lease liabilities	11,211	9,608
Deferred tax liabilities	50,300	35,166
Retirement benefit liability	14,132	14,130
Long-term guarantee deposits	20,650	21,198
Other	6,635	6,297
Total non-current liabilities	102,929	86,402
Total liabilities	210,745	191,916
Net assets		
Shareholders' equity		
Share capital	18,600	18,600
Capital surplus	35,787	36,051
Retained earnings	681,577	706,394
Treasury shares	(9,098)	(9,099)
Total shareholders' equity	726,866	751,946
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	117,817	84,515
Deferred gains or losses on hedges	12	16
Foreign currency translation adjustment	45	280
Total accumulated other comprehensive income	117,875	84,812
Non-controlling interests	6,083	6,825
Total net assets	850,825	843,585
Total liabilities and net assets	1,061,571	1,035,501

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Net sales	406,395	413,979
Cost of sales	253,541	271,785
Gross profit	152,854	142,193
Selling, general and administrative expenses	94,172	95,600
Operating profit	58,682	46,593
Non-operating income		
Interest income	1,138	1,712
Dividend income	1,967	2,006
Share of profit of entities accounted for using equity method	3,133	903
Gain on investments in investment partnerships	430	709
Other	308	348
Total non-operating income	6,978	5,680
Non-operating expenses		
Interest expenses	404	364
Foreign exchange losses	34	31
Loss on investments in investment partnerships	260	21
Other	122	81
Total non-operating expenses	822	498
Ordinary profit	64,838	51,775
Extraordinary income		
Gain on sale of non-current assets	43	6
Gain on sale of investment securities	6,842	475
Grant income	896	4
Total extraordinary income	7,782	486
Extraordinary losses		
Loss on sale of non-current assets	120	4
Loss on retirement of non-current assets	391	281
Loss on sale of investment securities	-	3
Loss on valuation of investment securities	23	382
Loss on step acquisitions	-	123
Impairment losses	2,175	1,582
Loss on COVID19	909	-
Provision for loss on store closings	-	758
Other	183	43
Total extraordinary losses	3,802	3,180
Profit before income taxes	68,818	49,082
Income taxes - current	20,710	15,269
Income taxes - deferred	581	(783)
Total income taxes	21,292	14,486
Profit	47,525	34,595
Profit attributable to non-controlling interests	93	514
Profit attributable to owners of parent	47,431	34,081

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Profit	47,525	34,595
Other comprehensive income		
Valuation difference on available-for-sale securities	(9,666)	(33,287)
Foreign currency translation adjustment	148	230
Share of other comprehensive income of entities accounted for using equity method	250	(6)
Total other comprehensive income	(9,267)	(33,063)
Comprehensive income	38,258	1,532
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	38,164	1,018
Comprehensive income attributable to non-controlling interests	93	514

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,600	35,453	642,991	(9,098)	687,947
Changes during period					
Dividends of surplus			(8,689)		(8,689)
Profit attributable to owners of parent			47,431		47,431
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		333			333
Increase (decrease) resulting from change in accounting period of subsidiaries			(156)		(156)
Net changes in items other than shareholders' equity					
Total changes during period	-	333	38,585	(0)	38,919
Balance at end of period	18,600	35,787	681,577	(9,098)	726,866

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	127,322	0	(180)	127,142	5,416	820,506
Changes during period						
Dividends of surplus						(8,689)
Profit attributable to owners of parent						47,431
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						333
Increase (decrease) resulting from change in accounting period of subsidiaries						(156)
Net changes in items other than shareholders' equity	(9,505)	11	226	(9,267)	667	(8,600)
Total changes during period	(9,505)	11	226	(9,267)	667	30,318
Balance at end of period	117,817	12	45	117,875	6,083	850,825

For the fiscal year ended March 31,2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,600	35,787	681,577	(9,098)	726,866
Changes during period					
Dividends of surplus			(9,264)		(9,264)
Profit attributable to owners of parent			34,081		34,081
Purchase of treasury shares				(0)	(0)
Increase (decrease) due to merger of consolidated subsidiaries		(7)			(7)
Change in ownership interest of parent due to transactions with non-controlling interests		271			271
Net changes in items other than shareholders' equity					
Total changes during period	-	264	24,816	(0)	25,080
Balance at end of period	18,600	36,051	706,394	(9,099)	751,946

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	117,817	12	45	117,875	6,083	850,825
Changes during period						
Dividends of surplus						(9,264)
Profit attributable to owners of parent						34,081
Purchase of treasury shares						(0)
Increase (decrease) due to merger of consolidated subsidiaries						(7)
Change in ownership interest of parent due to transactions with non-controlling interests						271
Net changes in items other than shareholders' equity	(33,301)	3	235	(33,062)	742	(32,320)
Total changes during period	(33,301)	3	235	(33,062)	742	(7,240)
Balance at end of period	84,515	16	280	84,812	6,825	843,585

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Cash flows from operating activities		
Profit before income taxes	68,818	49,082
Depreciation	15,876	14,093
Impairment losses	2,175	1,582
Increase (decrease) in allowance for doubtful accounts	(55)	(67)
Increase (decrease) in retirement benefit liability	64	(2)
Increase (decrease) in provision for loss on store closings	(1,015)	758
Interest and dividend income	(3,106)	(3,719)
Interest expenses	404	364
Share of loss (profit) of entities accounted for using equity method	(3,133)	(903)
Loss (gain) on step acquisitions	-	123
Loss (gain) on sale of non-current assets	77	(1)
Loss on retirement of non-current assets	391	281
Grant income	(896)	(4)
Loss on COVID19	909	-
Loss (gain) on sale of investment securities	(6,842)	(472)
Loss (gain) on valuation of investment securities	23	382
Decrease (increase) in trade receivables	(83)	3,938
Decrease (increase) in program rights	373	(2,549)
Increase (decrease) in trade payables	2,092	5,151
Other, net	3,430	(5,487)
Subtotal	79,504	62,551
Interest and dividends received	3,454	3,948
Interest paid	(404)	(364)
Subsidies received	912	4
Loss on COVID19 paid	(821)	-
Income taxes paid	(24,141)	(20,678)
Net cash provided by (used in) operating activities	58,503	45,461
Cash flows from investing activities		
Payments into time deposits	(1,035)	-
Proceeds from withdrawal of time deposits	1,073	1,194
Purchase of securities	(6,500)	(18,000)
Proceeds from redemption of securities	10,000	21,500
Purchase of property, plant and equipment	(12,555)	(8,188)
Proceeds from sale of property, plant and equipment	5,915	201
Purchase of intangible assets	(2,297)	(1,936)
Purchase of investment securities	(181,923)	(65,607)
Proceeds from sale of investment securities	7,267	976
Proceeds from redemption of investment securities	124,385	46,987
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(17,202)	-
Long-term loan advances	(300)	(551)
Other, net	2,638	(299)
Net cash provided by (used in) investing activities	(70,534)	(23,724)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	85	916
Repayments of lease liabilities	(1,734)	(1,480)
Purchase of treasury shares	(0)	(0)
Dividends paid	(8,688)	(9,264)

Dividends paid to non-controlling interests	(24)	(22)
Proceeds from share issuance to non-controlling shareholders	482	-
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	494	399
Net cash provided by (used in) financing activities	(9,384)	(9,452)
Effect of exchange rate change on cash and cash equivalents	47	60
Net increase (decrease) in cash and cash equivalents	(21,368)	12,345
Cash and cash equivalents at beginning of period	83,893	62,412
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	(111)	-
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	157
Cash and cash equivalents at end of period	62,412	74,915