

WOWOW

Summary of 2Q FY2023 Earnings

Oct 31, 2023

WOWOW INC.

Tokyo Stock Exchange,
Prime Market
Stock code number : 4839



1. 2Q FY2023 Earnings Highlights
2. 2Q FY2023 and FY2023 Results Forecast

Appendix

New Subscription

- New subscriptions increased year on year mainly due to the popularity of soccer, tennis, etc. However, cancellations increased due to intensified competition with other streaming services. As a result, net new subscriptions decreased.
- We launched a soccer season pass and attracted new customers.

	2Q FY2022	2Q FY2023	Difference	YoY
Gross New Subscriptions	282	296	15	105.2%
Cancellations	342	380	38	111.1%
Net New Subscriptions	-61	-84	-23	—
Net Cumulative Subscriptions	2,620	2,476	-144	94.5%
UEFA Champions League/UEFA Europa League 2023-24 Season Pass※		11	—	—

(Thousands)

※Season pass subscriptions are not included in new subscriptions.

Income & Expenditure (Consolidated)

- Revenue decreased year on year due to factors such as a decrease in membership revenue.
- Ordinary income decreased due to the impact of lower income on account of the decrease in revenue despite the improvement in foreign exchange gain/loss.

(Millions of yen)

	2Q FY2022	2Q FY2023	Difference	YoY
Revenue	38,463	36,614	-1,848	95.2%
Ordinary Income	2,065	1,467	-598	71.0%

※Figures rounded down to millions of yen.

Revisions to Results Forecast

WOWOW

(Thousands)

	Initial FY2023 Plan	Revised FY2023 Plan	Breakdown	
			2Q FY2023	2H FY2023 Plan
Net New Subscriptions	—	-80	-84	4
Net Cumulative Subscriptions	2,560	2,480	2,476	2,480

(Millions of yen)

	Initial FY2023 Plan	Revised FY2023 Plan	Initial Plan Comparison	
			Difference	YoY
Revenue	75,400	75,500	100	100.1%
Ordinary Income	2,500	1,600	-900	64.0%

1. 2Q FY2023 Earnings Highlights

2. 2Q FY2023 and FY2023 Results
Forecast

Appendix

2Q FY2023 Subscription

WOWOW

(Thousands)

	2Q FY2022	2Q FY2023	Previous Period Comparison	
			Difference	YoY
Gross New Subscriptions	282	296	15	105.2%
Cancellations	342	380	38	111.1%
Net New Subscriptions	-61	-84	-23	—
Net Cumulative Subscriptions	2,620	2,476	-144	94.5%
Of these, multi-subscriptions*1	368	346	-23	93.8%
Of these, hotel subscriptions*2	80	83	3	104.1%
UEFA Champions League/UEFA Europa League 2023-24 Season Pass*3		11	—	—

*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.

*3 Season pass subscriptions are not included in new subscriptions.

2Q FY2023 Income & Expenditure

WOWOW

(Millions of yen)

	2Q FY2022		2Q FY2023		Previous Period Comparison	
	Result	Percent of Revenue	Result	Percent of Revenue	Difference	YoY
Revenue	38,463	100.0%	36,614	100.0%	-1,848	95.2%
Operating Income	2,131	5.5%	1,039	2.8%	-1,091	48.8%
Ordinary Income	2,065	5.4%	1,467	4.0%	-598	71.0%
Profit Attributable to Owners of Parent	1,333	3.5%	720	2.0%	-613	54.0%

※ Figures rounded down to millions of yen.

Comparison of Consolidated Revenue / Operating Income by Segment

WOWOW

Media and Content

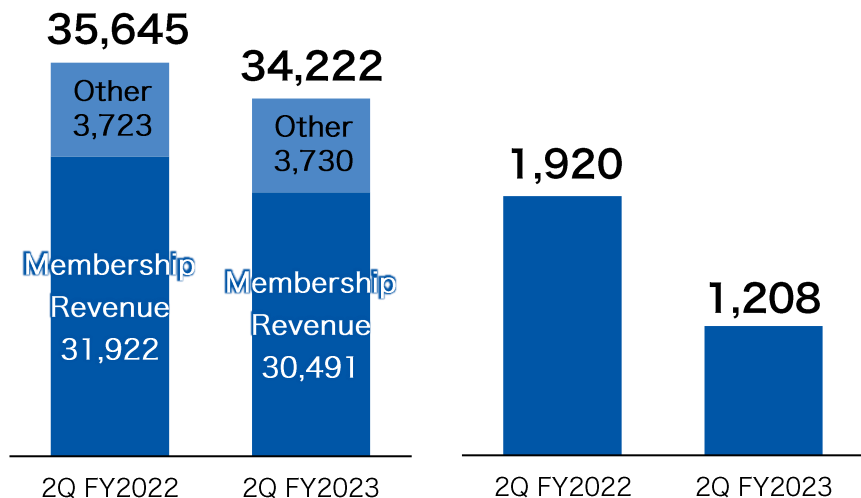
(Millions of yen)

Revenue

YoY **96.0%**

Operating Income

YoY **62.9%**



Telemarketing

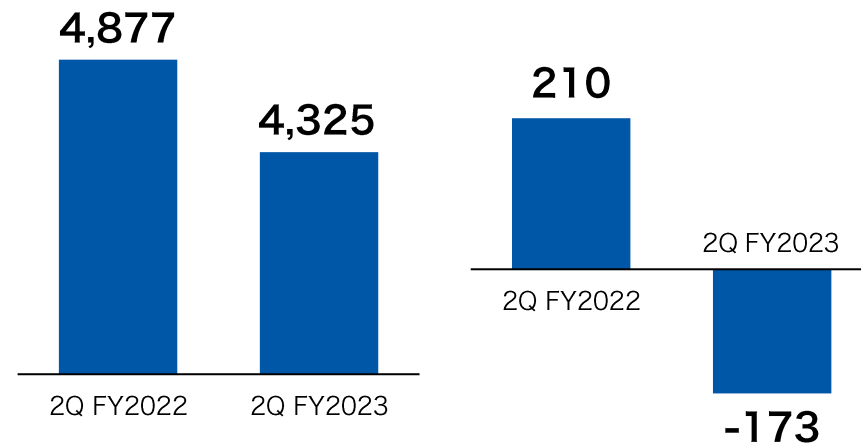
(Millions of yen)

Revenue

YoY **88.7%**

Operating Income

YoY **—**

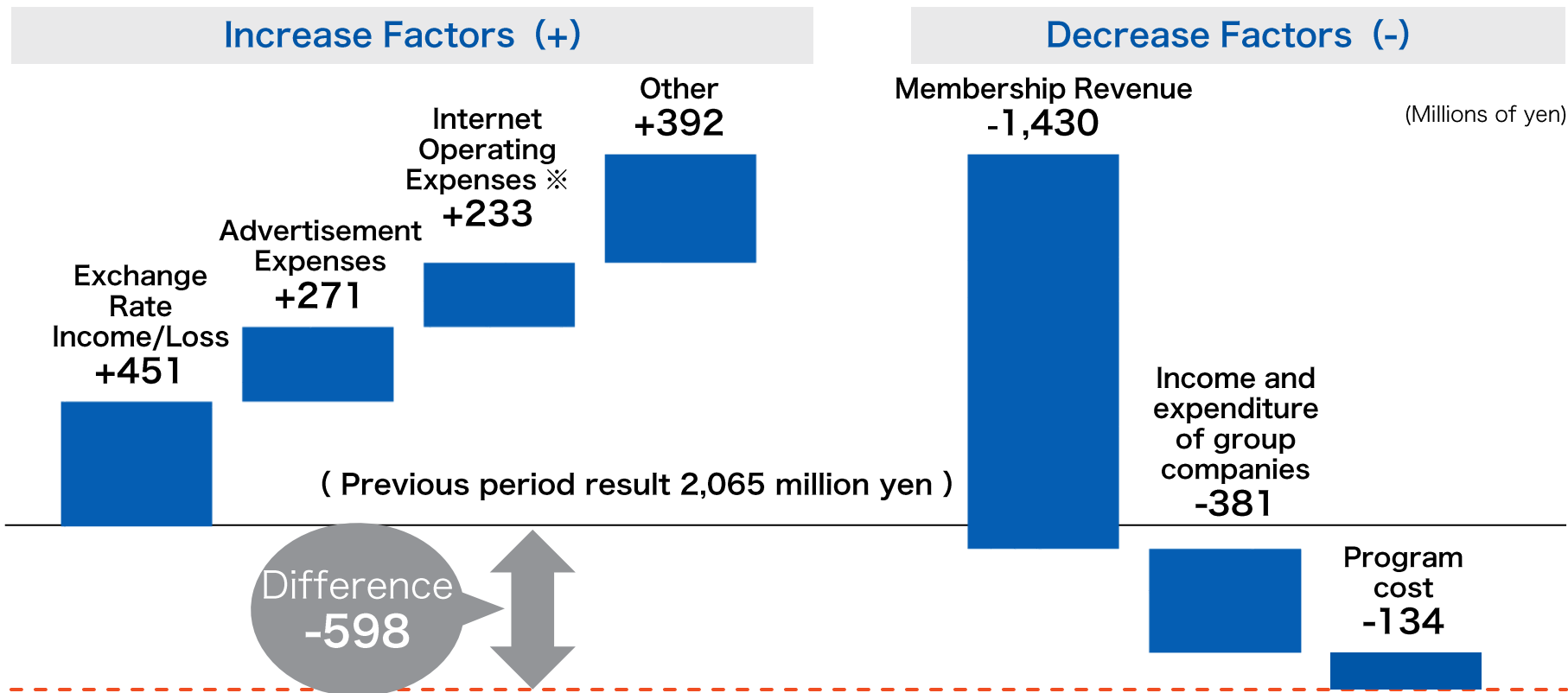


※Figures rounded down to millions of yen.

※The amounts for each segment include transactions between segments.

Consolidated Ordinary Income Factors in Difference from Previous Period

WOWOW



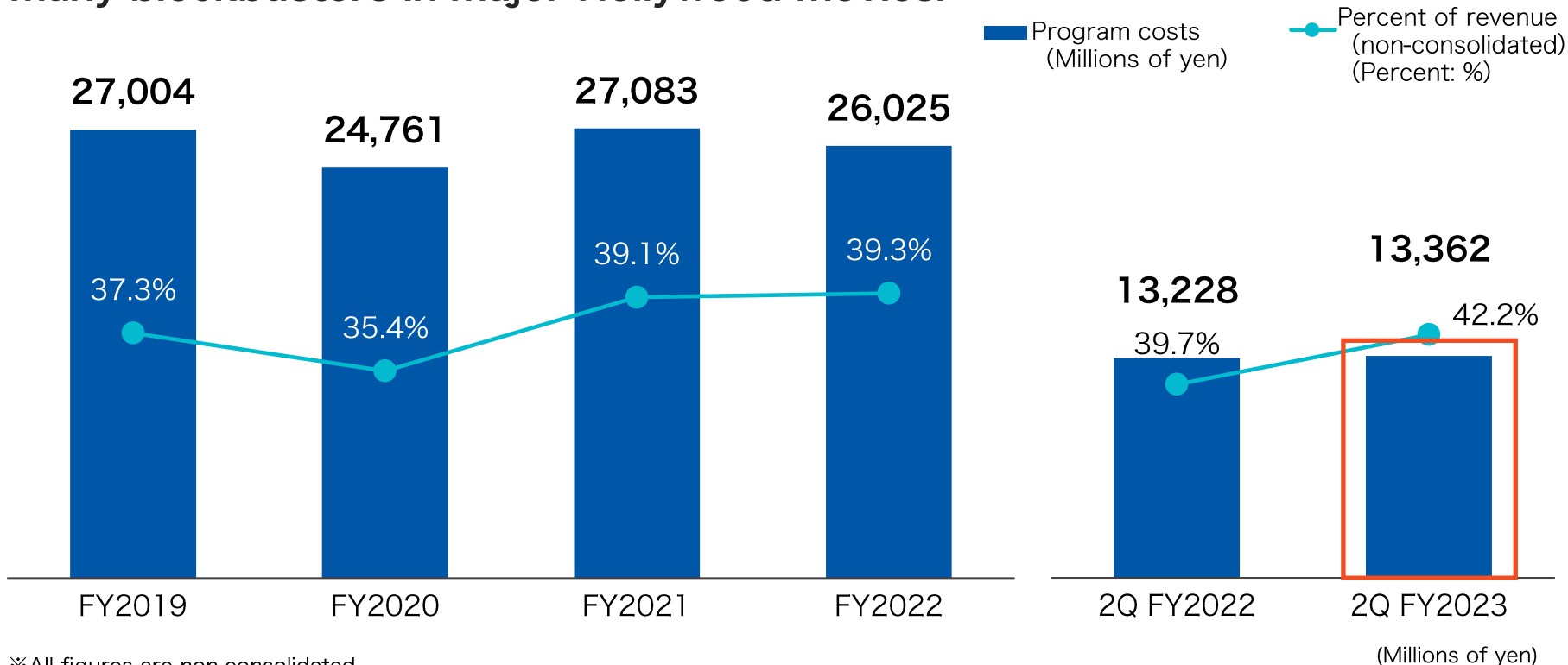
※ Internet Operating Expenses: Expenses related to operation and maintenance of WOWOW On-Demand and WOWOW Online

※ 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.

(Result : 1,467 million yen)

Change in Program Cost

Program costs increased year on year due to the broadcast/transmission of many blockbusters in major Hollywood movies.



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

FY2023 Subscription Plan (announced October 31, 2023)

WOWOW

(Thousands)

	Result FY2022	Initial FY2023 Plan	Revised FY2023 Plan	Breakdown		Initial Plan Difference	Previous Period Difference
				2Q FY2023	2H FY2023 Plan		
Gross New Subscriptions	551	650	640	296	344	-10	89
Cancellations	672	650	720	380	340	70	48
Net New Subscriptions	-121	—	-80	-84	4	-80	41
Net Cumulative Subscriptions	2,560	2,560	2,480	2,476	2,480	-80	-80

FY2023 Income & Expenditure Plan (announced October 31, 2023)

WOWOW

(Millions of yen)

	Initial FY202 2	Initial FY2023		Revised FY2023		Initial Plan Differ ence	Initial Plan Compari son	Previous Period Differ ence	Previous Period Compari son
		Result	Percent of Revenue	Plan	Percent of Revenue				
Revenue	77,101	75,400	100.0%	75,500	100.0%	100	100.1%	-1,601	97.9%
Operating Income	3,225	1,800	2.4%	900	1.2%	-900	50.0%	-2,325	27.9%
Ordinary Income	3,547	2,500	3.3%	1,600	2.1%	-900	64.0%	-1,947	45.1%
Profit Attributable to Owners of Parent	2,398	1,600	2.1%	700	0.9%	-900	43.8%	-1,698	29.2%

※Program costs forecast to be approximately 40% of non-consolidated revenue. (Non-consolidated revenue forecast for FY2023: 64,400 million yen)

※Estimated foreign exchange rate: 1 USD = 150yen ※Figures rounded down to millions of yen.

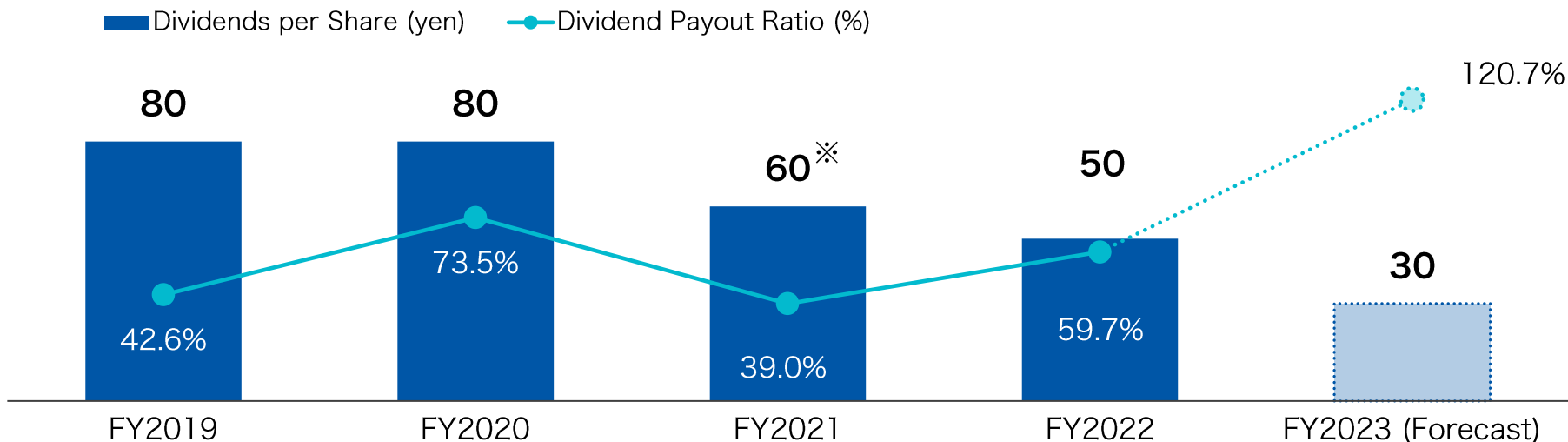
©2023 WOWOW INC.

13

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. 2Q FY2023 Earnings Highlights
2. 2Q FY2023 and FY2023 Results Forecast

Appendix



Numerical data details are now available in “DATABOOK” in the IR section of the website.

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



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