

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 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 to commence dividend payments: –
 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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2024	18,791	2.6	1,398	162.9	1,653	125.9	1,107	145.0
Three months ended June 30, 2023	18,314	(5.3)	531	(59.0)	732	(34.2)	451	(41.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	39.28		–	
Three months ended June 30, 2023	16.08		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	97,258	68,380	70.3
As of March 31, 2024	89,146	68,225	76.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	0.00	–	30.00	30.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	30.00	30.00

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) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: Yes
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	28,844,400 shares	As of March 31, 2024	28,844,400 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2024	659,970 shares	As of March 31, 2024	659,970 shares
---------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	28,184,430 shares	Three months ended June 30, 2023	28,105,374 shares
----------------------------------	-------------------	----------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	28,334	27,841
Accounts receivable - trade	5,618	5,527
Merchandise and finished goods	17	13
Broadcasting licenses	18,448	27,215
Work in process	38	70
Supplies	46	57
Prepaid expenses	1,531	1,946
Other	1,611	1,674
Allowance for doubtful accounts	(112)	(115)
Total current assets	55,534	64,232
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,144	4,062
Machinery and equipment, net	3,883	3,631
Tools, furniture and fixtures, net	1,568	1,487
Construction in progress	304	205
Other, net	45	43
Total property, plant and equipment	9,947	9,431
Intangible assets		
Leasehold interests in land	5,011	5,011
Software	3,343	3,217
Other	876	853
Total intangible assets	9,231	9,082
Investments and other assets		
Investment securities	3,570	3,420
Shares of subsidiaries and associates	8,815	8,747
Deferred tax assets	942	982
Leasehold and guarantee deposits	704	696
Other	424	687
Allowance for doubtful accounts	(24)	(24)
Total investments and other assets	14,433	14,510
Total non-current assets	33,612	33,025
Total assets	89,146	97,258

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	12,255	20,246
Accounts payable - other	1,059	1,225
Accrued expenses	3,705	2,581
Income taxes payable	257	612
Provision for bonuses	60	28
Other	1,330	1,908
Total current liabilities	18,669	26,603
Non-current liabilities		
Retirement benefit liability	1,877	1,913
Other	374	360
Total non-current liabilities	2,251	2,273
Total liabilities	20,920	28,877
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	3,212	3,212
Retained earnings	58,904	59,166
Treasury shares	(897)	(897)
Total shareholders' equity	66,219	66,481
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,842	1,546
Deferred gains or losses on hedges	145	335
Remeasurements of defined benefit plans	17	17
Total accumulated other comprehensive income	2,006	1,899
Total net assets	68,225	68,380
Total liabilities and net assets	89,146	97,258

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	18,314	18,791
Cost of sales	12,388	12,030
Gross profit	5,925	6,760
Selling, general and administrative expenses	5,393	5,362
Operating profit	531	1,398
Non-operating income		
Interest income	23	13
Dividend income	34	40
Foreign exchange gains	68	145
Share of profit of entities accounted for using equity method	59	85
Other	25	18
Total non-operating income	212	303
Non-operating expenses		
Commission expenses	6	33
Guarantee commission	4	11
Other	0	3
Total non-operating expenses	11	48
Ordinary profit	732	1,653
Extraordinary income		
Gain on sale of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	0	4
Impairment losses	70	–
Total extraordinary losses	70	4
Profit before income taxes	661	1,649
Income taxes - current	238	597
Income taxes - deferred	(29)	(55)
Total income taxes	209	542
Profit	451	1,107
Profit attributable to owners of parent	451	1,107

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	451	1,107
Other comprehensive income		
Valuation difference on available-for-sale securities	381	(296)
Deferred gains or losses on hedges	(29)	181
Remeasurements of defined benefit plans, net of tax	(0)	(0)
Share of other comprehensive income of entities accounted for using equity method	(8)	9
Total other comprehensive income	343	(106)
Comprehensive income	795	1,000
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	795	1,000