

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: WOWOW INC.  
 Stock exchange listing: Tokyo  
 Stock code: 4839 URL <https://corporate.wowow.co.jp>  
 Representative: Representative Director, President & CEO Hitoshi Yamamoto  
 General Manager Corporate Management  
 Inquiries: Division Mototaka Yamaguchi TEL 03-4330-8080  
 Scheduled date of ordinary general meeting of shareholders: June 20, 2024  
 Scheduled date to file Securities Report: June 21, 2024  
 Scheduled date to commence dividend payments: June 4, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors, analysts and the press)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 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	%
Year ended March 31, 2024	74,869	(2.9)	1,450	(55.0)	2,057	(42.0)	1,092	(54.5)
Year ended March 31, 2023	77,101	(3.2)	3,225	(38.8)	3,547	(33.7)	2,398	(43.4)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	38.79	–	1.6	2.2	1.9
Year ended March 31, 2023	83.75	–	3.6	3.6	4.2

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	89,146	68,225	76.5	2,420.69
As of March 31, 2023	97,046	66,828	68.9	2,377.78

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	4,293	(2,755)	(1,433)	25,922
Year ended March 31, 2023	3,219	(2,303)	(2,515)	25,757

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	0.00	–	50.00	50.00	1,405	59.7	2.1
Year ended March 31, 2024	–	0.00	–	30.00	30.00	845	77.3	1.3
Year ending March 31, 2025 (Forecast)	–	0.00	–	30.00	30.00		84.7	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	36,900	0.8	0	(100.0)	500	(65.9)	300	(58.4)	10.63
Full year	74,700	(0.2)	700	(51.7)	1,500	(27.1)	1,000	(8.5)	35.41

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2024	28,844,400 shares	As of March 31, 2023	28,844,400 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	659,970 shares	As of March 31, 2023	739,026 shares
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Average number of shares during the period

Year ended March 31, 2024	28,158,063 shares	Year ended March 31, 2023	28,636,780 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	28,683	28,334
Accounts receivable - trade	6,481	5,618
Merchandise and finished goods	5	17
Broadcasting licenses	25,611	18,448
Work in process	46	38
Supplies	57	46
Prepaid expenses	1,001	1,531
Other	3,159	1,611
Allowance for doubtful accounts	(64)	(112)
<b>Total current assets</b>	<b>64,980</b>	<b>55,534</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	9,419	9,509
Accumulated depreciation	(5,060)	(5,364)
Buildings and structures, net	4,358	4,144
Machinery and equipment	17,290	16,256
Accumulated depreciation	(12,314)	(12,373)
Machinery and equipment, net	4,976	3,883
Tools, furniture and fixtures	4,948	5,211
Accumulated depreciation	(3,223)	(3,642)
Tools, furniture and fixtures, net	1,724	1,568
Construction in progress	88	304
Other, net	28	45
<b>Total property, plant and equipment</b>	<b>11,176</b>	<b>9,947</b>
<b>Intangible assets</b>		
Leasehold interests in land	5,011	5,011
Software	2,975	3,343
Other	127	876
<b>Total intangible assets</b>	<b>8,115</b>	<b>9,231</b>
<b>Investments and other assets</b>		
Investment securities	2,262	3,570
Shares of subsidiaries and associates	7,780	8,815
Leasehold and guarantee deposits	792	704
Deferred tax assets	1,766	942
Other	196	424
Allowance for doubtful accounts	(24)	(24)
<b>Total investments and other assets</b>	<b>12,774</b>	<b>14,433</b>
<b>Total non-current assets</b>	<b>32,065</b>	<b>33,612</b>
<b>Total assets</b>	<b>97,046</b>	<b>89,146</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	21,314	12,255
Accounts payable - other	1,704	1,059
Accrued expenses	3,745	3,705
Income taxes payable	120	257
Provision for bonuses	55	60
Other	1,342	1,330
Total current liabilities	28,282	18,669
Non-current liabilities		
Retirement benefit liability	1,854	1,877
Other	80	374
Total non-current liabilities	1,935	2,251
<b>Total liabilities</b>	<b>30,218</b>	<b>20,920</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	3,230	3,212
Retained earnings	59,217	58,904
Treasury shares	(1,008)	(897)
Total shareholders' equity	66,440	66,219
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	316	1,842
Deferred gains or losses on hedges	42	145
Remeasurements of defined benefit plans	29	17
Total accumulated other comprehensive income	387	2,006
<b>Total net assets</b>	<b>66,828</b>	<b>68,225</b>
<b>Total liabilities and net assets</b>	<b>97,046</b>	<b>89,146</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	77,101	74,869
Cost of sales	51,201	50,453
Gross profit	25,899	24,416
Selling, general and administrative expenses	22,674	22,965
Operating profit	3,225	1,450
Non-operating income		
Interest income	34	72
Dividend income	44	56
Foreign exchange gains	9	258
Share of profit of entities accounted for using equity method	234	268
Subsidy income	28	26
Other	24	38
Total non-operating income	376	721
Non-operating expenses		
Commission expenses	26	27
Guarantee commission	18	18
Loss on liquidation of subsidiaries and associates	7	–
Loss on investments in capital	–	35
Loss on investments in investment partnerships	–	26
Other	1	6
Total non-operating expenses	53	113
Ordinary profit	3,547	2,057
Extraordinary income		
Gain on sale of non-current assets	0	5
Total extraordinary income	0	5
Extraordinary losses		
Loss on sale of non-current assets	–	0
Loss on retirement of non-current assets	32	34
Impairment losses	–	70
Loss on valuation of investment securities	36	101
Total extraordinary losses	68	206
Profit before income taxes	3,479	1,856
Income taxes - current	554	443
Income taxes - deferred	527	320
Total income taxes	1,081	764
Profit	2,398	1,092
Profit attributable to owners of parent	2,398	1,092

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	2,398	1,092
Other comprehensive income		
Valuation difference on available-for-sale securities	(28)	1,526
Deferred gains or losses on hedges	(99)	89
Remeasurements of defined benefit plans, net of tax	(3)	(11)
Share of other comprehensive income of entities accounted for using equity method	30	13
Total other comprehensive income	(101)	1,618
Comprehensive income	2,297	2,710
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,297	2,710

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	3,240	58,538	(312)	66,467
Changes during period					
Dividends of surplus			(1,719)		(1,719)
Profit attributable to owners of parent			2,398		2,398
Purchase of treasury shares				(778)	(778)
Disposal of treasury shares		(9)		82	72
Net changes in items other than shareholders' equity					
Total changes during period	–	(9)	679	(696)	(26)
Balance at end of period	5,000	3,230	59,217	(1,008)	66,440

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	345	111	32	489	66,956
Changes during period					
Dividends of surplus					(1,719)
Profit attributable to owners of parent					2,398
Purchase of treasury shares					(778)
Disposal of treasury shares					72
Net changes in items other than shareholders' equity	(28)	(68)	(3)	(101)	(101)
Total changes during period	(28)	(68)	(3)	(101)	(127)
Balance at end of period	316	42	29	387	66,828

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	3,230	59,217	(1,008)	66,440
Changes during period					
Dividends of surplus			(1,405)		(1,405)
Profit attributable to owners of parent			1,092		1,092
Disposal of treasury shares		(18)		110	92
Net changes in items other than shareholders' equity					
Total changes during period	–	(18)	(312)	110	(220)
Balance at end of period	5,000	3,212	58,904	(897)	66,219

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	316	42	29	387	66,828
Changes during period					
Dividends of surplus					(1,405)
Profit attributable to owners of parent					1,092
Disposal of treasury shares					92
Net changes in items other than shareholders' equity	1,526	102	(11)	1,618	1,618
Total changes during period	1,526	102	(11)	1,618	1,397
Balance at end of period	1,842	145	17	2,006	68,225



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,479	1,856
Depreciation	3,722	4,009
Amortization of goodwill	–	16
Impairment losses	–	70
Increase (decrease) in allowance for doubtful accounts	(3)	48
Increase (decrease) in provision for bonuses	(1)	(14)
Increase (decrease) in retirement benefit liability	(177)	6
Interest and dividend income	(79)	(128)
Foreign exchange losses (gains)	(326)	(389)
Share of loss (profit) of entities accounted for using equity method	(205)	(221)
Loss on retirement of non-current assets	32	34
Loss (gain) on sale of non-current assets	(0)	(5)
Loss (gain) on valuation of investment securities	36	101
Decrease (increase) in trade receivables	(58)	954
Decrease (increase) in inventories	1,193	7,168
Increase (decrease) in trade payables	(1,642)	(9,368)
Increase (decrease) in accrued consumption taxes	(564)	(197)
Decrease (increase) in other assets	(1,569)	440
Increase (decrease) in other liabilities	63	48
Other, net	13	0
Subtotal	3,912	4,431
Interest and dividends received	79	119
Interest paid	–	(0)
Income taxes paid	(771)	(256)
Net cash provided by (used in) operating activities	3,219	4,293
Cash flows from investing activities		
Payments into time deposits	(5,098)	(3,809)
Proceeds from withdrawal of time deposits	5,884	4,666
Purchase of property, plant and equipment	(1,307)	(1,300)
Proceeds from sale of property, plant and equipment	0	5
Purchase of intangible assets	(972)	(1,581)
Purchase of investment securities	(818)	(424)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(500)
Payments of leasehold and guarantee deposits	(3)	(6)
Proceeds from refund of leasehold and guarantee deposits	15	75
Payments for investments in capital	(33)	(33)
Proceeds from divestments	–	18
Loan advances	(0)	(0)
Proceeds from collection of loans receivable	30	0
Other, net	–	134
Net cash provided by (used in) investing activities	(2,303)	(2,755)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Repayments of long-term borrowings	–	(9)
Repayments of finance lease liabilities	(18)	(19)
Purchase of treasury shares	(778)	–
Dividends paid	(1,719)	(1,405)
Net cash provided by (used in) financing activities	(2,515)	(1,433)
Effect of exchange rate change on cash and cash equivalents	23	60
Net increase (decrease) in cash and cash equivalents	(1,575)	165
Cash and cash equivalents at beginning of period	27,333	25,757
Cash and cash equivalents at end of period	25,757	25,922