

# WOWOW

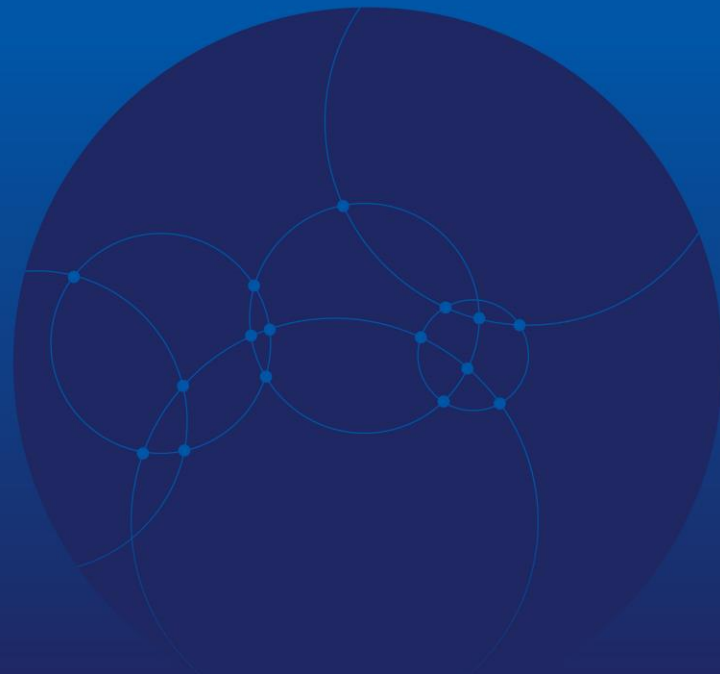
## Summary of 3Q FY2022 Earnings

---

Jan 31, 2023

WOWOW INC.

Tokyo Stock Exchange,  
Prime Market  
Stock code number : 4839



1. 3Q FY2022 Earnings Highlights

2. 3Q FY2022 and FY2022 Results  
Forecast

Appendix

## New Subscription

- Gross new subscriptions and cancellations both decreased year on year due to factors such as the absence of UEFA EURO2020™(UEFA European Football Championship™), which was broadcast/transmitted in 3Q FY2021.
- From October, cancellations increased due to the lack of content to drive significant new subscriptions as well as the FIFA World Cup 2022 extending the break in the UEFA Champions League 2022/23 season for longer than usual.

	3Q FY2021	3Q FY2022	Difference	YoY
				(Thousands)
Gross New Subscriptions	460	<b>380</b>	-80	82.7%
Cancellations	555	<b>506</b>	-49	91.2%
Net New Subscriptions	-95	<b>-126</b>	-31	—
Net Cumulative Subscriptions	2,696	<b>2,554</b>	-142	94.7%

## Key Topics for October-December 2022

### Sports

- Broadcast/transmitted the 2022 Autumn Nations Series test-match rugby, La Liga (First Division of the Spanish Football League), LPGA (Ladies Professional Golf Association) Tour, WOWOW Tennis Special “Thank You, Roger Federer,” etc.

### Music

- Broadcast/transmitted live performances of Kishidan Banpaku, back number, Sekai No Owari, Bullet Train, ATEEZ, [Alexandros], etc.

### Dramas

- Broadcast/transmitted Drama Series W: “Shylock’s Children” (original novel written by Jun Ikeido), Drama Series W: “Ryojin no Ono,” “FBI Season 4,” etc.

### Anime

- Launched a major original anime production project by three companies, namely WOWOW, Sony Pictures, and U.S. anime streaming giant Crunchyroll. The first program will be “Bye Bye, Earth” based on the novel series by Tow Ubukata.

### WOWOW On-Demand

- WOWOW On-Demand became compatible with Apple TV, non-Android TV REGZA models, popln Aladdin, and FUNAI-brand 4K Android TVs.

## Income & Expenditure (Consolidated)

- Revenue decreased year on year due to factors such as a decrease in membership revenue\*1
- Ordinary income decreased due to the decrease in revenue as well as an increase in advertisement expenses to raise awareness of WOWOW On-Demand, despite program costs decreasing.

(Millions of yen)

	3Q FY2021	3Q FY2022	Difference	YoY
Revenue	59,621	<b>57,633</b>	-1,987	96.7%
Ordinary Income	4,948	<b>4,181</b>	-767	84.5%

※1 Formerly broadcasting revenue. Change the account title.

※2 Figures rounded down to millions of yen.

1. 3Q FY2022 Earnings Highlights

2. 3Q FY2022 and FY2022 Results  
Forecast

Appendix

# 3Q FY2022 Subscription

WOWOW

(Thousands)

	3Q FY2021	3Q FY2022	Previous Period Comparison	
			Difference	YoY
Gross New Subscriptions	460	<b>380</b>	-80	82.7%
Cancellations	555	<b>506</b>	-49	91.2%
Net New Subscriptions	-95	<b>-126</b>	-31	—
Net Cumulative Subscriptions	2,696	<b>2,554</b>	-142	94.7%
Of these, multi-subscriptions*1	384	<b>362</b>	-22	94.4%
Of these, hotel subscriptions*2	77	<b>81</b>	3	104.1%

\*1 Existing subscribers are granted two additional subscriptions for a discounted price (JPY990/month – the first subscription is JPY2,530/month, tax included).

\*2 Agreements with hotels and other accommodations for viewing in guest rooms.

# 3Q FY2022 Income & Expenditure

WOWOW

(Millions of yen)

	3Q FY2021		3Q FY2022		Previous Period Comparison	
	Result	Percent of Revenue	Result	Percent of Revenue	Difference	YoY
Revenue	59,621	100.0%	<b>57,633</b>	<b>100.0%</b>	-1,987	96.7%
Operating Income	4,690	7.9%	<b>4,131</b>	<b>7.2%</b>	-559	88.1%
Ordinary Income	4,948	8.3%	<b>4,181</b>	<b>7.3%</b>	-767	84.5%
Profit Attributable to Owners of Parent	3,520	5.9%	<b>2,807</b>	<b>4.9%</b>	-712	79.8%

※ Figures rounded down to millions of yen.



# Comparison of Consolidated Revenue / Operating Income by Segment

## Media and Content

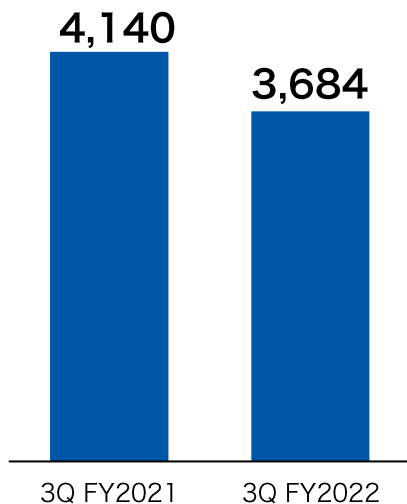
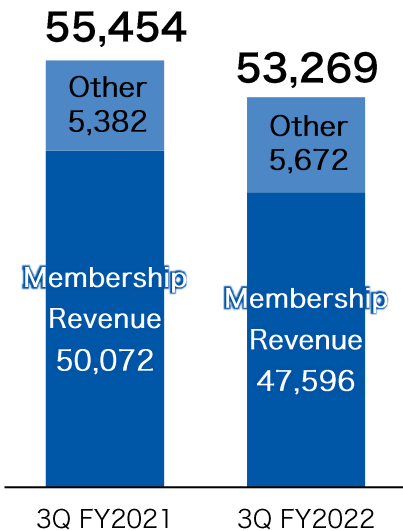
(Millions of yen)

Revenue

YoY **96.1%**

Operating Income

YoY **89.0%**



## Telemarketing

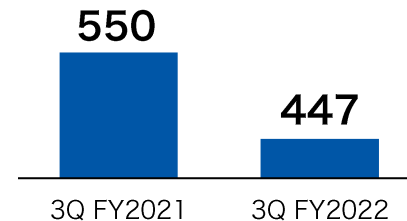
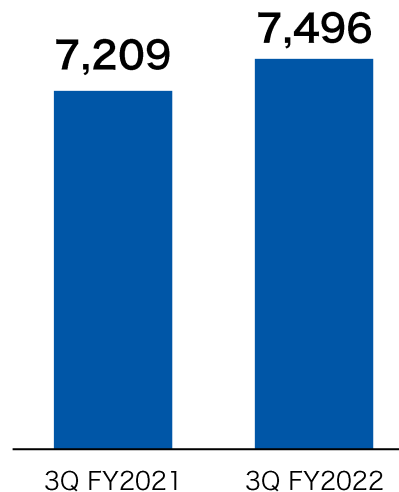
(Millions of yen)

Revenue

YoY **104.0%**

Operating Income

YoY **81.3%**



※Figures rounded down to millions of yen.

※The amounts for each segment include transactions between segments.

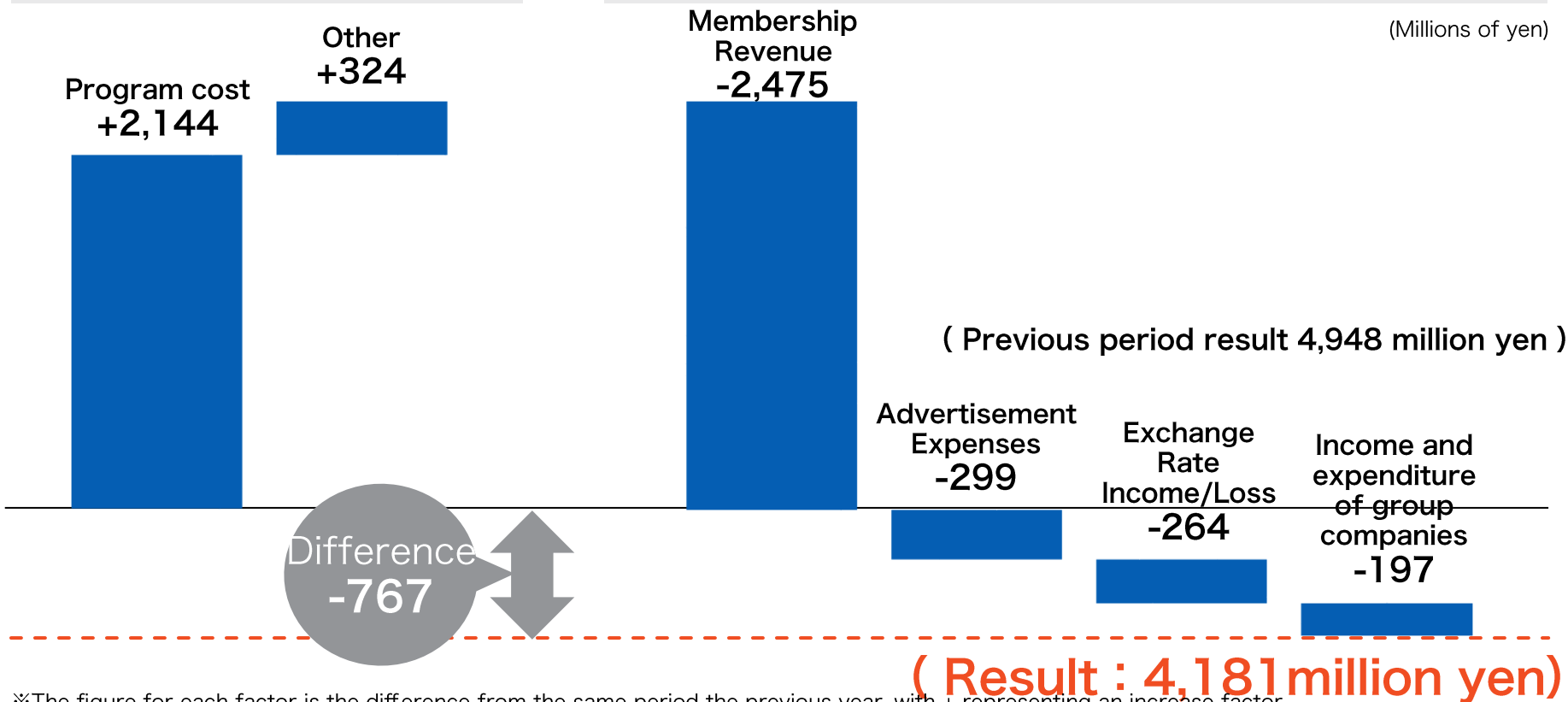
# Consolidated Ordinary Income Factors in Difference from Previous Period

WOWOW

## Increase Factors (+)

## Decrease Factors (-)

(Millions of yen)



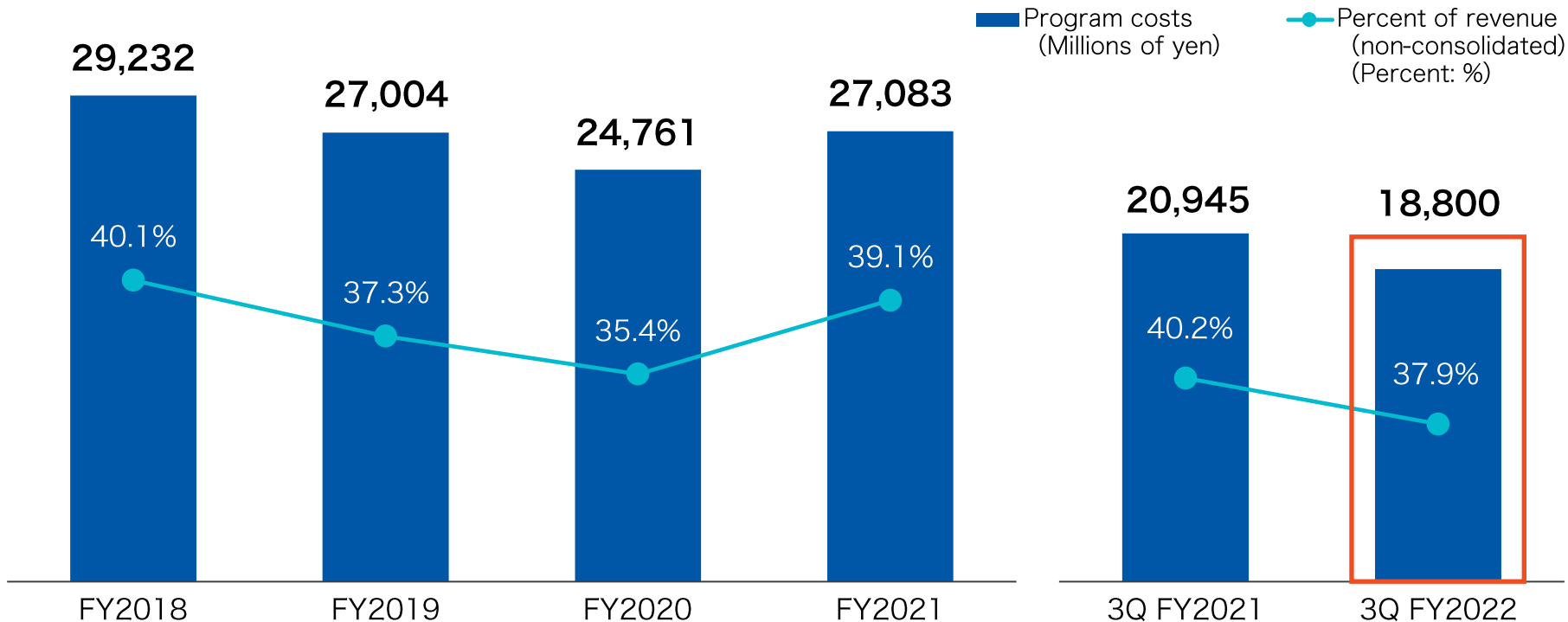
※The figure for each factor is the difference from the same period the previous year, with + representing an increase factor.

Figures rounded down to millions of yen.

# Change in Program Costs

## Major sports content was broadcast/transmitted in 1Q 2021

(Millions of yen)



※All figures are non-consolidated.  
※Figures rounded down to millions of yen.

# FY2022 and FY2023 Subscription Plan (announced May 13, 2022)

WOWOW

(Thousands)

	Result FY2021	Initial FY2022 Plan	Comparison		Initial FY2023 Plan
			Difference	YoY	
Gross New Subscriptions	612	<b>580</b>	-32	94.8%	
Cancellations	723	<b>630</b>	-93	87.1%	
Net New Subscriptions	-111	<b>-50</b>	61	—	<b>—</b>
Net Cumulative Subscriptions	2,680	<b>2,630</b>	-50	98.1%	<b>2,630</b>

# FY2022 Income & Expenditure Plan(announced October 31,2022)

WOWOW

(Millions of yen)

	Initial FY2021		Revised FY2022		Comparison	
	Result	Percent of Revenue	Plan	Percent of Revenue	Difference	YoY
Revenue	79,657	100.0%	<b>76,500</b>	<b>100.0%</b>	-3,157	96.0%
Operating Income	5,268	6.6%	<b>2,300</b>	<b>3.0%</b>	-2,968	43.7%
Ordinary Income	5,349	6.7%	<b>2,500</b>	<b>3.3%</b>	-2,849	46.7%
Profit Attributable to Owners of Parent	4,239	5.3%	<b>1,600</b>	<b>2.1%</b>	-2,639	37.7%

※Program costs forecast to be approximately 38.0% of non-consolidated revenue. (Non-consolidated revenue forecast for FY2022: 66,700 million yen)

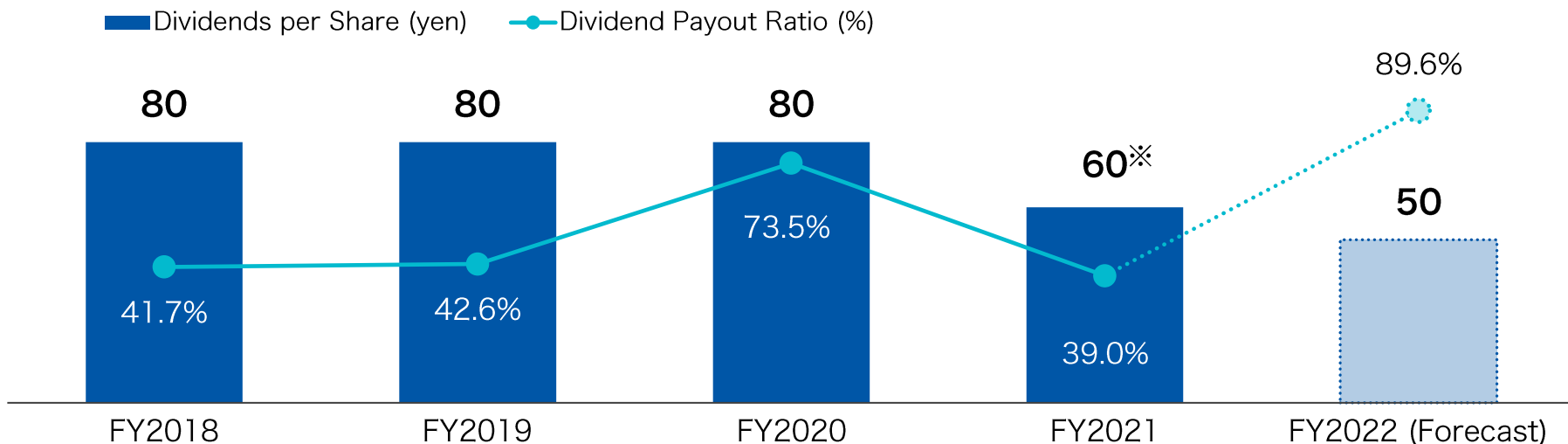
※Estimated foreign exchange rate: 1 USD = 145yen ※Figures rounded down to millions of yen.

©2023 WOWOW INC.

## Dividend Policy

The Company aims for uninterrupted and stable dividends while retaining sufficient earnings by taking into consideration each fiscal year's business performance, strengthening of financial structure, medium- to long-term business strategy and other factors in a comprehensive manner.

### Change in Dividends over the Past Five Years/Dividend Payout Ratio



\*Regular 50-yen dividend + 10-yen 30th anniversary dividend

1. 3Q FY2022 Earnings Highlights
2. 3Q FY2022 and FY2022 Results Forecast

## Appendix



Numerical data disclosed as supplementary materials in the previous briefing materials are now available in “DATABOOK” in the IR section of the website.

<https://corporate.wowow.co.jp/en/ir/finance/databook/>



Basic Policy:

**Achieve sustainable growth by providing extraordinary value to society**

10-Year Strategy:

**Content → Community → Culture**

Content produces community and community creates culture. WOWOW will involve itself in every aspect of this cycle with intentionality in order to powerfully drive it forward over the next 10 years.

This cycle is what makes WOWOW unique, and its advancement is WOWOW’s raison d’être, because the future that WOWOW will create is the product of this cycle: a rich entertainment culture.

WOWOW’s 10-year strategy is this cycle.

## Create, Connect, Cultivate

Excellent content creates devoted fans.

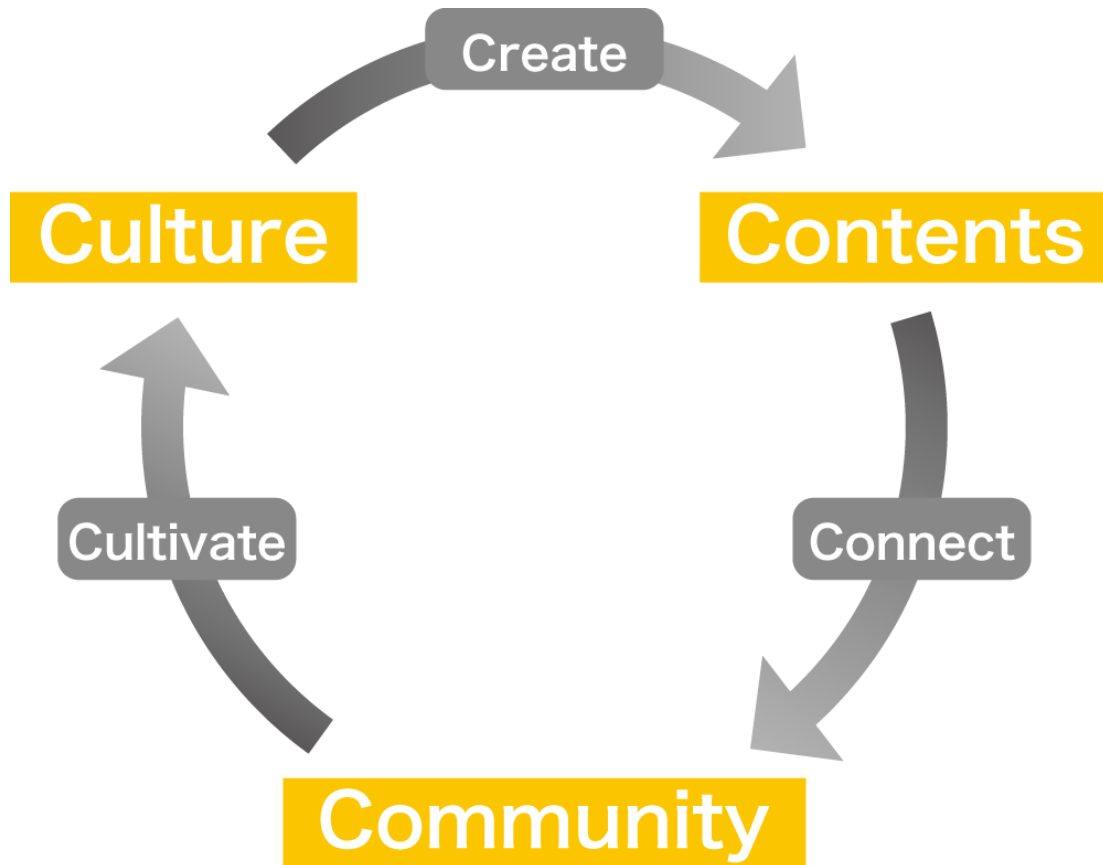
Connecting this devotion forms a community.

These talented people inspire each other, produce new creativity,  
and by doing so, cultivate culture.

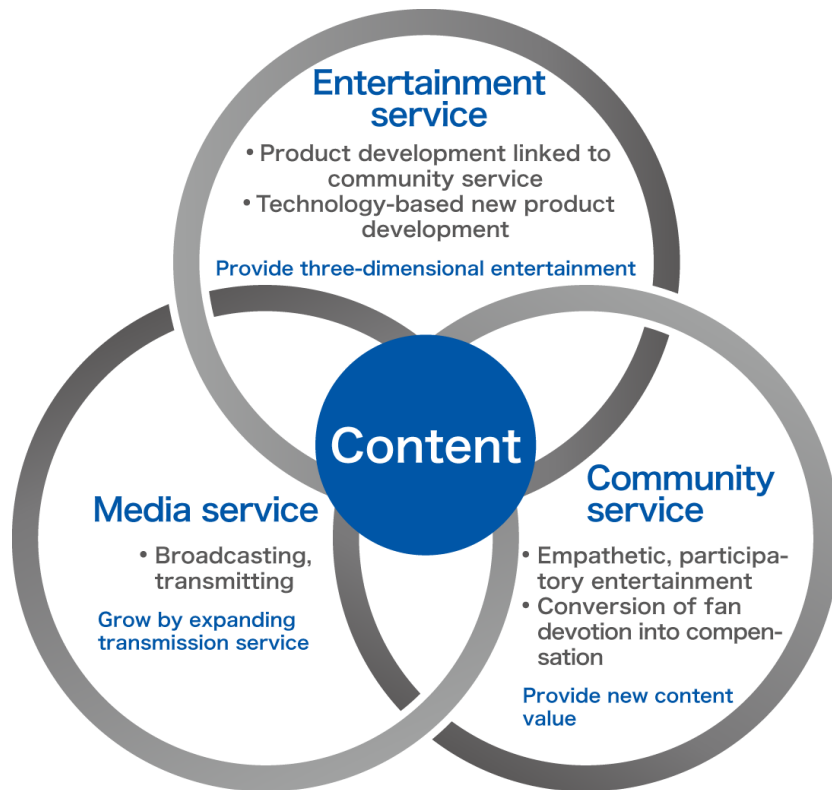
The age of companies creating and delivering content unidirectionally is over.

We want to work together, support each other, and enjoy it together.

WOWOW will provide the best platform for fans and creators to gather,  
and serve as an engine accelerating entertainment culture.



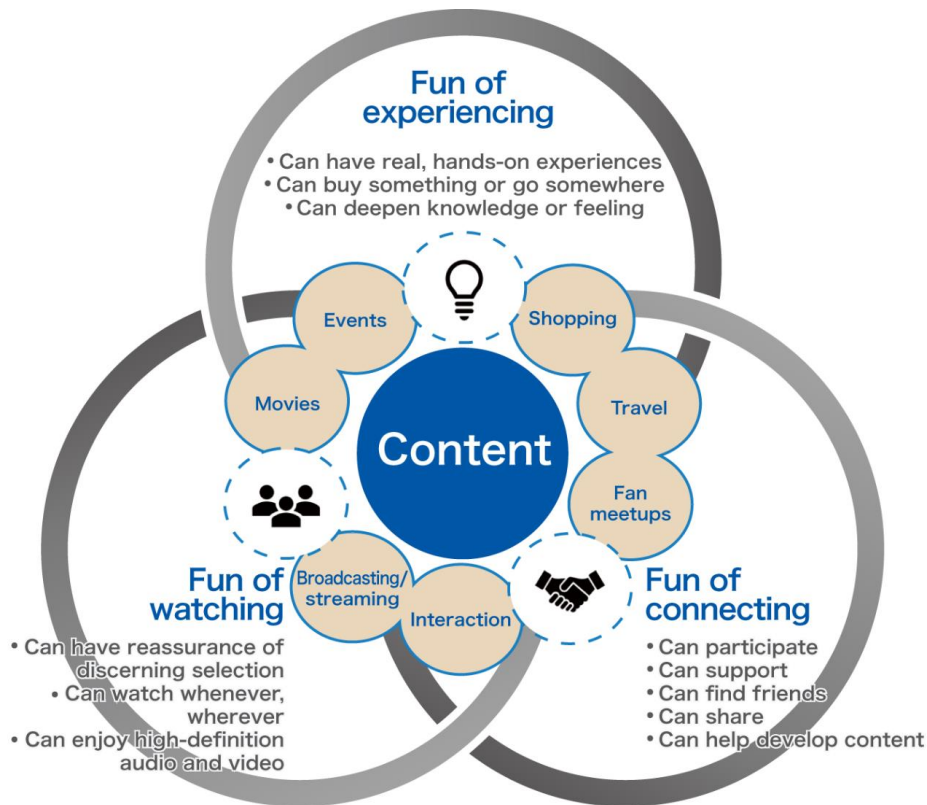
## Redesign our subscription business model from visual media business to content and community business



## Thorough customer-centric reform of services to improve customer experience

<b>1. Content</b>	<ul style="list-style-type: none"><li>■ Develop major original content as flagships</li><li>■ Strengthen exclusivity on sports, music and other live entertainment</li><li>■ Work with excellent creators and outside partners to develop content that produces fans</li></ul>
<b>2. Reformation of media service</b>	<ul style="list-style-type: none"><li>■ Expand measures to improve subscription continuation rate</li><li>■ Enhance transmission service (improve UI/UX, expand content, etc.)</li><li>■ Improve service with feedback loop</li></ul>
<b>3. Expansion of community service</b>	<ul style="list-style-type: none"><li>■ Grow communities that not only watch but participate/support</li><li>■ Connect fans with each other, creators and partners to foster joint creation and enjoyment</li></ul>
<b>4. Evolution of entertainment service</b>	<ul style="list-style-type: none"><li>■ Hold original content events and develop content linked to movies and TV shows</li><li>■ Develop new projects such as regional revitalization projects</li></ul>

Liking the content even more, enjoying every day even more,  
living an even richer life



※Dotted line circles indicate potential services



# WOWOW

©WOWOW・aki kondo/dwarf

## Cautionary Statement:

---

The earnings forecasts described in this document are made based on decisions and assumptions relying on information currently available to WOWOW INC. as of the date hereof and thus include risks and uncertainties.

The actual financial results may substantially differ due to various factors.

The factors that may influence actual financial results include, but are not limited to, economic conditions and market trends surrounding business sectors of WOWOW INC. and its group companies.

**Inquiries concerning this document:**  
**Corporate Communications & Investor Relations Department**  
**TEL: 03 (4330) 8080**