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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 12, 2022

Company name: TV TOKYO Holdings Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 9413

URL: <https://www.txhd.co.jp/>

Representative: Ichiro Ishikawa, CEO President

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Scheduled date of general shareholders' meeting: June 16, 2022

Scheduled date of commencing dividend payments: June 17, 2022

Scheduled date of filing securities report: June 17, 2022

Availability of supplementary explanatory materials on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for analysts and institutional investors and for the press)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2022	148,070	13.7	8,584	64.2	9,159	71.5	6,024	133.9
March 31, 2021	139,084	(4.2)	5,228	2.0	5,340	3.5	2,575	(0.6)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥5,251 million [(5.6%)]

Fiscal year ended March 31, 2021: ¥5,563 million [722.6%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2022	214.88	-	6.9	7.0	5.8
March 31, 2021	91.12	-	3.1	4.2	3.8

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2022: ¥106 million

Fiscal year ended March 31, 2021: (¥232 million)

The Company has applied the "Accounting Standard for Revenue Recognition" and other standards from the beginning of the fiscal year ended March 31, 2022. The percent change for the fiscal year ended March 31, 2022 is a comparison with the value restated on the assumption that the Standard was applied for the year ended March 31, 2021. Net sales for the fiscal year ended March 31, 2021 would have been ¥130,240 million (reference value) should the Standard be applied for the fiscal year ended March 31, 2021.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	134,076	89,836	66.8	3,229.55
As of March 31, 2021	128,075	89,074	67.2	3,065.87

(Reference) Equity: As of March 31, 2022: ¥89,615 million

As of March 31, 2021: ¥86,082 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	13,499	(1,349)	(4,793)	38,078
March 31, 2021	5,858	(3,952)	(1,858)	30,693

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	–	15.00	–	25.00	40.00	1,126	43.9	1.3
March 31, 2022	–	15.00	–	45.00	60.00	1,669	27.9	1.9
March 31, 2023 (Forecast)	–	15.00	–	45.00	60.00		30.9	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	150,000	1.3	8,300	(3.3)	8,200	(10.5)	5,380	(10.7)	193.88

* The financial results forecast may change due to various factors including spread of the COVID-19 infection. In case the financial results forecast needs to be revised, the Company will disclose the revision promptly.

*** Notes:**

- (1) Changes in significant subsidiaries during the fiscal year under review: No
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: - (Company name:)
Excluded: - (Company name:)
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of issued and outstanding shares (common shares)
- 1) Total number of issued and outstanding shares at the end of the year (including treasury shares):

March 31, 2022:	27,779,500 shares
March 31, 2021:	28,279,500 shares
 - 2) Total number of treasury shares at the end of the year:

March 31, 2022:	30,937 shares
March 31, 2021:	201,737 shares
 - 3) Average number of shares during the year:

Year ended March 31, 2022:	28,036,275 shares
Year ended March 31, 2021:	28,260,796 shares

* This financial report is outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements in the report, including financial results forecast, are based on the assumptions that the Company determines reasonable in light of information available. Actual performance, etc. may differ materially due to various factors.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	31,247	38,138
Notes and accounts receivable - trade	26,313	31,356
Money held in trust	442	434
Programs and films	11,690	9,059
Merchandise	151	234
Supplies	24	34
Income taxes refund receivable	356	6
Other	868	962
Allowance for doubtful accounts	(4)	(3)
Total current assets	71,092	80,224
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,665	10,982
Machinery, equipment and vehicles, net	11,453	10,389
Tools, furniture and fixtures, net	1,215	958
Land	4,291	4,291
Leased assets, net	429	210
Construction in progress	-	47
Total property, plant and equipment	29,054	26,879
Intangible assets		
Other	1,740	1,798
Total intangible assets	1,740	1,798
Investments and other assets		
Investment securities	18,750	17,577
Long-term loans receivable	5	8
Deferred tax assets	756	931
Other	6,696	6,676
Allowance for doubtful accounts	(20)	(20)
Total investments and other assets	26,188	25,174
Total non-current assets	56,983	53,852
Total assets	128,075	134,076

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,995	4,855
Short-term borrowings	5,100	5,100
Lease liabilities	119	78
Accrued expenses	16,131	19,000
Income taxes payable	895	1,524
Provision for bonuses	1,876	2,392
Provision for bonuses for directors (and other officers)	75	156
Other	4,473	6,728
Total current liabilities	33,667	39,836
Non-current liabilities		
Long-term accounts payable - other	2,032	1,606
Lease liabilities	102	37
Deferred tax liabilities	1,125	661
Provision for retirement benefits for directors (and other officers)	24	37
Retirement benefit liability	1,981	1,999
Other	66	60
Total non-current liabilities	5,333	4,403
Total liabilities	39,001	44,240
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	19,542	18,643
Retained earnings	52,447	57,530
Treasury shares	(320)	(58)
Total shareholders' equity	81,670	86,115
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,480	3,530
Foreign currency translation adjustment	(20)	7
Remeasurements of defined benefit plans	(47)	(37)
Total accumulated other comprehensive income	4,412	3,500
Non-controlling interests	2,991	221
Total net assets	89,074	89,836
Total liabilities and net assets	128,075	134,076

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

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	139,084	148,070
Cost of sales	100,742	101,807
Gross profit	38,342	46,263
Selling, general and administrative expenses		
Personnel expenses	8,514	8,880
Provision for bonuses	705	944
Provision for bonuses for directors (and other officers)	75	156
Retirement benefit expenses	182	553
Provision for retirement benefits for directors (and other officers)	17	18
Agent fees	14,490	17,973
Rent expenses	1,745	1,765
Depreciation	1,614	1,473
Other	5,766	5,912
Total selling, general and administrative expenses	33,113	37,679
Operating profit	5,228	8,584
Non-operating income		
Interest income	2	1
Dividend income	222	248
Foreign exchange gains	—	123
Share of profit of entities accounted for using equity method	—	106
Rental income	96	51
Gain on investments in investment partnerships	24	62
Other	68	34
Total non-operating income	415	629
Non-operating expenses		
Interest expenses	25	24
Foreign exchange losses	18	—
Share of loss of entities accounted for using equity method	232	—
Loss on investments in investment partnerships	—	16
Loss on investments in money held in trust	9	7
Other	17	5
Total non-operating expenses	303	53
Ordinary profit	5,340	9,159

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	137	85
Gain on change in equity	—	22
Other	0	1
Total extraordinary income	138	109
Extraordinary losses		
Loss on retirement of non-current assets	26	14
Impairment losses	125	—
Loss on valuation of investment securities	10	—
Loss on revision of retirement benefit plan	414	—
Loss on COVID19	179	26
Other	2	—
Total extraordinary losses	758	41
Profit before income taxes	4,720	9,228
Income taxes - current	2,084	3,348
Income taxes - deferred	(153)	(283)
Total income taxes	1,930	3,064
Profit	2,789	6,163
Profit attributable to non-controlling interests	214	139
Profit attributable to owners of parent	2,575	6,024

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	2,789	6,163
Other comprehensive income		
Valuation difference on available-for-sale securities	2,587	(949)
Foreign currency translation adjustment	(14)	27
Remeasurements of defined benefit plans, net of tax	200	10
Total other comprehensive income	2,773	(912)
Comprehensive income	5,563	5,251
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,349	5,112
Comprehensive income attributable to non-controlling interests	214	139

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,000	20,336	50,983	(627)	80,692
Changes during period					
Dividends of surplus			(1,131)		(1,131)
Profit attributable to owners of parent			2,575		2,575
Change in scope of equity method			19		19
Purchase of treasury shares				(485)	(485)
Cancellation of treasury shares		(793)		793	—
Change in ownership interest of parent due to transactions with non-controlling interests					—
Net changes in items other than shareholders' equity					
Total changes during period	—	(793)	1,464	307	978
Balance at end of current period	10,000	19,542	52,447	(320)	81,670

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,893	(6)	(247)	1,638	2,866	85,197
Changes during period						
Dividends of surplus						(1,131)
Profit attributable to owners of parent						2,575
Change in scope of equity method						19
Purchase of treasury shares						(485)
Cancellation of treasury shares						—
Change in ownership interest of parent due to transactions with non-controlling interests						—
Net changes in items other than shareholders' equity	2,587	(14)	200	2,773	124	2,898
Total changes during period	2,587	(14)	200	2,773	124	3,876
Balance at end of current period	4,480	(20)	(47)	4,412	2,991	89,074

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,000	19,542	52,447	(320)	81,670
Cumulative effects of changes in accounting policies			180		180
Restated balance	10,000	19,542	52,628	(320)	81,851
Changes during period					
Dividends of surplus			(1,123)		(1,123)
Profit attributable to owners of parent			6,024		6,024
Change in scope of equity method			—		—
Purchase of treasury shares				(683)	(683)
Cancellation of treasury shares		(945)		945	—
Change in ownership interest of parent due to transactions with non-controlling interests		45			45
Net changes in items other than shareholders' equity					
Total changes during period	—	(899)	4,901	261	4,263
Balance at end of current period	10,000	18,643	57,530	(58)	86,115

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	4,480	(20)	(47)	4,412	2,991	89,074
Cumulative effects of changes in accounting policies				—		180
Restated balance	4,480	(20)	(47)	4,412	2,991	89,255
Changes during period						
Dividends of surplus						(1,123)
Profit attributable to owners of parent						6,024
Change in scope of equity method						—
Purchase of treasury shares						(683)
Cancellation of treasury shares						—
Change in ownership interest of parent due to transactions with non-controlling interests						45
Net changes in items other than shareholders' equity	(949)	27	10	(912)	(2,769)	(3,682)
Total changes during period	(949)	27	10	(912)	(2,769)	581
Balance at end of current period	3,530	7	(37)	3,500	221	89,836

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,720	9,228
Depreciation	4,331	4,136
Impairment losses	125	—
Increase (decrease) in provision for bonuses	82	515
Increase (decrease) in provision for bonuses for directors (and other officers)	4	81
Increase (decrease) in provision for retirement benefits for directors (and other officers)	11	12
Increase (decrease) in retirement benefit liability	(2,470)	27
Increase (decrease) in long-term accounts payable - other	2,030	92
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Interest and dividend income	(225)	(249)
Interest expenses	25	24
Loss (gain) on sale of non-current assets	(0)	(0)
Loss on retirement of non-current assets	26	14
Loss (gain) on sale of investment securities	(137)	(85)
Loss (gain) on valuation of investment securities	10	—
Share of loss (profit) of entities accounted for using equity method	232	(106)
Decrease (increase) in trade receivables	(516)	(4,436)
Decrease (increase) in inventories	528	2,537
Increase (decrease) in trade payables	(346)	(139)
Increase (decrease) in accrued expenses	1,134	2,502
Increase (decrease) in contract liabilities	—	1,762
Increase (decrease) in advances received	(3,151)	189
Other, net	1,225	(6)
Subtotal	7,636	16,099
Interest and dividends received	233	258
Interest paid	(25)	(24)
Income taxes paid	(1,986)	(2,833)
Net cash provided by (used in) operating activities	5,858	13,499
Cash flows from investing activities		
Payments into time deposits	(6,510)	(10,118)
Proceeds from withdrawal of time deposits	7,713	10,612
Purchase of property, plant and equipment	(396)	(1,120)
Purchase of intangible assets	(646)	(789)
Purchase of investment securities	(788)	(130)
Proceeds from sale of investment securities	142	135
Purchase of shares of subsidiaries and associates	(1,440)	—
Proceeds from collection of loans receivable	1	1
Payments for investments in capital of subsidiaries and associates	(2,192)	—
Other, net	165	60
Net cash provided by (used in) investing activities	(3,952)	(1,349)

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from financing activities		
Repayments of lease liabilities	(151)	(120)
Purchase of treasury shares	(485)	(683)
Dividends paid	(1,131)	(1,124)
Dividends paid to non-controlling interests	(90)	(78)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(2,785)
Net cash provided by (used in) financing activities	(1,858)	(4,793)
Effect of exchange rate change on cash and cash equivalents	(14)	27
Net increase (decrease) in cash and cash equivalents	33	7,384
Cash and cash equivalents at beginning of period	30,660	30,693
Cash and cash equivalents at end of period	30,693	38,078