

Investor's Guide 2018



 **tv asahi holdings corporation**

To Our Shareholders



Hiroshi Hayakawa
Chairman & CEO

早河洋

I would like to take this opportunity to extend my sincere gratitude to our shareholders for your continued support of the TV Asahi Group (TV Asahi Holdings Corporation and its consolidated subsidiaries). Our business report for the 78th term is as follows.

This is the first fiscal year of “TV Asahi 360° 2017–2020,” a new management plan covering the period between FY18/3 and FY21/3. We spent this fiscal year, the Company focused on evolving into “a TV station for a new era” in the face of future adversity, as the domestic market shrinks due to lower birth rate and aging population, and as the Internet media comes to the fore.

Among our most important priorities, we focused particularly on the creation of strong content. No matter the business climate, we believe that the source of the Company’s value is content itself. We created numerous riveting dramas, including *Aibou (PARTNERS) Season 16*, *Doctor X – Surgeon Daimon Michiko Season 5*, *BG-Shinpen Keigonin-(Personal Bodyguard)*, and *Serial Drama Theater* shows, such as *Yasuragi no Sato*. Regarding our news and information programs including *Good! Morning* and *Shinichi Hatori’s MORNING SHOW* as well, we are striving to create programs that best meet customer needs.

As a result of introducing these strong content into the timetable, TV Asahi’s terrestrial broadcasting, the company’s core business, captured the No. 2 spot in annual average viewer ratings in all-day time (6 a.m.–midnight) and prime time (7 p.m.–11 p.m.) among NHK and all commercial stations. Ratings in golden time (7 p.m.–10 p.m.) was No.2 among all commercial broadcasters. These strong ratings gave us the second highest advertising revenue share in terrestrial broadcasting (total of both time and spot advertising revenue) among all commercial broadcasters for the first time since the launch of TV Asahi.

This year we also strived to expanding businesses other than broadcasting that we hope will become new revenue sources.

As for our Internet-related business, we endeavored to expand the number of users of “AbemaTV,” an Internet TV station that we operate jointly with CyberAgent, Inc. We were able to increase its popularity among young viewers by further strengthening our content lineup, including dramas, romantic reality and other original shows, and broadcasts of sumo and shogi tournaments. Last May 18, the cumulative number of AbemaTV app downloads by smartphone users exceeded the 30-million mark. We intend TV Asahi will contribute to AbemaTV’s further growth by strenuously providing strong content, such as our new project *Variety Station Presented by TV Asahi*, delivered on AbemaTV every Sunday from 8:00 p.m. to midnight (launched last May 20).

Furthermore, the number of visitors to this year’s summer festival (*TV Asahi-Roppongi Hills Summer Festival SUMMER STATION*) over a 44-day period reached a record 5.85 million visitors, bringing the cumulative total number of visitors to the event previously held four times to 20 million. The profitability of this last event improved from those in the past.

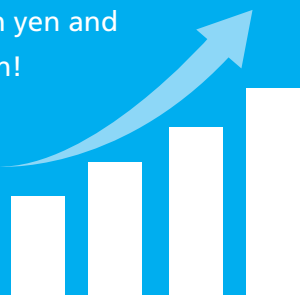
As a result, revenue and profit of the Company’s Internet-related and events businesses rose sharply.

I believe that being able to create appealing content in all genres, as well as being able to deploy these content on all of our media platforms, including terrestrial and satellite broadcasting, Internet media, and real entertainment, is the vital condition of our survival and the prerequisite evolve into “a TV station for a new era.” The TV Asahi Group will continue to make a concerted effort in the 79th term to work assiduously to further evolve into such a station. We, therefore, ask for your continued support and encouragement.

Consolidated results

Net sales topped

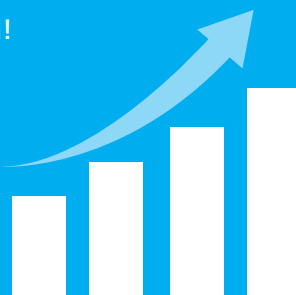
300 billion yen and
renewed record high!



Consolidated results

Ordinary income reached

22 billion yen!



Viewer ratings

Maintained the **No.2** spot
in all time slots!



Advertising revenue

Captured the

No.2
spot among all
commercial
broadcasters
for the first time since
launching the TV station



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Forward-Looking Statements

This report contains forward-looking statements based on management's assumptions and beliefs in light of the information currently available. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this report.

Such risks include, but are not limited to, market trends, economic conditions and changes in industry regulations.

Note

“FY18/3” refers to the fiscal year ended March 31, 2018 and all other fiscal years are referred to in the same manner.

Consolidated Financial Highlights

Five-Year Summary

TV Asahi Holdings Corporation and Consolidated Subsidiaries (As of and for the years ended March 31)

Millions of yen

	2014	2015	2016	2017	2018
Operating Results:					
Net sales	¥ 267,928	¥ 276,473	¥ 280,779	¥ 295,879	¥ 302,511
Operating income	17,748	15,138	16,570	17,278	18,634
Ordinary income	19,751	16,712	18,509	21,947	22,053
Profit attributable to owners of the parent	11,678	10,994	12,169	15,949	15,848
Comprehensive income	14,070	28,946	5,747	20,369	22,157
Capital expenditures	22,204	9,266	12,392	15,233	6,813
Depreciation and amortization	9,533	9,690	10,356	9,541	9,752
Financial Position:					
Total assets	¥ 346,001	¥ 397,062	¥ 402,251	¥ 426,070	¥ 435,542
Total net assets	271,318	309,231	308,917	322,793	340,161
Cash Flows:					
Cash flow from operating activities	¥ 14,506	¥ 21,296	¥ 13,022	¥ 23,464	¥ 18,149
Cash flow from investing activities	(18,299)	(48,755)	(12,329)	(11,635)	4,134
Cash flow from financing activities	(3,244)	(3,795)	(6,719)	(7,441)	(6,506)
Cash and cash equivalents at end of period	47,581	35,862	29,835	34,202	49,961
Per Share Data (yen):					
Earnings per share	¥ 116.28	¥ 101.47	¥ 112.39	¥ 148.66	¥ 147.85
Net assets per share	2,654.01	2,809.57	2,832.02	2,979.63	3,144.71
Cash dividends	30*1	30	40	40	50*2
Dividend payout ratio (%)	25.8	29.6	35.6	26.9	33.8
Key Ratios (%):					
Operating margin	6.6	5.5	5.9	5.8	6.2
Return on equity (ROE)	4.5	3.9	4.0	5.1	4.8
Return on assets (ROA)	3.4	2.8	3.0	3.7	3.6
Equity Ratio	77.0	76.7	75.5	75.0	77.4
Other Data:					
Number of shares issued (Thousands)	100,600	108,529	108,529	108,529	108,529
Number of employees	4,021	4,164	4,271	4,616	4,938

*1 Year-end dividend for the fiscal year ended March 31, 2014 is 20 yen per share. This includes a commemorative dividend of 10 yen per share.

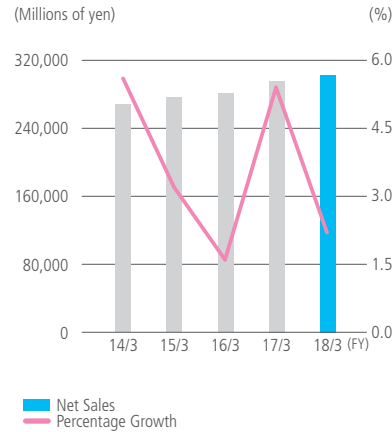
*2 Year-end dividend for the fiscal year ended March 31, 2018 is 30 yen per share. This includes a special dividend of 10 yen per share.

FY18/3 Net Sales

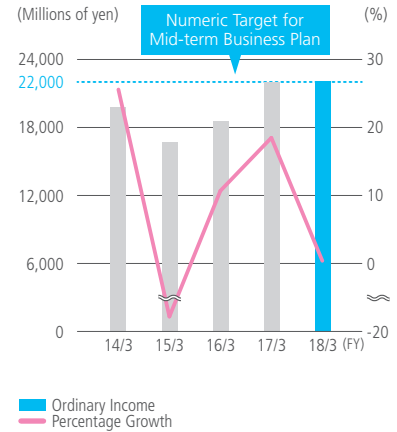
New Record High

302.5
(up 2.2% year on year)

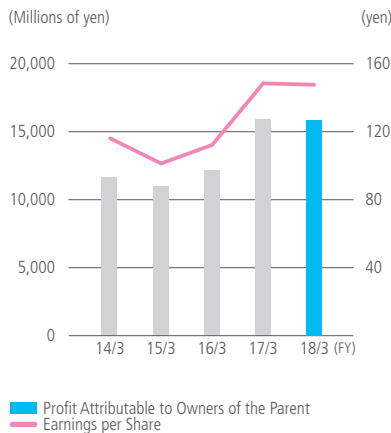
Net Sales and Percentage Growth



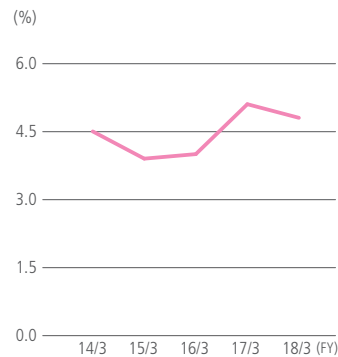
Ordinary Income and Percentage Growth



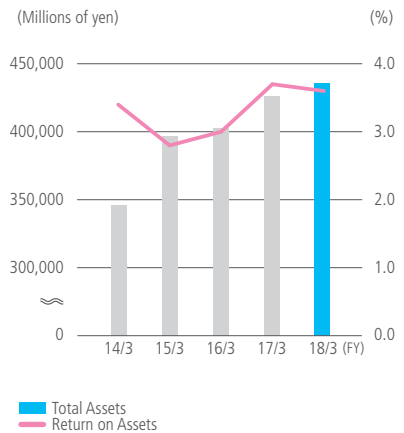
Profit Attributable to Owners of the Parent and Earnings per Share



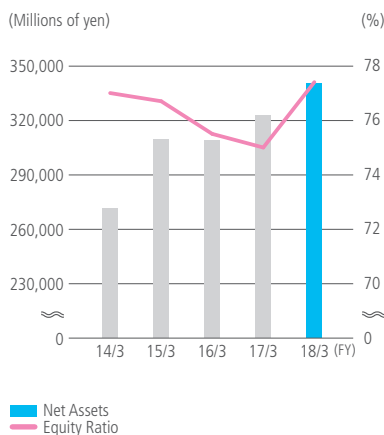
Return on Equity (ROE)



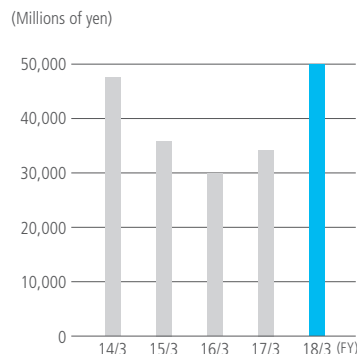
Total Assets and Return on Assets (ROA)



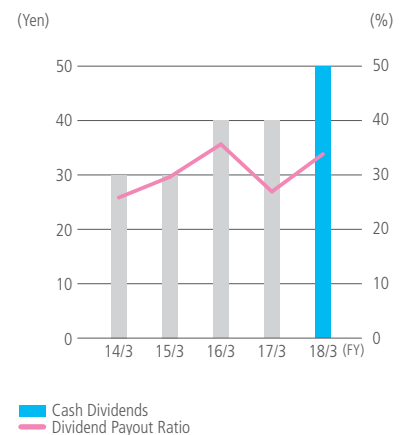
Net Assets and Equity Ratio



Cash and Cash Equivalents at End of Period



Cash Dividends and Dividend Payout Ratio



Shifting Toward “a TV Station for a New Era”

To Continue to Stand Out at All Times



Television



Satellite (BS)



Satellite (CS)



Internet



Media City

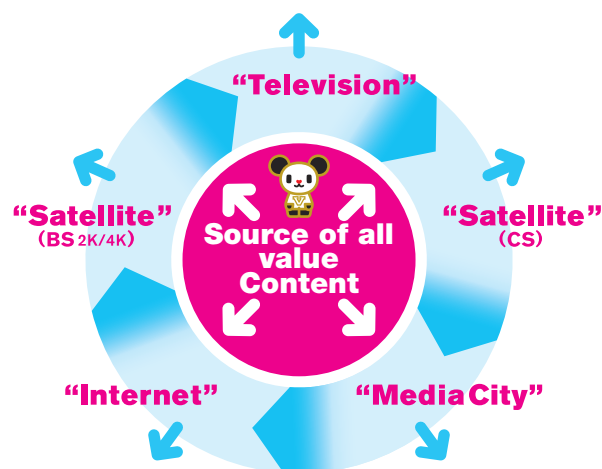
TV Asahi Holdings Corporation (the “Company”) has launched a new four-year management plan “TV Asahi 360°.” The new plan, underpinned by our reaffirmation that the underlying source of our value is in our “content,” is designed to pave the way for our evolution into “a TV Station for a New Era” so that we can continue to stand out at all times.

Specifically, with 360° as our key concept, we will create all kinds of content to meet the needs of our viewers and customers as well as the times. Moreover, in addition to TV, Internet and other conventional content, we will actively produce content taking advantage of state-of-the-arts technology, such as artificial intelligence (AI), virtual reality (VR) and augmented reality (AR).

Based on these initiatives, we will develop this content for all media, including terrestrial and satellite (BS and CS) broadcasting, Internet and Media City, for 360° deployment.

To achieve its targets, the Company intends to cautiously yet boldly cultivate new businesses in which it will strategically invest a maximum of 30.0 billion yen over a four-year period.

TV Station for a New Era ~Innovative Station~



Television (Terrestrial)

While maintaining our position among the top-ranked broadcasters in viewer ratings, we aim to recapture the highest viewer rating by FY21/3. Furthermore, we will strive to further increase advertising revenue with higher viewer ratings to achieve top-ranking advertising revenue.

	FY18/3	FY19/3	FY20/3	FY21/3
Viewer ratings	Remain in top group		Recapture top position	
Advertising revenue	Aim for 2nd place		To rank among top	



Satellite (BS and CS)

Programs by Asahi Satellite Broadcasting Limited (BS Asahi) currently have high nationwide viewer ratings. While maintaining and improving these ratings, we will boldly enter new media fields, including 4K broadcasting.

	FY18/3	FY19/3	FY20/3	FY21/3
2K Nationwide audience rating data	Maintain position of top group			
4K		BS4K launch		
		Enter field as new media under efficient management		





Internet

The Company will endeavor to further nurture its Internet platforms, most notably AbemaTV, a joint venture with CyberAgent Inc., and au Video pass, that it established in collaboration with KDDI Corporation. In addition, we will also actively expand our catch-up streaming services, given the steady expansion of that market and its impact on promoting TV viewing.



Media City

The Company will further enhance real entertainment, including Summer Festival, and strengthen infrastructure to reinforce the functions of the Content Output Hub, which forms the basis of efforts to promote its management plan.

	FY18/3	FY19/3	FY20/3	FY21/3
 AbemaTV	Joint Venture with "Internet giant"			
	Aiming for 10 million WAU to become "new mass media"			
Video Pass Collaboration	Collaborating with "communication giant"			
	Strengthen joint efforts to increase SVOD members			
 TV Asahi	Owned media to complement terrestrial broadcasting			
	Foster catch-up streaming market			



TV Asahi-Roppongi Hills Summer Festival
SUMMER STATION

Strategic Investment Up to 30.0 Billion Yen (four-year period)

We will allocate 30.0 billion yen over a four-year period starting from FY18/3 for a strategic investment program to promote "TV Asahi 360°." Most of the funds will be used to boost content production capabilities and for capital alliances and M&As to enhance our content-centered business. Additionally, we assume that we will invest in real estate to strengthen the foundation for implementing our Media City strategy.

Numeric Target

▶ Net Sales **320.0** Billion Yen ▶ Ordinary Income **22.0** Billion Yen by Fiscal Year Ending March 31, 2021

Major Results of the first year (FY18/3) of the management plan



Television (Terrestrial)

- Promoting timetable reorganization to enhance content strength
- Maintained the No. 2 spot in annual average viewer ratings in all time slots among commercial broadcasters driven by drama, news and information programs
- Captured the No. 2 spot in terms of "advertising revenue," comprising both time and spot revenues, for first the time since launching our TV station!



Internet

- AbemaTV and au Video Pass
Contributed to increases in the number of users through our popular and in-house original contents
- Advertising revenue remained brisk due to the active deployment of our popular contents into TVer and other catch-up services



Media City

- Deployed the Company's popular contents at Summer Festival SUMMER STATION, a regularly-held event. Cumulative number of visitors for the last four festivals surpassed the 20-million milestone and profitability is trending up.

Strategic Investment/Network Strategy

- The Company acquired a 20% stake in Ray Corporation, which operates a wide range of businesses from video production to event management, and converted it into an equity method affiliate.
- To advance our network strategy, the Company converted five affiliated broadcasting stations into equity method affiliates through the additional acquisition of their shares.

Consolidated Results

- As expected, consolidated net sales promptly exceeded target of 300 billion yen to renew its record high
- Consolidated ordinary income reached our quantitative target of 22 billion yen!



TV BROADCASTING BUSINESS

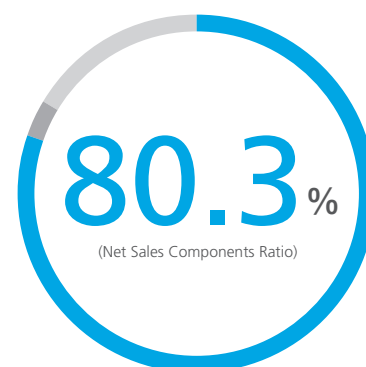
Generated 2nd highest advertising revenue for the first time since launching station due to strong all-day viewer ratings

Net Sales

252.7 Billion Yen
(up 0.1% year on year)

Operating Income

15.5 Billion Yen
(up 4.2% year on year)



For the fiscal year ended March 31, 2018, the TV Broadcasting Business generated net sales of ¥252.765 billion (up 0.1%), while incurring operating expenses of ¥237.215 billion (down 0.2%), resulting in operating income of ¥15.550 billion (up 4.2%).

Despite a decrease in both time and spot revenue, consolidated sales were virtually the same as that of the previous fiscal year due to increased other revenues from the addition of a new consolidated subsidiary. Moreover, operating income rose chiefly due to cost-control efforts centering on program production costs.

Average viewer ratings by day part for the TV Broadcasting Business for the fiscal year ended March 31, 2018 were as follows: 7.4% on an all-day basis (6 a.m.–midnight), 9.9% for golden time (7 p.m.–10 p.m.), 10.0% for prime time (7 p.m.–11 p.m.), and 5.4% for prime 2 (11 p.m.–1 a.m.). The Company captured the second highest average viewer ratings in all time slots, maintaining its position among the top broadcasting groups.

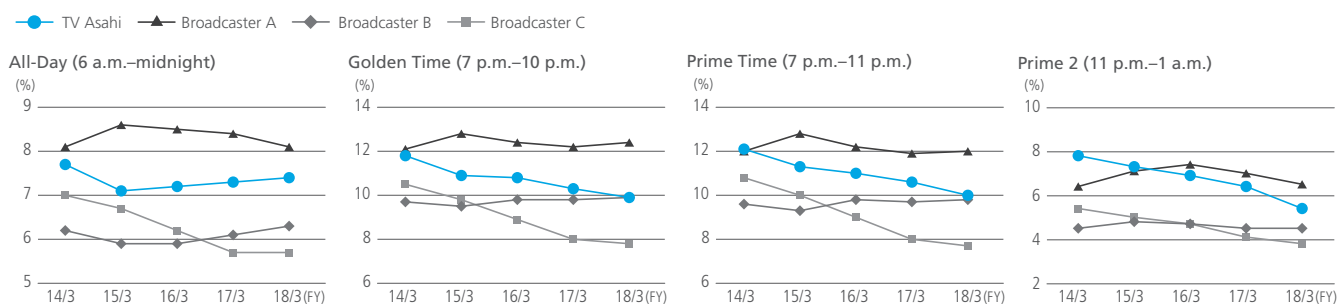
During the fiscal year ended March 31, 2018, the Company succeeded in further strengthening all-day viewer ratings by broadcasting special programming at the beginning and end of the fiscal year and during the New Year's holiday period as well as

special sports programs, maintaining the strong results of the previous fiscal year for morning news and informational programs, and achieving improvement in daytime viewer ratings as a result of timetable reorganization for *Serial Drama Theater* at noontime and *Sunday LIVE!!* on Sunday morning.

Many of our drama series ranked among the top programs of commercial broadcasting companies, including the popular series *Doctor X – Surgeon Daimon Michiko* (average viewer rating of 20.9%), which captured the top annual viewer rating in 2017, *Aibou (PARTNERS)* (season average viewer rating of 15.2%; average viewer rating of over 15% for twelve consecutive seasons), and *Kasoken no Onna (Woman of the Crime Lab)* (season average of 12.7%), as well as *BG:Shinpen Keigonin (Personal Bodyguard)* (average viewer rating of 15.2%), and *Grill Room Investigation* (average of 14.1%). Serial Drama Theater, first aired in April of last year, was well received, with the first series *Yasuragi no Sato* (average of 5.8%), the second series *Totto-chan I!* (average of 6.0%), and the third series *Koshiji Fubuki Monogatari* (average of 6.2%) each capturing substantially higher viewer ratings than in the same time slots last year.

With regard to news and informational programs, average

Viewer Rating for Japan's Top Four Commercial Broadcasters



Source: Video Research Ltd.

annual viewer ratings further improved in weekday morning slots, with *Shinichi Hatori's MORNING SHOW* exceeding its ratings from the previous fiscal year and capturing the top ratings in its time slot among programs of commercial broadcasting companies for a second consecutive year and *Good! Morning* achieving its highest ratings ever in all time slots.

Five sports programs ranked among the *PyeongChang 2018 Olympic Games*' top ten live broadcast programs of commercial broadcasting companies, including *Speed Skating Women's Team*

Pursuit and Men's 500 Meters (22.5%). In addition, major live sports broadcasts such as *2018 FIFA World Cup Russia Final Asian Qualifiers* (prime time two-match average of 21.9%), *World Figure Skating World Team Trophy 2017 Men's Free Skating* (16.0%), and *Professional Baseball Japan Series* (live broadcast time slot average of 17.3%) captured high viewer ratings.

In the results for variety programs, regular programs such as *Ikegami Akira's News Sou Datta no ka!!* and *Cream Quiz Miracle 9* delivered steady results.

Sales of TV Broadcasting Business

	Billions of yen		
	FY17/3	FY18/3	YoY
Time Sales	90.351	87.988	△ 2.6%
Spot Sales	105.212	104.768	△ 0.4%
Program Sales	13.227	13.166	△ 0.5%
BS/CS	24.824	26.018	+ 4.8%
Other	18.928	20.824	+10.0%
Total	252.545	252.765	+ 0.1%



Good! Morning



Shinichi Hatori's Morning Show

Time Sales

87.9 Billion Yen (down 2.6% year on year)

In regard to time advertising sales revenue, a movement among advertisers to place importance on flexibility and efficiency in advertising activities has resulted in a tendency to reduce fixed costs.

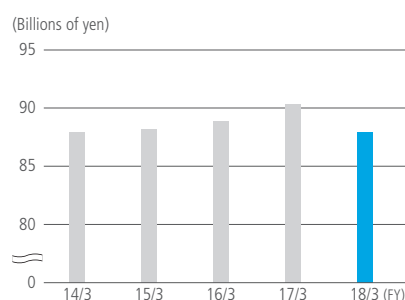
In those circumstances, in advertising sales for regular program time slots, we secured sales for new programs such as *Saturday Station*, *Serial Drama Theater*, and *Sunday LIVE!!* On the other hand, although we sought revenue growth from programs such as *PyeongChang 2018 Olympic Games*, revenue from one-off broadcasting events decreased in the absence of revenue from *Rio de Janeiro 2016 Olympic Games*, which aired in the previous fiscal year. As a result of the above, time advertising sales revenue for the fiscal year ended March 31, 2018 totaled ¥87.988 billion (down 2.6% year on year).

Spot Sales

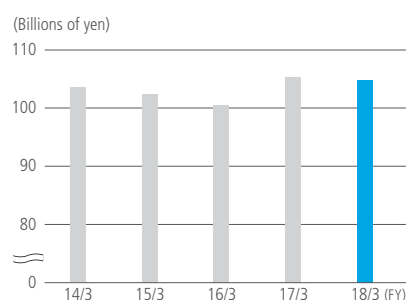
104.7 Billion Yen (down 0.4% year on year)

Spot advertising sales decreased due to weak market conditions, such as a year-on-year decrease in Tokyo area spot advertising volume. Although revenues increased year on year in 10 out of 21 client industry sectors, including food services and other services, automobiles and related products, and energy, materials, and machinery, revenues from information and communications, hobby and sporting goods, and other categories failed to grow. Reflecting the above factors, spot advertising sales revenue in the fiscal year under review totaled ¥104.768 billion (down 0.4%).

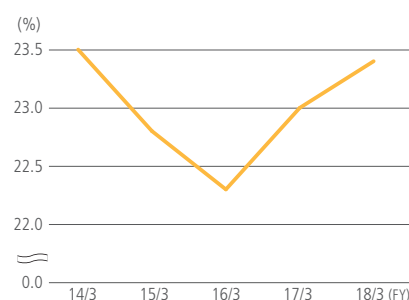
Time Sales Revenue



Spot Sales Revenue



Share* in the Tokyo Spot Sales Market



* "share" among the five Tokyo area commercial stations.



MUSIC PUBLICATION BUSINESS

Artists were active in music scene, embarking on nationwide concert tours!

Net Sales

11.0 Billion Yen
(up 10.6% year on year)

Operating Income

0.8 Billion Yen
(up 28.9% year on year)



Artists managed by TV ASAHI MUSIC CO., LTD., a consolidated subsidiary, were highly active on the music scene this term as well. They embarked on nationwide concert tours and performed at summer events as well as released new singles and DVDs that gained favorable reviews.

As a result of the above, the Music Publication Business generated net sales of ¥11.042 billion (up 10.6% year on year).

The increase reflects factors including the production of a *Ketsumeishi* nationwide concert tour. Operating expenses were ¥10.230 billion (up 9.3%), resulting in operating income of ¥0.811 billion (up 28.9%). The Company will continue to make efforts to expand its business by actively promoting live concerts by its artists, as well as discovering and nurturing new artists.



*KETSUMEISHI,
TOUR2017*



*SHONAN NO KAZE,
SUMMER HOLIC 2017*



*Sonar Pocket,
JAPAN TOUR 2017 ~Reload~*



OTHER BUSINESSES

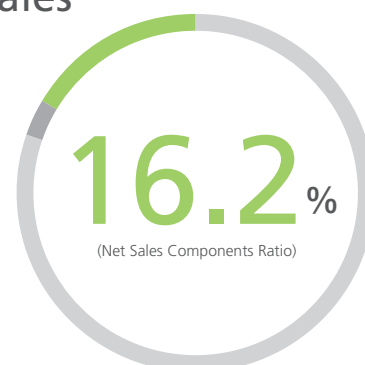
Earnings driven by robust video distribution sales of “Internet-related businesses” and the “special events business,” which held *Summer Festival SUMMER STATION!*

Net Sales

50.9 Billion Yen
(up 11.9% year on year)

Operating Income

2.2 Billion Yen
(up 27.2% year on year)



During the fiscal year under review, the Other Businesses segment recorded net sales of ¥50.945 billion (up 11.9% year on year), while operating expenses rose to ¥48.676 billion (up 11.3%). As a result, operating income was ¥2.269 billion (up 27.2%).

These results are attributable to the strong performance of our

Internet-related businesses, such as increased content sales for subscription video-on demand (SVOD) services and the brisk “special events business,” which held *Summer Festival SUMMER STATION!* Details of each business are as follows.

We strategically expanded our internet-related businesses.

AbemaTV, a joint venture with CyberAgent, Inc., delivered strong performance, achieving a cumulative total of 28 million application downloads. We produced and distributed on au Video pass original content such as the second season of *Doctor Y – Gekai Kaji Hideki*, a spinoff of *Doctor X – Surgeon Daimon Michiko*, the popular terrestrial broadcast drama program, and distributed *Doctor X*, from Series 1 to the latest episodes, to more than 200 countries and territories via Amazon Prime Video. In addition, the number of users of *TV Asahi Catch-up*, a free-of-charge ad-supported TV streaming service, increased together with an increase in the number of distributed programs, and advertising revenue is steadily increasing as well. Furthermore, the *NJPW World* video distribution business is experiencing a rapid increase in the number of accesses from overseas and is growing as a global content platform.

In the special events business, the fourth *TV Asahi-Roppongi Hills Summer Festival SUMMER STATION*, held during a period of 44 days beginning on July 15, drew a total of 5.85 million visitors, higher than the previous year's figure. Other well-received events included the *PAUL McCARTNEY ONE ON ONE JAPAN TOUR 2017* and the regular music events *TV Asahi Dream Festival 2017* and *METROPOLITAN ROCK FESTIVAL2017*, held in Tokyo and Osaka, as well as *Unkei*, a special exhibition to commemorate reconstruction of the Central Golden Hall of Kofukuji Temple, which drew

600,000 visitors. A high operation rate led to strong operating results from EX THEATER Roppongi, which held various entertainment programs such as *Kimitachi ga KING'S TREASURE*, a song and dance competition by Johnny's Jr. featuring Mr. KING that was held during the summer festival.

In the shopping business, the *Jun Sanpo* TV shopping program achieved a revenue increase against a backdrop of high viewer ratings.

The Company's investment in motion pictures produced regular releases linked to television series that delivered stable box-office revenue, such as *Doraemon*, whose 37th episode set a new series box-office and attendance records, and *Crayon Shin chan*.

Sales of Major Other Businesses

		Billions of yen	
	FY17/3	FY18/3	YoY
Internet Related	13.706	15.598	+ 13.8%
Shopping	8.178	8.526	+ 4.3%
Special Events	6.585	7.863	+ 19.4%
Equipment Sales/Lease	5.204	5.061	△ 2.7%
Motion Pictures	2.283	2.164	△ 5.2%
DVD	1.584	0.976	△38.4%

PICK
UP!!

Overseas Business

With regard to Internet-related businesses, the Company actively conducts business activities overseas as well as in Japan.

Worldwide distribution of "Doctor X"

- Popular drama "Doctor X" with average viewer ratings of more than 20%, is distributed in more than 200 countries and regions worldwide. The Company has succeeded in monetizing overseas SVOD services outside Japan as well.
- Not only the latest programs aired in FY18/3, but also regular programs of all four past series as well as "Doctor Y," a spinoff drama, are distributed overseas.



NJPW WORLD




- The NJPW World video distribution is an SVOD service that we jointly operate with New Japan Pro-Wrestling Co., Ltd., which became our equity method affiliate in FY17/3. We distribute original videos limited to subscribers in addition to broadcasts and catch-up streaming services featuring major tournaments.
- A major feature is that we were able to capture overseas subscribers due to the prompt launch of an English-language website. We are sharply increasing the number of subscribers by successfully capturing overseas fans living mainly in the U.S. as well through promotional campaigns for NJPW's overseas tournaments.



TV Asahi Group's Initiatives for ESG

The Group actively promotes non-financial initiatives, such as ESG (Environment, Social, Governance). We believe that it is vital to reduce future risks and build a strong foundation for creating value through the realization of sustainable management for all stakeholders. Based on this policy, we have taken the following initiatives.

Specific ESG initiatives

 Environment	<ul style="list-style-type: none">● Reduce CO₂ emissions (convert to LED, limit use of air conditioners and heaters), greening of headquarters building, etc.● Engage in recycling activities for used videotapes to reduce waste material
 Social	<ul style="list-style-type: none">● Implement "TV Asahi 360° workstyle transformation," a measure to reduce long working hours● Conduct social welfare activities, supporting activities for domestic and overseas disaster victims and so forth via the TV Asahi Welfare Foundation● Provide media-related integrated learning support activities such as "TV Asahi Cater Classes"
 Governance	<ul style="list-style-type: none">● Transition to a "Company with an Audit and Supervisory Committee" (June 2015)● Establish "Nomination and Compensation Committee"● Delegate important decisions on business execution to the Directors based on the Articles of Incorporation● Implement various management initiatives which position improvement of capital efficiency and returns to shareholders as top priorities

The specific measures we have taken are as follows.

Environment

CO₂ emission reductions and other energy-saving measures

Introducing the "Stop the Global Warming Project" in November 2007, TV Asahi has been engaged in environmental activities as a member of the media in order to preserve the global environment and all its natural splendor for the benefit of our children and future generations.

TV Asahi systematically reduces CO₂ emissions from air conditioning and other electric equipment used at the Company's headquarters building. In the first term between FY11/3 and FY15/3, the Company succeeded in lowering CO₂ emissions by an average of 13.3% annually by converting to LED lighting, switching off half of its office lighting equipment, setting the office air conditioner temperature to 28°C during the "Cool Biz" period by encouraging employees to dress more casually in late spring and summer. We aim to reduce CO₂ emissions by an average 15% annually in the second term between FY16/3 and FY20/3. Furthermore, the Company is greening two buildings, the "headquarters" and "Go-chan Square." Greening is

effective in reducing the heat island effect and purifying the atmosphere and plays a significant role in urban life.

Initiatives for Reusing (Recycling of discarded videotapes)

TV Asahi has engaged in recycling activities for used videotapes to reduce waste material since 1998. Every month, we collect discarded videotapes accumulated at in-house recycling sites that are transported to work clubs for people with disabilities and disassembled.

The approximately 50 types of disassembled videotape components are then used as recycling resources in construction materials and so forth.

Social

Implement Workstyle Transformation

We implement "workstyle transformation" aimed at maintaining the physical and mental health of employees and related staff to ensure the continuous and stable creation of "appealing content," the source of value at the Company. As this issue is highly urgent and must address the needs

of society, the Company is proactively taking the following initiatives.

- ▶ Implement measures to encourage leave utilization, such as establishment of “Lucky! Fridays”
- ▶ Reorganize and review all aspects of work (Review of meetings, introduction of robots for clerical work, etc.)
- ▶ Conduct workstyle seminars within the Company, etc.

We were able to achieve an approximately 6% reduction in total working hours in FY18/3 due to the above initiatives. We also achieved productivity improvement by reducing overtime pay. Going forward, we will further strengthen such initiatives toward cutting long working hours.

Integrated Learning Support Activities

TV Asahi conducts various information and integrated learning support activities, including Guided Tours, TV Asahi Cater Classes, TV Asahi Cater Classes for grown-ups and TV Juku. We will continue to pursue the development of interactive media literacy activities in which both viewers and broadcasters can think about the television business in an enjoyable manner.

Information on the activities is available on the following site.

<http://www.tv-asahi.co.jp/hq/tour/index.html>

*Only available in Japanese



TV Asahi Cater Class

Social Contributions through the TV Asahi Welfare Foundation

The TV Asahi Welfare Foundation (established in 1977) conducts a broad range of social welfare activities relating to children, senior citizens, people with disabilities and singlemother families living in support facilities.

Furthermore, TV Asahi introduced the Doraemon Charity Fund in 1999 to support domestic and overseas disaster victims in view of the public nature of the broadcasting business. Donations collected in the campaigns held thus far for the Great East Japan Earthquake and other disasters have been allocated, via the TV Asahi Welfare Foundation, as financial aid for the victims.

The details of these activities are reported on the following site. We will continue to engage in a broad array of social activities in close collaboration with the broadcasting business.

<http://www.tv-asahi.co.jp/fukushi/>

*Only available in Japanese

Governance

The Company recognizes corporate governance to be one of management's top priorities. Based on this basic policy, we are proactively building a management structure and taking initiatives as outlined below.

Basic Policy on Corporate Governance

The Company, as a certified broadcasting holding company with commercial broadcasters as subsidiaries, maintains appropriate relationships with various stakeholders while pursuing profit through fair and proper means. At the same time, the Company fosters and secures human resources that share the same philosophy, maintains the trust of its stakeholders and fulfills its responsibility as a broadcaster and news media, while enhancing its corporate value by continuing to produce and transmit content that match the needs of society based on these principles. We believe this basic policy is the source of our corporate value.

Accordingly, the Company considers the establishment and utilization of a system that will enable its sustained growth and medium- to long-term enhancement of corporate value to be the basis of its corporate governance.

Corporate Governance System

Based on our corporate governance policy and efforts to maintain public interest, we intend to strive for the longterm, stable enhancement of the TV Asahi Group's corporate value and the interests of shareholders and other stakeholders. To this end, the Company has adopted “a company with an audit and supervisory committee” system that is able to both execute operations and provide appropriate management oversight through the appointment of Audit and Supervisory Committee members who will be responsible for auditing and supervising the execution of business by directors, to the Board of Directors.

In addition, the Company's policy regarding major bodies and organizations and their functions which have built our governance system is as follows.

General Meeting of Shareholders

The Company believes that to begin with, securing the exercise of voting rights of all shareholders and other rights equally will lead to the substantive exercise of rights. Based on this policy, the Company makes decisions on the schedule for General Meeting of Shareholders and disclose information in accordance with the Companies Act and other related laws and regulations.

Board of Directors and Audit and Supervisory Committee

For the members of the Board of Directors, in addition to the Standing Directors who execute business operation, the Company elects persons with diverse roles and backgrounds,



such as partners for capital and management strategy purposes, persons who have certain relationships with the broadcasting industry and abundant experience and knowledge of the broadcasting business, and persons independent from the Company's management who are capable of objectively overseeing the Company's fair and appropriate relationship with its stakeholders.

► Board of Directors:

Pursuant to a provision of the Articles of Incorporation, the Company has established a framework that enables the Company to delegate important decisions on business execution (regarding acquisitions and disposals of vital assets, etc.) to the Directors and make flexible decisions.

► Audit and Supervisory Committee:

A majority of the Committee members are independent Outside Directors who have met the Company's standards for the independence of Outside Directors.

► Nomination and Compensation Committee:

The Company has established a system whereby the Nomination and Compensation Committee report to the Board of Directors on matters pertaining to policies and decisions on nominations of and compensations for members of its management team and the Directors, excluding Directors who are members of the Audit and Supervisory Committee. The majority of the Committee members are Outside Directors, one of whom will chair the Committee.

that our shareholders can appropriately exercise their rights. In addition, the Company works to ensure that, based on the Broadcasting Act and other various regulations, doubts are not raised over the exercise of legal shareholders' rights regarding individual and common benefits to strictly maintain its public nature, public interest and impartiality as a certified broadcasting holding company with commercial broadcasters as subsidiaries.

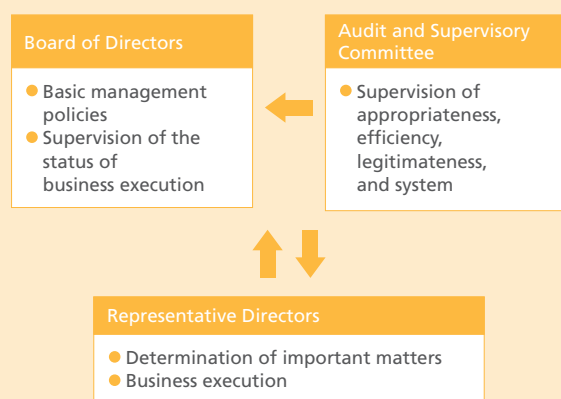
With regard to cross shareholdings, the Company has established the Investment Review Committee, a sub-organization of the standing Board Meeting to examine, in principle annually, in which companies it will invest and whether to continue to invest in certain firms based on the results of verifications by the Committee.

Information Disclosure

To ensure appropriate information disclosure in compliance with laws and regulations, the Company appoints one standing executive officer who will ultimately be in charge of the subject matter and content of the information to be disclosed. Regarding non-financial information for accurate and highly useful content, officers in charge of the Company's accounting, general affairs and IR divisions will hold regular meetings to carefully examine the information to be disclosed, have constructive discussions, and make preliminary decisions on policies.

The Company has compiled and disclosed the basic policy on its corporate governance as "TV Asahi's Corporate Governance Guidelines."

■ Company with an Audit and Supervisory Committee



Selection for the FTSE4Good Index Series

As a result of these initiatives, since September 2004, the Company has been included in the FTSE4Good Index Series, a measure created by the FTSE Group, a global index company, to identify companies that meet globally recognized standards of responsible business practices.

The Company's inclusion in the FTSE4Good Index Series indicates that its wide-ranging public efforts have won international recognition. We will continue to proactively promote CSR activities into the future.

System to Protect Stakeholder Interests

As a listed company, we will ensure the equality of shareholders while providing vital and appropriate information via our website and other various tools so

MD&A/Risk Information

Significant Accounting Principles and Estimates Industry

The consolidated financial statements of TV Asahi Group are prepared in accordance with accounting standards generally accepted in Japan as fair and appropriate. Some assets and liabilities, as well as some income and expenses, are based on estimates and management interpretations at the time the consolidated financial statements were prepared.

Operating Environment for the Broadcasting Industry

During the fiscal year under review (ended March 31, 2018), the Japanese economy continued to show a gradual recovery trend due to factors including improvement in corporate earnings and the employment situation.

The broadcast advertising industry faced difficult circumstances, with Tokyo area spot advertising volume falling below the prior-year level.

Risk Information

Dependence on the TV Broadcasting Business

A large portion of TV Asahi Group's net sales are from TV broadcasting business, which relies on corporate advertising expenditure. This factor is in turn affected greatly by the state of the Japanese economy.

Moreover, within the TV broadcasting business, viewer ratings play an essential role in the determination of price in the sale of advertising time.

Thus, in the event the Japanese economy experiences a downturn and/or the Company is unable to produce and broadcast programs that are widely popular with viewers, the operating results of the Group may be affected.

Competition

The business environment facing the TV Asahi Group is changing rapidly. With the spread of smartphones and tablet PCs, the ways of viewing television are gradually changing. In addition, with the advent of smart TVs, the position of terrestrial broadcasting on TV sets may be relativized in the future.

Content distribution channels are also diversifying with the spread of broadband communications, causing intensified competition between other media services, and this may affect the operating results of the Group.

Capital Expenditures and Investments

TV Asahi Group will continue to allocate appropriate capital expenditure and make other investments to maintain technical standards, improve its content production competency, acquire popular content and enhance its media strategy. If sufficient profits cannot be attained to balance such investments, the operating results of the Group may be affected.

Handling of Personal Information

TV Asahi Group holds personal information of individuals appearing on its programs and program spectators, audience and viewers, as well as that of subscribed members of its mobile and internet-related businesses and customers of its shopping business. While such personal information is subject to stringent management in accordance with internal rules and is handled with adequate care, leakage of the information due to unauthorized access or use or other

reasons may cause a decline in the Group's social credibility and affect its operating results.

Impact of Disasters

In the TV broadcasting business, which is TV Asahi Group's principal business, the occurrence of a major disaster may render broadcasting difficult or result in the broadcasting of commercial-free disaster information programs. It is also possible that broadcasting hours will be shortened to address power shortages. In such cases, the operating results of the Group may be affected by a decrease in advertising revenue.

Legal Regulations

By obtaining certification pursuant to the Broadcasting Act, a certified broadcasting holding company is permitted to own multiple terrestrial, BS and CS broadcasting companies as its subsidiaries. The Company has been certified as a certified broadcasting holding company that owns TV Asahi Corporation, Asahi Satellite Broadcasting Limited and CS One Ten, Ltd. as its subsidiaries. There is a possibility that the certification will be rescinded in the future, should the Company cease to satisfy the criteria and other requirements relating to the assets of a certified broadcasting holding company or the criteria stipulated in the Broadcasting Act. Should the certification be rescinded, the business performance and the financial position of the TV Asahi Group may be seriously impacted.

Further, the principal business of the TV Asahi Group is TV broadcasting, and TV Asahi Corporation, Asahi Satellite Broadcasting Limited and CS One Ten, Ltd. are subject to the requirements and restrictions under the Radio Act, the Broadcasting Act, and other laws and ordinances in conducting said business.

The revocation of a broadcast license, due to violation of law or ordinance, or failure to obtain a relevant business license may impact the business performance of the TV Asahi Group.

Shares Held by Foreign Nationals and Entities

Regarding voting rights of the Company held by foreign nationals, etc. stipulated in the Broadcasting Act ((i) those who are not Japanese nationals, (ii) foreign governments or representatives of such foreign governments, (iii) foreign corporations or associations, (iv) a corporation or an association which ratio of voting rights directly held by the aforementioned (i) through (iii) is the same or more than such ratio as stipulated in the Ordinance of the Ministry of Internal Affairs and Communications) (hereinafter, "foreign nationals"), if the total of the ratio of voting rights directly held by those set out in (i) through (iii) and ratio of voting rights to be indirectly held by those set out in (i) through (iii) through those set out in (iv) as stipulated by the Ministry of Internal Affairs and Communications is 20 % or more, the certification as a certified broadcasting holding company will be revoked.

Upon such condition, based on Article 116, Paragraph 2 of the Broadcasting Act which will be applied mutatis mutandis pursuant to Article 161, Paragraph 1 and 2, the Company is capable of refusing to enroll or record the name and address of foreign nationals in the shareholder register, and based on Article 116, Paragraph 3 of the Broadcasting Act which will be applied mutatis mutandis pursuant to Article 161, Paragraph 2, the exercise of voting rights of them will be restricted.

Consolidated Balance Sheets

As of March 31, 2017 and 2018

	Millions of yen	
	2017	2018
Assets		
Current assets		
Cash and deposits	¥ 27,470	¥ 32,263
Trade notes and accounts receivable	81,280	78,692
Marketable securities	49,199	43,703
Inventories	7,771	10,128
Other current assets	16,874	12,478
Less allowance for doubtful accounts	(112)	(75)
Total current assets	182,483	177,189
Fixed assets		
Tangible assets		
Buildings and structures, net	31,193	29,978
Machinery and vehicles, net	14,254	13,628
Land	41,641	42,281
Leased assets, net	6,576	5,756
Other tangible assets, net	3,636	4,199
Total tangible assets	97,302	95,845
Intangible assets		
Other intangible assets	7,758	6,888
Total intangible assets	7,758	6,888
Investments and other assets		
Investment securities	119,214	136,035
Deferred tax assets	11,529	11,881
Other investments and other assets	7,937	7,879
Less allowance for doubtful accounts	(155)	(177)
Total investments and other assets	138,525	155,618
Total fixed assets	243,586	258,352
Total assets	¥426,070	¥435,542

		Millions of yen	
		2017	2018
Liabilities			
Current liabilities			
Trade notes and accounts payable	¥ 11,177	¥ 7,731	
Other payables	20,821	17,922	
Accrued expenses	28,151	26,527	
Other current liabilities	9,088	8,452	
Total current liabilities	69,237	60,634	
Non-current liabilities			
Deferred tax liabilities	11,230	14,024	
Net defined benefit liabilities	17,788	17,735	
Other non-current liabilities	5,021	2,986	
Total non-current liabilities	34,039	34,746	
Total liabilities	103,277	95,380	
Net assets			
Stockholders' equity			
Common stock	36,642	36,642	
Additional paid-in capital	70,220	70,226	
Retained earnings	193,391	204,941	
Treasury stock	(2,690)	(2,850)	
Total stockholders' equity	297,563	308,959	
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	25,794	32,200	
Deferred gain (loss) on hedges	1,533	695	
Foreign currency translation adjustments	(22)	(40)	
Remeasurements of defined benefit plans	(5,334)	(4,817)	
Total accumulated other comprehensive income	21,970	28,038	
Non-controlling interests	3,259	3,163	
Total net assets	322,793	340,161	
Total liabilities and net assets	¥426,070	¥435,542	

Consolidated Statements of Income

Years ended March 31, 2017 and 2018

	Millions of yen	
	2017	2018
Net sales	¥295,879	¥302,511
Cost of sales	211,996	217,789
Gross profit	83,882	84,722
SGA expenses	66,604	66,088
Operating income	17,278	18,634
Non-operating revenue		
Dividend income	1,079	1,349
Share of profit of entities accounted for using equity method	3,521	1,844
Other non-operating revenue	440	507
Total non-operating revenue	5,041	3,701
Non-operating expenses		
Loss on disposal of noncurrent assets	276	207
Other non-operating expenses	95	75
Total non-operating expenses	371	282
Ordinary income	21,947	22,053
Extraordinary gains		
Gain on sales of investment securities	585	337
Gain on step acquisitions	47	—
Gain on bargain purchase	491	1,507
Compensation income	532	—
Total extraordinary gains	1,656	1,845
Extraordinary losses		
Loss on valuation of investment securities	157	47
Loss on step acquisitions	—	569
Total extraordinary losses	157	617
Income before income taxes	23,446	23,281
Income taxes		
Current	7,933	7,542
Deferred	(813)	(350)
Total income taxes	7,120	7,192
Profit	16,326	16,089
Profit attributable to non-controlling interests	377	240
Profit attributable to owners of the parent	¥ 15,949	¥ 15,848

Consolidated Statements of Comprehensive Income

Years ended March 31, 2017 and 2018

	Millions of yen	
	2017	2018
Profit	¥ 16,326	¥ 16,089
Other comprehensive income		
Valuation difference on available-for-sale securities	4,198	6,349
Deferred gain (loss) on hedges	(321)	(835)
Foreign currency translation adjustments	(20)	(19)
Remeasurements of defined benefit plans	121	517
Share of other comprehensive income of entities accounted for using equity method	64	57
Total other comprehensive income	4,043	6,068
Comprehensive income	¥ 20,369	¥ 22,157
Components:		
Comprehensive income attributable to owners of the parent	¥ 19,991	¥ 21,916
Comprehensive income attributable to non-controlling interests	378	241

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2017 and 2018

	Millions of yen											
	Stockholders' equity					Accumulated other comprehensive income						
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at March 31, 2016	¥36,642	¥70,168	¥181,694	¥(2,577)	¥285,927	¥21,531	¥1,855	¥ (1)	¥(5,456)	¥17,928	¥ 5,060	¥308,917
Cumulative effects of changes in accounting policies			45		45							45
Restated balance	36,642	70,168	181,739	(2,577)	285,973	21,531	1,855	(1)	(5,456)	17,928	5,060	308,963
Changes during term												
Cash dividends			(4,298)		(4,298)							(4,298)
Profit attributable to owners of the parent			15,949		15,949							15,949
Purchase of treasury stock				(0)	(0)							(0)
Change in ownership interest of parent due to transactions with non-controlling interests		51			51							51
Increase due to a change in the scope of applying equity method-treasury stock				(113)	(113)							(113)
Net changes other than stockholder's equity						4,263	(322)	(20)	121	4,041	(1,801)	2,240
Total changes during term	—	51	11,651	(113)	11,589	4,263	(322)	(20)	121	4,041	(1,801)	13,829
Balance at March 31, 2017	¥36,642	¥70,220	¥193,391	¥(2,690)	¥297,563	¥25,794	¥1,533	¥(22)	¥(5,334)	¥21,970	¥ 3,259	¥322,793
Cumulative effects of changes in accounting policies					—							—
Restated balance	36,642	70,220	193,391	(2,690)	297,563	25,794	1,533	(22)	(5,334)	21,970	3,259	322,793
Changes during term												
Cash dividends			(4,298)		(4,298)							(4,298)
Profit attributable to owners of the parent			15,848		15,848							15,848
Change in ownership interest of parent due to transactions with non-controlling interests		6			6							6
Change in treasury stock arising from change in equity in entities accounted for using equity method				(102)	(102)							(102)
Increase due to a change in the scope of applying equity method-treasury stock				(57)	(57)							(57)
Net changes other than stockholder's equity						6,406	(837)	(18)	517	6,067	(96)	5,971
Total changes during term	—	6	11,550	(159)	11,396	6,406	(837)	(18)	517	6,067	(96)	17,368
Balance at March 31, 2018	¥36,642	¥70,226	¥204,941	¥(2,850)	¥308,959	¥32,200	¥ 695	¥(40)	¥(4,817)	¥28,038	¥ 3,163	¥340,161

Consolidated Statements of Cash Flows

Years ended March 31, 2017 and 2018

	Millions of yen	
	2017	2018
Cash flows from operating activities		
Income before income taxes	¥ 23,446	¥ 23,281
Depreciation and amortization	9,541	9,752
Amortization of goodwill	349	282
Loss on disposal of noncurrent assets	276	207
(Gain) loss on sales of investment securities	(585)	(337)
Loss on valuation of investment securities	157	47
Increase (decrease) in allowance for doubtful accounts	10	(18)
Increase (decrease) in net defined benefit liabilities	1,163	506
Dividend income	(1,079)	(1,349)
Share of (profit) loss of entities accounted for using equity method	(3,521)	(1,844)
(Gain) loss on step acquisitions	(47)	569
Gain on bargain purchase	(491)	(1,507)
Compensation income	(532)	—
(Increase) decrease in trade notes and accounts receivables	(1,327)	3,274
(Increase) decrease in inventories	1,733	(2,324)
Increase (decrease) in trade notes and accounts payables	685	(3,891)
Other cash flows from operating activities	567	(72)
Subtotal	30,346	26,575
Interest and dividend received	1,432	2,069
Income taxes refunded	790	763
Income taxes paid	(9,105)	(11,259)
Net cash provided by operating activities	23,464	18,149
Cash flows from investing activities		
Payments into time deposits	(14,763)	(11,068)
Proceeds from withdrawal of time deposits	13,735	23,433
Purchase of marketable securities	(115,806)	(138,200)
Proceeds from redemption of marketable securities	126,800	143,700
Purchase of trust beneficiary right	(24,353)	(4,398)
Proceeds from redemption of trust beneficiary right	22,046	6,082
Purchase of tangible assets	(9,972)	(7,586)
Purchase of intangible assets	(1,380)	(1,242)
Purchase of investment securities	(9,970)	(8,104)
Proceeds from sales of investment securities	1,032	485
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	1,530
Other cash flows from investing activities	996	(496)
Net cash used in investing activities	(11,635)	4,134
Cash flows from financing activities		
Dividends paid to stockholders	(4,298)	(4,298)
Dividends paid to non-controlling interests	(18)	(13)
Other cash flows from financing activities	(3,124)	(2,194)
Net cash used in financing activities	(7,441)	(6,506)
Effect of exchange rate changes on cash and cash equivalents	(19)	(18)
Net increase (decrease) in cash and cash equivalents	4,367	15,759
Cash and cash equivalents at beginning of term	29,835	34,202
Cash and cash equivalents at end of term	¥ 34,202	¥ 49,961

Segment Information

Business segment of the Company and its consolidated subsidiaries for the fiscal years ended March 31, 2017 and 2018 are summarized as follows:

Business Segment Information

The Company's major business categories are TV broadcasting business, music publication business and other businesses.

	Millions of yen					
	2017					Amounts reported on consolidated financial statements ²
	Reportable segment				Adjustments ¹	
TV Broadcasting Business	Music Publication Business	Other Businesses	Total			
Sales						
Sales to outside customers	¥250,111	¥ 9,600	¥36,167	¥295,879	¥ —	¥295,879
Inter-segment sales and transfers	2,434	385	9,340	12,159	(12,159)	—
Total	252,545	9,985	45,507	308,039	(12,159)	295,879
Segment income	14,929	629	1,784	17,343	(65)	17,278
Segment assets	270,823	13,243	51,251	335,318	90,752	426,070
Other items						
Depreciation/amortization	7,717	96	1,727	9,541	—	9,541
Investment in affiliates	7,794	—	6,048	13,843	—	13,843
Increase in tangible/ intangible assets	12,407	43	2,782	15,233	—	15,233

Notes: 1. Details of adjustments are as follows:

1) Segment income adjustments totaling minus 65 million yen includes elimination of inter-segment transactions of minus 152 million yen, 1,995 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,907 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.

2) Segment assets adjustment of 90,752 million yen consists of corporate assets of 150,435 million yen and elimination of inter-segment claims and liabilities of minus 59,682 million yen.

2. Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.

	Millions of yen					Amounts reported on consolidated financial statements ²
	2018					
	Reportable segment				Adjustments ¹	
TV Broadcasting Business	Music Publication Business	Other Businesses	Total			
Sales						
Sales to outside customers	¥250,206	¥10,775	¥41,530	¥302,511	¥ —	¥302,511
Inter-segment sales and transfers	2,559	266	9,415	12,242	(12,242)	—
Total	252,765	11,042	50,945	314,753	(12,242)	302,511
Segment income	15,550	811	2,269	18,632	2	18,634
Segment assets	266,143	9,607	57,681	333,431	102,111	435,542
Other items						
Depreciation/amortization	7,980	97	1,674	9,752	—	9,752
Investment in affiliates	10,828	—	13,129	23,958	—	23,958
Increase in tangible/intangible assets	5,685	27	1,100	6,813	—	6,813

Notes: 1. Details of adjustments are as follows:

1) Segment income adjustments totaling 2 million yen includes elimination of inter-segment transactions of minus 99 million yen, 2,049 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,948 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.

2) Segment assets adjustment of 102,111 million yen consists of corporate assets of 140,306 million yen and elimination of inter-segment claims and liabilities of minus 38,195 million yen.

2. Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.

Holding Company Structure

tv asahi holdings corporation

Consolidated Subsidiaries of TV Asahi Holdings Corporation

TV Asahi Corporation
Asahi Satellite Broadcasting Limited
CS One Ten, Ltd.

Equity-Method Affiliates of TV Asahi Holdings Corporation

Akita Asahi Broadcasting Co., Ltd.
Asahi Broadcasting Aomori Co., Ltd.
Asahi Broadcasting Nagano Co., Ltd.
Fukushima Broadcasting Co., Ltd.
HIGASHI NIPPON BROADCASTING Co., Ltd.
Shizuoka Asahi Television Co., Ltd.
The Niigata Television Network 21, Inc.
Yamagata Television System Inc.

Consolidated Subsidiaries of TV Asahi Corporation

AbemaProduction, Inc.	TRUST NETWORK INC.
Bunkakobo, inc.	TV ASAHI AMERICA, Inc.
FLEX Co., Ltd.	TV Asahi ASK Co., Ltd.
HOSOGIYUTSUSHA CO., LTD.	TV Asahi BEST Co., Ltd.
Japan Cable Television, Ltd.	TV Asahi Create Corporation
ROPPING LIFE Co., Ltd.	TV Asahi mediaplex corporation
SHIN-EI ANIMATION Co., Ltd.	TV ASAHI MUSIC CO., LTD.
TAKESYSTEMS Co., Ltd.	TV Asahi Productions Co., Ltd.
Tokyo Sound Production Inc.	TV Asahi Service Co., Ltd.

Equity-Method Affiliates of TV Asahi Corporation

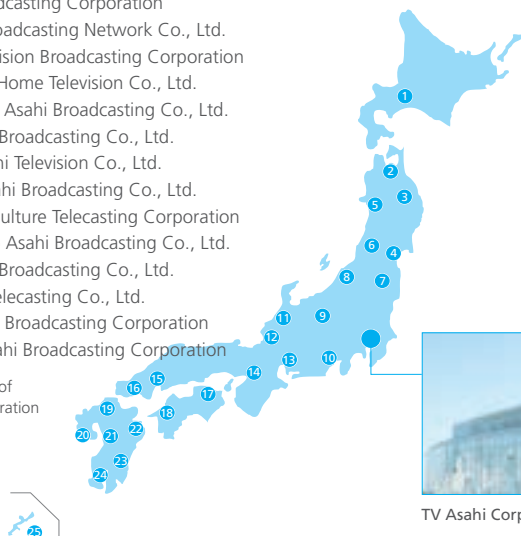
AbemaNews, inc.	New Japan Pro-Wrestling Co., Ltd.
AbemaTV, inc.	Ray Corporation
Kaeru AbemaTV, Inc.	TOEI ANIMATION CO., LTD.
Media Mix Japan Co., Ltd.	

TV BROADCASTING BUSINESS MUSIC PUBLICATION BUSINESS OTHER BUSINESSES

Domestic Network

- 1 HTB Hokkaido Television Broadcasting Co., Ltd.
- 2 ABA Asahi Broadcasting Aomori Co., Ltd.*
- 3 IAT Iwate Asahi Television Co., Ltd.
- 4 KHB HIGASHI NIPPON BROADCASTING Co, Ltd.*
- 5 AAB Akita Asahi Broadcasting Co., Ltd.*
- 6 YTS Yamagata Television System Inc.*
- 7 KFB Fukushima Broadcasting Co., Ltd.*
- 8 UX The Niigata Television Network 21, Inc.*
- 9 abn Asahi Broadcasting Nagano Co., Ltd.*
- 10 SATV Shizuoka Asahi Broadcasting Co., Ltd.*
- 11 HAB Hokuriku Asahi Broadcasting Co., Ltd.
- 12 FBC Fukui Broadcasting Corporation
- 13 NBN Nagoya Broadcasting Network Co., Ltd.
- 14 ABC Asahi Television Broadcasting Corporation
- 15 HOME Hiroshima Home Television Co., Ltd.
- 16 yab Yamaguchi Asahi Broadcasting Co., Ltd.
- 17 KSB Setonaikai Broadcasting Co., Ltd.
- 18 eat Ehime Asahi Television Co., Ltd.
- 19 KBC Kyusyu Asahi Broadcasting Co., Ltd.
- 20 NCC Nagasaki Culture Telecasting Corporation
- 21 KAB Kumamoto Asahi Broadcasting Co., Ltd.
- 22 OAB Oita Asahi Broadcasting Co., Ltd.
- 23 UMK Miyazaki Telecasting Co., Ltd.
- 24 KKB Kagoshima Broadcasting Corporation
- 25 QAB Ryukyu Asahi Broadcasting Corporation

* Equity-Method Affiliates of TV Asahi Holdings Corporation



TV Asahi Corporation

International Network

Bureaus

- **North America**
New York (TV ASAHI AMERICA, Inc.)
Washington, D.C.
(TV ASAHI AMERICA, Inc.)
Los Angeles (TV ASAHI AMERICA, Inc.)
- **Europe/Africa**
London
Moscow
Cairo
Paris (ABC's Bureau*)
- **Asia/Oceania**
Bangkok (News Bureau)
Bangkok (Business Bureau)
Beijing
Seoul
Shanghai (ABC's Bureau*)

*ABC: Asahi Television Broadcasting Corporation

Media Partners

- **North America**
CNN USA
- **Europe/Africa**
RTL Germany
TF1 France
- **Asia/Oceania**
JTBC South Korea
CCTV China
SMG China
CTV Taiwan
ETTV Taiwan
CH3 Thailand
Kantana Thailand
ZEEL India
CH7 Australia

Board of Directors As of June 28, 2018

Chairman and CEO

Hiroshi Hayakawa*

President

Shinichi Yoshida*

Senior Executive Directors

Toru Takeda

Masaya Fujinoki

Members of the Board

Gengo Sunami

Keiji Kameyama

Tadahisa Kawaguchi

Kouichi Morozumi

Hiroshi Shinozuka

Keizo Kayama

Satoshi Hamashima

Tsuyoshi Okada

Susumu Okinaka

Seiichi Kikuchi

Masataka Watanabe

Yoshihisa Yabuuchi

Katsuhiko Ikeda

Akira Genma

*Representative Directors

(Note)

- Messrs. Tsuyoshi Okada, Susumu Okinaka, Masataka Watanabe, Katsuhiko Ikeda and Akira Genma are Outside Members of the Board.
- Messrs. Yoshihisa Yabuuchi, Katsuhiko Ikeda and Akira Genma are Members of the Board who also serve as Audit and Supervisory Committee members.

Stock Information

Authorized Number of Shares	300,000,000
Issued Number of Shares	108,529,000
Number of Stockholders	20,728
Foreign Shareholding Ratio(%)	14.30%
Listing	Tokyo Stock Exchange

Stockholder Information

Fiscal Year-End	March 31
General Meeting of Stockholders	June
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited

Underwriter

Daiwa Securities Co. Ltd.

Sub-Underwriter

Nomura Securities Co., Ltd.

SMBC Nikko Securities Inc.

Corporate Data

Corporate Name	TV Asahi Holdings Corporation
Abbreviation	TV Asahi HD
Head Office	6-9-1, Roppongi, Minato-Ku, Tokyo 106-8001, Japan Tel. +81-3-6406-1115 http://www.tv-asahi-hd.co.jp/e/
Date of Establishment	November 1, 1957
Paid-in Capital	¥36,642,800,000

Major Stockholders

Name	Shares	Shareholding Ratio (%)
The Asahi Shimbun Company	26,651,840	24.80
TOEI COMPANY, LTD.	16,400,200	15.26
KOSETSU Museum of Art	5,030,000	4.68
Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trust Dai Nippon Printing Account Trustee Trust & Custody Services Bank, Ltd	4,030,000	3.75
Kyushu Asahi Broadcasting Co., Ltd.	3,333,500	3.10
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,621,000	2.44
Japan Trustee Services Bank, Ltd. (Trust Account)	2,459,800	2.29
The Asahi Shimbun Foundation	2,297,100	2.14
Recruit Holdings Co., Ltd.	2,100,000	1.95
State Street Bank and Trust Company	1,688,581	1.57

Note: The Shareholding Ratio is calculated deducting the Company's treasury stock.

