

Flash Report [Japanese GAAP] (Consolidated Basis)**Results for the three months ended June 30, 2024****Company name: Fuji Media Holdings, Inc.**Stock listing: Tokyo Stock Exchange Code number: 4676 URL: <https://www.fujimediahd.co.jp/en>

Representative: Osamu Kanemitsu, President

Person to contact: Atsushi Yanagi, General Manager of Treasury & Finance Department

Telephone: +81-3-3570-8000 (key)

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on financial results: Available

Schedule of 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	%
2024	129,609	(2.0)	6,553	17.0	9,792	24.5	7,246	40.2
2023	132,279	4.5	5,599	(28.7)	7,867	(25.8)	5,169	(33.6)

(Note) Comprehensive income: Three months ended June 30, 2024: ¥1,071 million, (92.5)%,

Three months ended June 30, 2023: ¥14,266 million, 94.0%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
2024	33.92	—
2023	23.29	—

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2024	1,445,882	857,918	58.5
March 31, 2024	1,448,833	869,628	59.2

(Reference) Total shareholders' equity: June 30, 2024: ¥846,375 million,

March 31, 2024: ¥857,920 million

2. Dividends

Year ended March 31, 2024 / Year ending March 31, 2025

	Dividends per share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2024	—	24.00	—	24.00	48.00
2025	—				
2025 (Forecast)		25.00	—	25.00	50.00

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

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025

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

	Net sales		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year	598,300	5.6	35,300	5.3	40,400	3.1

	Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Yen
Fiscal year	29,000	(21.8)	136.55

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

Notes:

1. Significant changes 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: Yes

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, 2024	Year ended March 31, 2024
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)	22,233,615	18,246,615
		Three months ended June 30, 2023
3) Average number of issued shares during the period (shares)	213,622,048	221,901,062

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

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, 2025: (3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections" on page 8.

CONTENTS OF ATTACHMENT

1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2025	5
(1) Explanation of Business Results	5
(2) Explanation of Financial Position	7
(3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections	8
2. CONSOLIDATED FINANCIAL STATEMENTS AND PRIMARY NOTES	9
(1) Consolidated Balance Sheets	9
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	11
(3) Notes to Consolidated Financial Statements	13
(Note on Assumptions for Going Concern)	13
(Notes in the Event of Major Change in Shareholders' Equity)	13
(Change in Accounting Policies)	13
(Segment Information)	14
(Notes on Statements of Cash Flows)	15

1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2025

(1) Explanation of Business Results

The Japanese government's Monthly Economic Report on the Japanese economy for the three months ended June 30, 2024 (April 1, 2024 to June 30, 2024) 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, the slowing down of overseas economies is a downside risk to the Japanese economy, due in part to the effect of continued high interest rates in the United States and Europe and concerns about the economic outlook in China. Also, full attention should be given to price increases, the situation in the Middle East, and fluctuations in the financial and capital markets." It also states that firms' judgments on business conditions "are improving."

Fuji Media Holdings Group (the "Group") succeeded in improving its earnings, benefiting from the strong performance of streaming-related revenue that continued from the prior period, effective cost management and other factors, in spite of factors such as the impact of price increases caused by rising raw material prices against the backdrop of a historically low yen, and a decline in consumption.

Amid this economic environment, consolidated net sales of the Group decreased overall during the three months ended June 30, 2024, down 2.0% year-on-year to ¥129,609 million, due to a decrease in the Media & Content segment, despite an increase in the Urban Development, Hotels & Resorts segment.

In terms of earnings, operating income overall increased 17.0% year-on-year to ¥6,553 million, as the Media & Content segment reported an increase, while the Urban Development, Hotels & Resorts segment recorded a decrease. Recurring profit increased 24.5% year-on-year to ¥9,792 million, helped by increases in dividend income and equity in earnings of affiliates, and net income attributable to owners of the parent increased 40.2% year-on-year to ¥7,246 million.

Results by operating segment are as follows.

Three months ended June 30

	Net sales			Operating income		
	2023	2024	Change	2023	2024	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Media & Content	102,581	98,944	(3.5)	1,187	3,035	155.6
Urban Development, Hotels & Resorts	28,937	29,031	0.3	5,076	3,848	(24.2)
Other	4,909	5,458	11.2	248	246	(0.9)
Eliminations	(4,149)	(3,825)	—	(912)	(576)	—
Total	132,279	129,609	(2.0)	5,599	6,553	17.0

Media & Content

While Fuji Television Network, Inc. ("Fuji TV") saw a decrease in its terrestrial TV advertising due to a slow TV advertising market, impacted by factors such as price increases against the backdrop of rising raw material prices, streaming advertising revenue showed significant growth thanks to the expansion of the number of program views on TVer, which resulted in a slight increase in broadcasting and media revenue. In its content business, the digital business, which saw growth in the number of subscribers to FOD Premium, the movie business, which benefited from secondary uses such as the sale of streaming rights of past productions, and the animation development business, which enjoyed strong revenues from animation-related merchandising, all posted a year-on-year increase in revenue. However, the event business recorded a post-increase decline in revenue, which was a reaction to the performance of the major Cirque du Soleil production, "*Alegria – In A New Light*" during the same period of the previous fiscal year, and revenue from the content business overall declined. As a result of the above, Fuji TV as a whole recorded lower net sales than in the same period of the previous fiscal year. In terms of earnings, however, its efforts to manage costs effectively resulted in operating income of ¥1,280 million, an improvement from the operating loss of the same period of the previous fiscal year.

At Fuji Satellite Broadcasting, Inc., although time-based sales revenue was on par with the same period of the previous fiscal year, spot sales revenue fell year on year. Revenue from other businesses was also impacted by the absence of any large-scale events, resulting in a decrease in net sales overall. In terms of earnings, cost cutting efforts were unable to offset the decline in revenue, resulting in a decrease in earnings.

Nippon Broadcasting System, Inc. recorded a decrease in net sales overall due to a post-increase decline in reaction to the large-scale events in the event business in the same period of the previous fiscal year, despite strong time-based sales revenue driving an increase in revenue in the broadcasting business. Earnings also fell due in part to an increase in the cost ratio.

Pony Canyon Inc. recorded a decrease in revenue, as a decline in the number of new animation productions prevented program sales, video package sales, and streaming from reaching the scale of the same period of the previous fiscal year. However, earnings increased due to the improvement of the cost ratio and a decrease in selling expenses.

Fujipacific Music Inc. recorded increases in both revenue and operating income due to solid revenues from royalties, as well as the strong performance in revenues from master disc usage fees and artist management.

DINOS CORPORATION saw a decrease in overall revenue due to poor performance in the living category and beauty and health category, despite strong performances in sales from fashion goods and television shopping. In terms of earnings, it also recorded an operating loss, though smaller than the loss for the same period of the previous fiscal year, as its efforts to control sales promotion expenses and other expenses could not offset the impact of the decrease in revenue.

Quaras Inc. recorded decreases in both revenue and earnings as its event-related revenue failed to reach the scale of the same period of the previous fiscal year, despite an increase in sales from core advertising media such as TV.

As the result of the above, for the overall Media & Content segment, net sales decreased 3.5% from the same period of the previous fiscal year to ¥98,944 million and segment operating income

increased 155.6% from the same period of the previous fiscal year to ¥3,035 million.

Urban Development, Hotels & Resorts

THE SANKEI BUILDING CO., LTD. recorded decreases in both revenue and earnings as sales of owned properties did not reach the same level as the same period of the previous fiscal year, despite the continued strong performance in revenue from leasing of office buildings and rental residences.

GRANVISTA Hotels & Resorts Co., Ltd. (“GRANVISTA”) recorded an increase in revenue, helped by Kobe Suma Sea World, which had its grand opening on June 1, 2024, as well as the continued strong occupancy rates in the hotels under its operation, including Intergate Hotels. On the other hand, increases in expenses for the preparation of Kobe Suma Sea World’s opening and personnel expenses resulted in a decrease in earnings for GRANVISTA.

As a result of the above, the overall Urban Development, Hotels & Resorts segment recorded net sales of ¥29,031 million, up 0.3% from the same period of the previous fiscal year, and segment operating income of ¥3,848 million, down 24.2% from the same period of the previous fiscal year.

Other

Net sales in the Other segment overall increased 11.2% from the same period of the previous fiscal year to ¥5,458 million, and segment operating income decreased 0.9% from the same period of the previous fiscal year to ¥246 million.

Affiliates accounted for using the equity method, such as ITOCHU Fuji Partners, Inc., WOWOW Inc., TVer 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, 2024) amounted to ¥1,445,882 million, a decrease of ¥2,950 million (0.2%) from the end of the previous fiscal year (March 31, 2024).

Total current assets amounted to ¥405,049 million, an increase of ¥110 million (0.0%) from the end of the previous fiscal year. This was due mainly to increases of ¥10,768 million in cash and deposits, ¥3,298 million in inventories, ¥1,667 million in suspense payments of funds for the purchase of treasury stock included in the “Other” line item, and ¥902 million in consumption taxes refund receivable; against decreases of ¥9,292 million in notes and accounts receivable-trade, and contract assets and ¥6,835 million in marketable securities.

Total noncurrent assets amounted to ¥1,040,833 million, a decrease of ¥3,061 million (0.3%) from the end of the previous fiscal year. This was due mainly to decreases of ¥10,082 million in investment securities and ¥7,424 million in construction in progress in the “Other” line item of property, plant and equipment; against increases of ¥7,313 million in buildings and structures and ¥3,819 million in land.

Total liabilities amounted to ¥587,964 million, an increase of ¥8,760 million (1.5%) from the end of the previous fiscal year.

Total current liabilities amounted to ¥180,622 million, an increase of ¥28,184 million (18.5%) from the end of the previous fiscal year. This was due mainly to an increase of ¥46,684 million in short-term loans payable; against decreases of ¥7,614 million in accrued income taxes included in the “Other” line

item, ¥5,820 million in accrued expenses, and ¥5,499 million in accounts payable-other.

Total noncurrent liabilities amounted to ¥407,342 million, a decrease of ¥19,423 million (4.6%) from the end of the previous fiscal year. This was due mainly to decreases of ¥15,673 million in long-term loans payable and ¥3,418 million in deferred tax liabilities included in the “Other” line item.

Total net assets amounted to ¥857,918 million, a decrease of ¥11,710 million (1.3%) from the end of the previous fiscal year. This was due mainly to decreases of ¥8,321 million in valuation difference on available-for-sale securities and ¥5,254 million in retained earnings owing to the payment of dividends of surplus and an increase of ¥7,324 million in treasury stock due to the purchase of treasury stock; against the recording of net income attributable to owners of the parent of ¥7,246 million.

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

The consolidated financial results during the three months ended June 30, 2024 saw a decrease in revenue and an increase in earnings in the Media & Content segment, while the Urban Development, Hotels & Resorts segment posted an increase in revenue and a decrease in 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, 2025 announced on May 9, 2024.

2. CONSOLIDATED FINANCIAL STATEMENTS AND PRIMARY NOTES

(1) Consolidated Balance Sheets

	Millions of yen	
	March 31, 2024	June 30, 2024
ASSETS		
Current assets:		
Cash and deposits	76,077	86,845
Notes and accounts receivable-trade, and contract assets	95,858	86,566
Marketable securities	121,461	114,626
Inventories	73,553	76,852
Other	38,691	40,862
Allowance for doubtful accounts	(703)	(704)
Total current assets	404,938	405,049
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures, net	174,618	181,932
Land	336,381	340,200
Other, net	43,452	38,535
Total property, plant and equipment	554,451	560,668
Intangible assets		
Goodwill	395	375
Other	25,769	25,847
Total intangible assets	26,165	26,222
Investments and other assets		
Investment securities	414,647	404,565
Other	50,078	50,828
Allowance for doubtful accounts	(1,449)	(1,452)
Total investments and other assets	463,277	453,942
Total noncurrent assets	1,043,894	1,040,833
Total assets	1,448,833	1,445,882

	Millions of yen	
	March 31, 2024	June 30, 2024
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	39,292	36,232
Electronically recorded obligations-operating	6,275	6,644
Short-term loans payable	27,677	74,361
Provision for directors' bonuses	517	91
Other	78,674	63,292
Total current liabilities	152,437	180,622
Noncurrent liabilities:		
Bonds payable	20,000	20,000
Long-term loans payable	273,676	258,003
Provision for directors' retirement benefits	2,360	2,192
Net defined benefit liability	15,078	14,935
Other	115,650	112,211
Total noncurrent liabilities	426,766	407,342
Total liabilities	579,204	587,964
NET ASSETS		
Shareholders' equity:		
Capital stock	146,200	146,200
Capital surplus	173,797	173,797
Retained earnings	426,880	428,872
Treasury stock	(24,113)	(31,437)
Total shareholders' equity	722,765	717,432
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	117,061	108,739
Deferred gains or losses on hedges	(115)	(96)
Revaluation reserve for land	1,530	1,530
Foreign currency translation adjustment	6,281	8,526
Remeasurements of defined benefit plans	10,396	10,242
Total accumulated other comprehensive income	135,154	128,942
Non-controlling interests	11,708	11,542
Total net assets	869,628	857,918
Total liabilities and net assets	1,448,833	1,445,882

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

Consolidated Statements of Income

Three months ended June 30

	Millions of yen	
	2023	2024
Net sales	132,279	129,609
Cost of sales	96,039	92,891
Gross profit	36,239	36,717
Selling, general and administrative expenses	30,640	30,163
Operating income	5,599	6,553
Non-operating income:		
Dividends income	1,922	2,435
Equity in earnings of affiliates	304	703
Other	662	920
Total	2,889	4,059
Non-operating expenses:		
Interests	379	584
Other	242	235
Total	621	820
Recurring profit	7,867	9,792
Extraordinary gain:		
Gain on sale of membership	2	—
Gain on exchange of shares of subsidiaries and associates	—	235
Other	2	17
Total	4	252
Extraordinary loss:		
Loss on retirement of noncurrent assets	45	226
Impairment loss	261	—
Loss on valuation of investment securities	6	100
Other	2	5
Total	315	332
Income before income taxes	7,555	9,712
Income taxes-current	1,691	2,018
Income taxes-deferred	591	442
Total	2,282	2,460
Net income	5,273	7,252
Net income attributable to non-controlling interests	103	5
Net income attributable to owners of the parent	5,169	7,246

Consolidated Statements of Comprehensive Income

Three months ended June 30

	Millions of yen	
	2023	2024
Net income	5,273	7,252
Other comprehensive income:		
Valuation difference on available-for-sale securities	8,476	(7,757)
Foreign currency translation adjustment	217	2,129
Remeasurements of defined benefit plans	(24)	(134)
Share of other comprehensive income of affiliates accounted for using equity method	324	(416)
Total other comprehensive income	8,993	(6,180)
Comprehensive income	14,266	1,071
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	13,982	1,033
Comprehensive income attributable to non-controlling interests	284	38

(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

(Change in Accounting Policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27 of October 28, 2022; hereinafter "2022 Revised Accounting Standard") and other standards from the beginning of the first quarter of the fiscal year ending March 31, 2025.

Regarding revisions concerning the categories for recording of income taxes, etc. (taxation on other comprehensive income), the Company has complied with the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set forth in the proviso to Paragraph 65-2(2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28 of October 28, 2022; hereinafter "2022 Revised Guidance"). These changes in accounting policies have no impact on the quarterly consolidated financial statements.

In addition, with respect to revisions related to the review of treatment in the consolidated financial statements when deferring, for tax purposes, gains or losses on sales associated with the sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the 2022 Revised Guidance from the beginning of the first quarter of the fiscal year ending March 31, 2025. These changes in accounting policies have been applied retrospectively, and the quarterly consolidated financial statements for the three months ended June 30, 2023 and consolidated financial statements for the fiscal year ended March 31, 2024 are presented after such retrospective application. These changes in accounting policies have no impact on the quarterly consolidated financial statements for the three months ended June 30, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024.

(Segment Information)

I. 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.

II. Three months ended June 30, 2024

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	98,704	28,893	127,597	2,011	129,609	—	129,609
Inter-segment net sales and transfers	240	138	378	3,446	3,825	(3,825)	—
Total net sales	98,944	29,031	127,976	5,458	133,435	(3,825)	129,609
Segment operating income	3,035	3,848	6,884	246	7,130	(576)	6,553

- 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 ¥576 million mainly comprises ¥745 million in eliminations of inter-segment business, together with minus ¥1,321 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.

(Notes on Statements of Cash Flows)

The Company has not prepared quarterly consolidated statements of cash flows for the three months ended June 30, 2024. Depreciation and amortization (including amortization of intangible assets excluding goodwill), amortization of goodwill, and amortization of negative goodwill for the three months ended June 30, 2024 are as follows.

Three months ended June 30

	Millions of yen	
	2023	2024
Depreciation and amortization	4,433	4,771
Amortization of goodwill	25	19
Amortization of negative goodwill	143	143