

(Translation)



May 9, 2024

Company name: Nippon Television Holdings, Inc.

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Representative Director, Chairman

(TSE Prime Market, Code No. 9404)

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Notice Regarding Recognition of Extraordinary Losses

Nippon Television Holdings, Inc. (the “Company”) posted impairment losses on goodwill, etc. on its consolidated financial statements, as well as loss on valuation of stocks of subsidiaries and affiliates, provision of allowance for doubtful accounts, and provision for loss on business of subsidiaries and associates on non-consolidated financial statements for the fiscal year ended March 2024 (April 1, 2023 - March 31, 2024).

1. Recognition of Extraordinary Losses

(1) Consolidated Financial Statements

La belle vie Inc. (“la belle vie”), a consolidated subsidiary of the Company and operator of a fashion e-commerce site, has faced an increasingly challenging business environment in the fiscal year ended March 2024, due to various factors such as consumers’ return to real shops after the reclassification of COVID-19 as Class 5 infectious diseases, as well as the rapid depreciation of yen, which has caused difficulties in inventory procurement. At the time the Company purchased the shares of la belle vie, consolidated goodwill and other intangible assets were booked under the assumption that la belle vie would achieve excess earning power. Upon careful review of the business plan, however, it was determined that there would be high level of uncertainty in the recovery of the investment amount. Accordingly, the Company posted a JPY 11.058 billion impairment loss in extraordinary losses for the remaining balance at the end of the fiscal year ended March 2024. Moreover, due to la belle vie’s decline in profitability, the Company expects the recovery of the amount invested on property and equipment to

become even more difficult. As such, the Company also posted a JPY 444 million impairment loss in extraordinary losses for the remaining balance at the end of the fiscal year ended March 2024.

(2) Non-Consolidated Financial Statements

Taking (1) into consideration, the Company reevaluated the la belle vie shares it owns and found that the actual value had dropped significantly, leading to the recognition of a JPY 10.181 billion loss on valuation of stocks of subsidiaries and affiliates. Furthermore, taking into account the deterioration of la belle vie's fiscal situation, the Company recognized a JPY 500 million provision of allowance for doubtful accounts on its loans to la belle vie, as well as a JPY 301 million provision for loss on business of subsidiaries and associates.

2. Impact on the Business Performance

The impact of the extraordinary losses stated in "1. (1) Consolidated Financial Statements" above on the consolidated financial statements has been reflected in the "Results for the fiscal year ended March 31, 2024" announced today. The extraordinary losses stated in "1. (2) Non-Consolidated Financial Statements" above will be eliminated in the consolidation process and have no effect on the consolidated financial statements.

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