

**Flash Report [Japanese GAAP] (Consolidated Basis)****Results for the three months ended June 30, 2023****Company name: Fuji Media Holdings, Inc.**

Stock listing: Tokyo Stock Exchange Code number: 4676 URL: <https://www.fujimediahd.co.jp/en>  
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Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Not scheduled

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

**1. Consolidated Financial Results****(1) Business Performance**

Three months ended June 30

Percentages indicate year-on-year increases/(decreases).

	Net sales		Operating income		Recurring profit		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2023	132,279	4.5	5,599	(28.7)	7,867	(25.8)	5,169	(33.6)
2022	126,633	13.7	7,851	69.1	10,598	52.5	7,785	88.1

(Note) Comprehensive income: Three months ended June 30, 2023: ¥14,266 million, 94.0%,  
 Three months ended June 30, 2022: ¥7,355 million, (45.1)%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
2023	23.29	—
2022	35.01	—

**(2) Financial Position**

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2023	1,380,719	854,000	61.0
March 31, 2023	1,382,646	848,769	60.6

(Reference) Total shareholders' equity: June 30, 2023: ¥842,719 million,  
 March 31, 2023: ¥837,680 million

## 2. Dividends

Year ended March 31, 2023 / Year ending March 31, 2024

	Dividends per share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2023	—	20.00	—	30.00	50.00
2024	—				
2024 (Forecast)		24.00	—	24.00	48.00

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

Breakdown of dividends per share for the year ended March 31, 2023:

Year-end: Ordinary dividend: ¥20.00, Commemorative dividend: ¥10.00

## 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2024

Percentages indicate year-on-year increases/(decreases).

	Net sales		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year	557,700	4.1	32,000	1.9	39,300	0.6

	Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Yen
Fiscal year	26,000	(44.5)	117.62

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

Notes:

1. Significant changes in subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the subject period: None

Additions: None

Deletions: None

2. Adoption of special accounting treatment in preparing the quarterly consolidated financial statements: None

3. Changes in accounting policies, changes in accounting estimates, and modifications and restatements:

1) Changes in accounting policies based on revision of accounting standards: None

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

3) Changes in accounting estimates: None

4) Modifications and restatements: None

4. Number of issued shares (Common stock)

	Three months ended June 30, 2023	Year ended March 31, 2023
1) Number of issued shares (including treasury stock) at end of the period (shares)	234,194,500	234,194,500
2) Number of treasury stock at end of the period (shares)	13,417,187	11,810,987
		Three months ended June 30, 2022
3) Average number of issued shares during the period (shares)	221,901,062	222,405,657

**This flash report is outside the scope of quarterly review 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. Regarding the assumptions forming the forecast of financial results, please refer to "1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2024: (3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections" on page 8.

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# 1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2024

## (1) Explanation of Business Results

The Japanese government's Monthly Economic Report on the Japanese economy for the three months ended June 30, 2023 (April 1, 2023 to June 30, 2023) states, "The economy is expected to continue recovering at a moderate pace with the improving employment and income situation, supported by the effects of the policies. However, slowing down of overseas economies is downside risk of the Japanese economy, amid ongoing global monetary tightening and other factors. Also, full attention should be given to price increases and fluctuations in the financial and capital markets." It also states that firms' judgments on business conditions "show movements of picking up."

Fuji Media Holdings Group (the "Group") benefited from the further normalization of economic activities driven by the downgrading of the status of COVID-19 to Class 5 under the Infectious Diseases Control Act, which led to the recovery of travel and tourism demand and the resumption of events. However, the impact of price increases against the backdrop of rising raw material prices, as well as the shift from stay-at-home demand to offline consumption, caused negative year-on-year earnings growth.

Amid this economic environment, consolidated net sales of the Group increased overall during the three months ended June 30, 2023, up 4.5% year-on-year to ¥132,279 million, thanks to increases in both the Media & Content segment and the Urban Development, Hotels & Resorts segment.

In terms of earnings, operating income overall decreased 28.7% year-on-year to ¥5,599 million, as the Media & Content segment recorded a decrease, while the Urban Development, Hotels & Resorts segment reported an increase. Recurring profit decreased 25.8% year-on-year to ¥7,867 million, and net income attributable to owners of the parent decreased 33.6% year-on-year to ¥5,169 million.

Results by operating segment are as follows.

Three months ended June 30

	Net sales			Operating income		
	2022	2023	Change	2022	2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Media & Content	98,051	<b>102,581</b>	4.6	4,464	<b>1,187</b>	(73.4)
Urban Development, Hotels & Resorts	27,344	<b>28,937</b>	5.8	3,497	<b>5,076</b>	45.1
Other	4,657	<b>4,909</b>	5.4	163	<b>248</b>	51.7
Eliminations	(3,420)	<b>(4,149)</b>	—	(273)	<b>(912)</b>	—
Total	126,633	<b>132,279</b>	4.5	7,851	<b>5,599</b>	(28.7)

## Media & Content

Fuji Television Network, Inc. ("Fuji TV") saw its core terrestrial TV advertising revenue decrease due to slowdown in the TV advertising market against the backdrop of general price increases and other macroeconomic factors, in addition to lower viewer ratings, resulting in the decline of broadcasting and media business revenue. In the content business, revenue increased year-on-year, as the event business, which was buoyed by the Tokyo run of Cirque du Soleil's "*Daihatsu Alegria – In A New Light*," the MD business and the animation development business, which enjoyed strong revenues from anime-related games and merchandise, and the digital business, which saw growth in the number of subscribers to FOD Premium, all posted year-on-year revenue growth. As a result of the above, Fuji TV as a whole recorded higher net sales than in the same period of the previous fiscal year but posted an operating loss due to the decrease in terrestrial TV advertising revenue.

Fuji Satellite Broadcasting, Inc. recorded increases in both revenue and earnings due to strong performances of the broadcasting business and other businesses.

Nippon Broadcasting System, Inc. recorded a decrease in broadcasting revenue but recorded increases in both revenue and earnings overall as its event business and digital-related revenue increased.

Pony Canyon Inc. recorded an increase in revenue due to contributions from distributed profits from anime, revenue from events, sales of goods, etc. However, earnings decreased due to the absence of new releases of music packages and an increase in amortization of anime-related investment.

Fujipacific Music Inc. recorded increases in both revenue and earnings due to strong revenues from royalties, as well as significant growth in revenues from video productions of music programs and concerts, and artist management.

DINOS CORPORATION saw a decrease in revenue overall despite year-on-year growth in sales for the fashion category and the food category, as sales for the living category and the TV-led beauty and health category remained sluggish, and the impact of the company split of the *imini* business lingered. On the earnings front, an operating loss was recorded with wider deficits, as cost reduction measures such as the control of sales promotion expenses could not offset the impact of the decrease in revenue.

Quaras Inc. recorded increases in both revenue and earnings as decreases in volume of advertising, mainly in television and web advertising was more than offset by event-related revenue which continued to show strong performance.

As a result of the above, in the Media & Content segment overall, net sales increased 4.6% from the same period of the previous fiscal year to ¥102,581 million and segment operating income decreased 73.4% from the same period of the previous fiscal year to ¥1,187 million.

## Urban Development, Hotels & Resorts

THE SANKEI BUILDING CO., LTD. recorded a decrease in revenue due to the absence of sales of large condominium complex units in the same period of the previous fiscal year, but posted an increase in earnings mainly due to the strong performance in revenue from leasing of offices, hotels, and houses and the sale of logistics facilities.

GRANVISTA Hotels & Resorts Co., Ltd. (“GRANVISTA”) performed well, as Sapporo Grand Hotel, Sapporo Park Hotel, the nationwide hotel chain Intergate Hotels, and other properties all saw their occupancy rates improve, following the recovery in travel demand,. With Kamogawa Sea World continuing to attract a large number of visitors, GRANVISTA recorded an increase in revenue overall and posted a positive operating income, an enormous improvement from an operating loss recorded in the same period of the previous fiscal year.

As a result of the above, the Urban Development, Hotels & Resorts segment overall recorded net sales of ¥28,937 million, up 5.8% from the same period of the previous fiscal year, and segment operating income of ¥5,076 million, up 45.1% from the same period of the previous fiscal year.

### **Other**

Net sales in the Other segment overall increased 5.4% from the same period of the previous fiscal year to ¥4,909 million, and segment operating income increased 51.7% from the same period of the previous fiscal year to ¥248 million.

Affiliates accounted for using the equity method, such as ITOCHU Fuji Partners, Inc., WOWOW Inc., and Nihon Eiga Broadcasting Corp., contributed to equity in earnings of affiliates.

## **(2) Explanation of Financial Position**

Total assets at the end of the first quarter of the fiscal year under review (June 30, 2023) amounted to ¥1,380,719 million, a decrease of ¥1,926 million (0.1%) from the end of the previous fiscal year (March 31, 2023).

Total current assets amounted to ¥396,508 million, a decrease of ¥18,288 million (4.4%) from the end of the previous fiscal year. This was due mainly to decreases of ¥13,435 million in cash and deposits and ¥10,444 million in notes and accounts receivable-trade, and contract assets; against an increase of ¥3,014 million in income tax refund receivable included in the “Other” line item.

Total noncurrent assets amounted to ¥984,211 million, an increase of ¥16,361 million (1.7%) from the end of the previous fiscal year. This was due mainly to an increase of ¥14,166 million in investment securities.

Total liabilities amounted to ¥526,719 million, a decrease of ¥7,157 million (1.3%) from the end of the previous fiscal year.

Total current liabilities amounted to ¥166,886 million, a decrease of ¥8,012 million (4.6%) from the end of the previous fiscal year. This was due mainly to decreases of ¥8,204 million in accrued income taxes included in the “Other” line item and ¥5,108 million in notes and accounts payable-trade; against an increase of ¥8,530 million in short-term loans payable.

Total noncurrent liabilities amounted to ¥359,833 million, an increase of ¥854 million (0.2%) from the end of the previous fiscal year. This was due mainly to an increase of ¥3,911 million in deferred tax liabilities included in the “Other” line item; against a decrease of ¥2,489 million in long-term loans payable.

Total net assets amounted to ¥854,000 million, an increase of ¥5,230 million (0.6%) from the end of the previous fiscal year. This was due mainly to the recording of net income attributable to owners of the parent of ¥5,169 million and an increase of ¥8,714 million in valuation difference on available-

for-sale securities; despite a decrease of ¥6,760 million in retained earnings owing to the payment of dividends of surplus.

### **(3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections**

The consolidated financial results during the three months ended June 30, 2023 saw an increase in revenue and a decrease in earnings in the Media & Content segment, while the Urban Development, Hotels & Resorts segment posted increases in both revenue and earnings. The consolidated performance overall was mainly in line with the forecasts, and Fuji Media Holdings, Inc. (the “Company”) has made no change to its full-year consolidated financial results forecasts for the fiscal year ending March 31, 2024 announced on May 11, 2023.



## 2. CONSOLIDATED FINANCIAL STATEMENTS AND PRIMARY NOTES

### (1) Consolidated Balance Sheets

	Millions of yen	
	March 31, 2023	June 30, 2023
<b>ASSETS</b>		
Current assets:		
Cash and deposits	109,669	<b>96,233</b>
Notes and accounts receivable-trade, and contract assets	95,844	<b>85,400</b>
Marketable securities	100,044	<b>98,184</b>
Inventories	72,436	<b>73,053</b>
Other	37,269	<b>44,149</b>
Allowance for doubtful accounts	(467)	<b>(512)</b>
Total current assets	414,797	<b>396,508</b>
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	167,117	<b>165,650</b>
Land	287,002	<b>290,709</b>
Other, net	34,214	<b>34,877</b>
Total property, plant and equipment	488,334	<b>491,236</b>
Intangible assets		
Goodwill	499	<b>473</b>
Other	17,301	<b>17,165</b>
Total intangible assets	17,800	<b>17,638</b>
Investments and other assets		
Investment securities	418,155	<b>432,321</b>
Other	45,036	<b>44,488</b>
Allowance for doubtful accounts	(1,477)	<b>(1,475)</b>
Total investments and other assets	461,714	<b>475,335</b>
Total noncurrent assets	967,849	<b>984,211</b>
Total assets	1,382,646	<b>1,380,719</b>

	Millions of yen	
	March 31, 2023	June 30, 2023
<b>LIABILITIES</b>		
Current liabilities:		
Notes and accounts payable-trade	39,040	<b>33,931</b>
Electronically recorded obligations-operating	5,492	<b>5,872</b>
Short-term loans payable	42,702	<b>51,232</b>
Provision for directors' bonuses	402	<b>84</b>
Other	87,261	<b>75,765</b>
Total current liabilities	174,898	<b>166,886</b>
Noncurrent liabilities:		
Long-term loans payable	220,424	<b>217,935</b>
Provision for directors' retirement benefits	2,438	<b>2,090</b>
Net defined benefit liability	15,874	<b>15,584</b>
Other	120,241	<b>124,223</b>
Total noncurrent liabilities	358,978	<b>359,833</b>
Total liabilities	533,877	<b>526,719</b>
<b>NET ASSETS</b>		
Shareholders' equity:		
Capital stock	146,200	<b>146,200</b>
Capital surplus	173,797	<b>173,797</b>
Retained earnings	401,585	<b>399,993</b>
Treasury stock	(14,113)	<b>(16,295)</b>
Total shareholders' equity	707,469	<b>703,695</b>
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	120,667	<b>129,381</b>
Deferred gains or losses on hedges	(183)	<b>(143)</b>
Revaluation reserve for land	1,533	<b>1,533</b>
Foreign currency translation adjustment	4,170	<b>4,274</b>
Remeasurements of defined benefit plans	4,023	<b>3,977</b>
Total accumulated other comprehensive income	130,210	<b>139,023</b>
Non-controlling interests	11,089	<b>11,280</b>
Total net assets	848,769	<b>854,000</b>
Total liabilities and net assets	1,382,646	<b>1,380,719</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated Statements of Income

Three months ended June 30

	Millions of yen	
	2022	2023
Net sales	126,633	<b>132,279</b>
Cost of sales	87,183	<b>96,039</b>
Gross profit	39,450	<b>36,239</b>
Selling, general and administrative expenses	31,598	<b>30,640</b>
Operating income	7,851	<b>5,599</b>
Non-operating income:		
Dividends income	1,691	<b>1,922</b>
Equity in earnings of affiliates	905	<b>304</b>
Other	834	<b>662</b>
Total	3,430	<b>2,889</b>
Non-operating expenses:		
Interests	361	<b>379</b>
Loss on investments in partnership	67	<b>112</b>
Other	255	<b>130</b>
Total	684	<b>621</b>
Recurring profit	10,598	<b>7,867</b>
Extraordinary gain:		
Gain on sale of non-current assets	0	<b>1</b>
Gain on sale of investment securities	50	<b>1</b>
Gain on sale of membership	—	<b>2</b>
Other	0	<b>0</b>
Total	50	<b>4</b>
Extraordinary loss:		
Impairment loss	—	<b>261</b>
Extra retirement payments	19	<b>—</b>
Other	53	<b>54</b>
Total	73	<b>315</b>
Income before income taxes	10,575	<b>7,555</b>
Income taxes-current	1,695	<b>1,691</b>
Income taxes-deferred	1,099	<b>591</b>
Total	2,795	<b>2,282</b>
Net income	7,780	<b>5,273</b>
Net income (loss) attributable to non-controlling interests	(5)	<b>103</b>
Net income attributable to owners of the parent	7,785	<b>5,169</b>

## Consolidated Statements of Comprehensive Income

Three months ended June 30

	Millions of yen	
	2022	2023
Net income	7,780	<b>5,273</b>
Other comprehensive income:		
Valuation difference on available-for-sale securities	(1,975)	<b>8,476</b>
Foreign currency translation adjustment	1,721	<b>217</b>
Remeasurements of defined benefit plans	(10)	<b>(24)</b>
Share of other comprehensive income of affiliates accounted for using equity method	(159)	<b>324</b>
Total other comprehensive income	(424)	<b>8,993</b>
Comprehensive income	7,355	<b>14,266</b>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	7,372	<b>13,982</b>
Comprehensive income attributable to non-controlling interests	(17)	<b>284</b>

**(3) Notes to Consolidated Financial Statements**

**(Note on Assumptions for Going Concern)**

Not applicable

**(Notes in the Event of Major Change in Shareholders' Equity)**

Not applicable

## (Segment Information)

### I. Three months ended June 30, 2022

#### 1. Information on Amounts of Net Sales and Profit or Loss by Reported Segment

(Millions of yen)

	Reported segment			Other (Note 1)	Total	Adjustment (Note 2)	Consolidated statement of income (Note 3)
	Media & Content	Urban Development, Hotels & Resorts	Total				
Net sales:							
Net sales to third parties	97,988	27,083	125,071	1,561	126,633	—	126,633
Inter-segment net sales and transfers	63	260	324	3,095	3,420	(3,420)	—
Total net sales	98,051	27,344	125,395	4,657	130,053	(3,420)	126,633
Segment operating income	4,464	3,497	7,961	163	8,125	(273)	7,851

- Notes: 1. The "Other" category is a business segment not included in reported segments. It includes such operations as temporary agency services, movables leasing and software development.
2. The segment operating income adjustment of minus ¥273 million mainly comprises ¥864 million in eliminations of inter-segment business, together with minus ¥1,138 million in Group-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.
3. Segment operating income is adjusted to the operating income figure on the Consolidated Statement of Income.

### II. Three months ended June 30, 2023

#### 1. Information on Amounts of Net Sales and Profit or Loss by Reported Segment

(Millions of yen)

	Reported segment			Other (Note 1)	Total	Adjustment (Note 2)	Consolidated statement of income (Note 3)
	Media & Content	Urban Development, Hotels & Resorts	Total				
Net sales:							
Net sales to third parties	102,477	28,259	130,737	1,541	132,279	—	132,279
Inter-segment net sales and transfers	103	677	781	3,367	4,149	(4,149)	—
Total net sales	102,581	28,937	131,519	4,909	136,428	(4,149)	132,279
Segment operating income	1,187	5,076	6,263	248	6,512	(912)	5,599

- Notes: 1. The "Other" category is a business segment not included in reported segments. It includes such operations as temporary agency services, movables leasing and software development.
2. The segment operating income adjustment of minus ¥912 million mainly comprises ¥273 million in eliminations of inter-segment business, together with minus ¥1,186 million in Group-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.
3. Segment operating income is adjusted to the operating income figure on the Consolidated Statement of Income.

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