May 20, 2005

TV Asahi Corporation and Subsidiaries
Consolidated Financial Statements
For the Year Ended March 31, 2005

(Unaudited)

Summary

	Millions of yen (except per share data)	
	Year ended March 31, 2005	Year ended March 31, 2004
Net sales	¥ 242,037	¥ 218,079
Operating income	13,606	6,521
Net income	7,383	1,687
Net income per share (basic)	7,198.89	1,559.52
Net income per share (diluted)	-	-
Return on equity	3.3 %	0.8%
Total assets	297,544	288,967
Total stockholders' equity	226,729	220,508
Stockholders' equity ratio	76.2%	76.3%
Stockholders' equity per share	225,237.25	219,193.18
Net cash provided by operating activities	24,809	6,474
Net cash used in investing activities	(19,438)	(23,751)
Net cash used in financing activities	(2,183)	(3,064)
Cash and cash equivalents at end of year	57,247	54,073

(Caution)

These Statements are issued based on the Financial Results for the year ended March 31, 2005, announced in Japan on May 20, 2005. The Results have been prepared in accordance with the prevailing accounting rules in Japan.

TV Asahi Corporation and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

Assets	Millions of yen	
	March 31, 2005	March 31, 2004
Current Assets:		
Cash	¥ 31,767	¥ 31,164
Trade notes and accounts receivable	63,686	56,716
Short-term investments	30,622	26,001
Inventories	14,542	17,302
Deferred tax assets	1,985	1,854
Other current assets	3,565	6,564
Less allowance for doubtful receivables	107	185
Total current assets	146,060	139,416
Property and equipment, net of accumulated depreciation – ¥39,142 million and ¥36,575 million:		
Buildings and structures	23,419	23,778
Machinery and vehicles	23,484	25,316
Land	16,694	16,699
Construction in progress	215	1,041
Other	2,086	1,974
Net property and equipment	65,898	68,808
Intangible assets, net:		
Software	6,791	6,703
Other	342	346
	7,133	7,049
Investments and other assets:		
Investments in securities	52,752	46,055
Deferred tax assets	3,029	2,925
Other investments and other assets	23,147	25,121
Less allowance for doubtful receivables	475	407
Total investments and other assets	78,453	73,694
Total assets	¥ 297,544	¥ 288,967

Liabilities and Stockholders’ Equity	Millions of yen March 31, 2005	March 31, 2004
Current liabilities:		
Trade notes and accounts payable	¥ 13,904	¥ 14,173
Short-term debt and current installments of long-term debt	-	862
Other payables	14,008	12,492
Accrued expenses	15,337	13,592
Accrued income taxes	4,885	1,552
Other current liabilities	3,787	5,989
Total current liabilities	51,921	48,660
Non-current liabilities:		
Liabilities for retirement and severance benefits:		
Employees	16,326	17,333
Directors and corporate auditors	980	965
Other non-current liabilities	178	102
Total non-current liabilities	17,484	18,400
Total liabilities	69,405	67,060
Minority interests	1,410	1,399
Stockholders’ equity:		
Common stock	36,643	36,643
Additional paid-in capital	55,343	55,343
Retained earnings	126,828	120,870
Net unrealized gain on other securities	7,961	7,684
Foreign currency translation adjustments	(46)	(32)
Total stockholders’ equity	226,729	220,508
Commitments and contingencies		
Total liabilities and stockholders’ equity	¥ 297,544	¥ 288,967

TV Asahi Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)

	Millions of yen	
	Year ended March 31, 2005	Year ended March 31, 2004
Net sales	¥ 242,037	¥ 218,079
Cost of sales	165,775	156,125
Gross profit	76,262	61,954
Selling, general and administrative expenses	62,656	55,433
Operating income	13,606	6,521
Other income (deductions):		
Interest income	126	30
Dividend income	291	224
Interest expenses	(3)	(38)
Equity in losses of affiliates	(901)	(1,223)
Loss on devaluation of investments in securities and other investments	(133)	(130)
Provision for allowance for doubtful receivables	(11)	(32)
Other, net	(43)	(1,555)
	(674)	(2,724)
Income before income taxes and minority interests	12,932	3,797
Income taxes:		
Current	5,886	2,846
Deferred	(440)	(782)
	5,446	2,064
Income before minority interests	7,486	1,733
Minority interests	103	46
Net income	¥ 7,383	¥ 1,687

TV Asahi Corporation and Subsidiaries
Consolidated Statements of Surplus
(Unaudited)

	Millions of yen	
	Year ended March 31, 2005	Year ended March 31, 2004
Additional paid-in capital:		
Balance at beginning of year	¥ 55,343	¥ 55,343
Balance at end of year	¥ 55,343	¥ 55,343
Retained earnings:		
Balance at beginning of year	¥ 120,870	¥ 119,999
Decrease during the year:		
Cash dividends	(1,308)	(704)
Bonuses to directors and corporate auditors	(117)	(112)
	(1,425)	(816)
Net income for the year	7,383	1,687
Balance at end of year	¥ 126,828	¥ 120,870

TV Asahi Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	Millions of yen	
	Year ended March 31, 2005	Year ended March 31, 2004
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 12,932	¥ 3,797
Depreciation and amortization	8,389	7,832
Loss on devaluation of investments in securities and other investments	133	130
Equity in losses of affiliates	901	1,223
Allowance for doubtful receivables	(11)	(55)
Decrease in liabilities for retirement and severance benefits	(1,007)	(99)
Interest and dividend income	(417)	(254)
Interest expenses	3	38
Increase in trade notes and accounts receivables	(6,969)	(3,253)
Decrease in inventories	2,760	615
Increase (decrease) in trade notes and accounts payables	3,213	(843)
Other, net	7,034	595
Sub total	26,961	9,726
Interest and dividend received	405	251
Interest paid	(3)	(37)
Income taxes paid	(2,554)	(3,466)
Net cash provided by operating activities	24,809	6,474
Cash flows from investing activities:		
(Increase) decrease in short-term investments	(2,119)	17,002
Capital expenditures	(8,237)	(32,587)
Proceeds from sale of property and equipment	31	4,149
Purchase of intangible assets	(1,971)	(3,374)
Purchase of investments in securities and investments in subsidiaries	(7,287)	(9,534)
Other, net	145	593
Net cash used in investing activities	(19,438)	(23,751)
Cash flows from financing activities:		
Decrease in short-term debt	(800)	(1,724)
Payments on long-term debt	(62)	(625)
Dividends paid to stockholders	(1,308)	(702)
Dividends paid to minority stockholders of subsidiaries	(13)	(13)
Net cash used in financing activities	(2,183)	(3,064)
Effect of exchange rate changes on cash and cash equivalents	(14)	(21)
Net increase in cash and cash equivalents	3,174	(20,362)
Cash and cash equivalents at beginning of year	54,073	74,435
Cash and cash equivalents at end of year	¥ 57,247	¥ 54,073

TV Asahi Corporation and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

1. Basis of Presentation

TV Asahi Corporation (the Company) and its domestic subsidiaries maintain their books of account and prepare their financial statements in conformity with financial accounting standards of Japan, and its foreign subsidiaries in conformity with those of countries of their domicile.

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles and practices in Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications have been made in the financial statements issued domestically in Japan in order to present them in a form which is more familiar to readers outside Japan. In addition, the notes to consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

2. Scope of Consolidation

Number of consolidated subsidiaries: 14 companies

Company name of major consolidated subsidiaries:

Take Systems Co., Ltd., TV Asahi Productions Co., Ltd., TV Asahi Create Co., Ltd., Trust Network Inc., Video Pack Nippon Company Ltd., Housougijutusha Co., Ltd., TV ASAHI Music Co., Ltd., Television Asahi Service Co., Ltd.

3. Application of the Equity Method

Number of affiliates accounted for by the equity method: 7 companies

Company name of major affiliates:

Asahi Satellite Broadcasting Limited, Japan Cable Television Incorporated, Bunkakobo, Inc., Flex Co., Ltd.

The equity method does not apply to certain affiliates, since net income and retained earnings of all those affiliates have no material effect on the accompanying consolidated financial statements.

4. Summary of Significant Accounting Policy

(1) Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Company considers all highly liquid investments with insignificant risk of changes in value which have maturities of generally three months or less when purchased to be cash equivalents.

(2) Securities

Under the Accounting Standards for Financial Instruments, securities are classified into four categories – “trading securities”, “held-to-maturity securities”, “investment in affiliates” and “other securities”. Securities classified as “trading securities” are stated at fair value and unrealized gains or losses are recorded in the consolidated statements of income. Securities classified as “held-to-maturity securities” are stated at amortized cost. Securities classified as “other securities” with market value are stated at fair value and unrealized gains or losses, net of related taxes, are excluded from earnings and recorded in a separate component of stockholders’ equity. Realized gains or losses on those other securities are determined by the moving average method.

(Continued)

Debt classified as “other securities” for which a market value is not available are stated at the amortized cost. Equity securities classified as “other securities” for which a market value is not available are stated at the moving-average cost.

Holding securities of the Company are classified as held-to-maturity securities and other securities.

(3) Inventories

Inventories are stated at cost. Cost is determined principally by the specific identification method.

(4) Depreciation on Property, Plant and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is computed by the straight-line method, over the estimated useful lives of the respective assets.

The estimated useful lives are as follows:

Buildings	15-50 years
Broadcasting equipment	6 years

From fiscal 2004, the Company changed its method of depreciation to the straight-line method from the declining-balance method. The Company intends to stabilize the use of the assets for a long time, and the repair costs for these assets have been incurred consistently for a long time. Consequently, the Company believes that the straight-line method more appropriately reflects the timing of the economic benefits to be received from these assets. The effect of this change was to reduce depreciation expense by ¥407 million and to increase operating income and income before income taxes and minority interests by ¥407 million.

(5) Intangible Assets

Intangible assets are carried at cost less amortization. Amortization of computer software for internal use is calculated by the straight-line method, over the estimated useful lives of five years. Amortization of other intangible assets is calculated by the straight-line method at rates based on the estimated useful lives of the respective assets.

(6) Allowance for Doubtful Accounts

Allowance for doubtful receivables is provided at an amount of uncollectible receivables based on historical loss ratios and an amount that take into consideration the possibility of specific liabilities.

(7) Foreign Currency Translation

Under the Accounting Standards for Foreign Currency Transactions, receivables and payables denominated in foreign currencies are translated into yen at the rate of exchange as of the balance sheet dates, and gains or losses resulting from the translation of foreign currencies are credited or charged to income. Assets and liabilities, and revenues and expenses of overseas subsidiaries are translated into yen at the rate of exchange as of the balance sheet dates, a comprehensive adjustment resulting from translation is presented as “Foreign currency translation adjustments” in a component of stockholders’ equity.

(8) Retirement and Severance Benefits

Under the Accounting Standards for Retirement and Severance Benefits, provisions have been made in the accompanying consolidated financial statements based on the present value of the projected future retirement and severance benefits attributable to employee services rendered by the end of the year, less amounts funded under noncontributory pension plans.

Prior service cost is amortized on the straight-line method over fifteen years, within the average remaining service years of employees from the year when the cost occurs.

(Continued)

Actuarial gain or loss is amortized on the straight-line method over fifteen years, within the average remaining service years of employees from the year after the gain or loss occurs.

The Company and certain subsidiaries have defined benefit pension plans for directors and corporate auditors. Under the plans, directors and corporate auditors are entitled to lump-sum payments based on the current rate of pay and length of service when they leave the Company. Provision has been made in the accompanying consolidated financial statements for the vested benefits to which directors and corporate auditors are entitled, based on the Company's regulations if they were to retire or sever immediately at the balance sheet dates.

(9) Derivative Financial Instruments

The Company had entered into interest rate swap agreements for hedging interest rate exposures. The difference in amounts to be paid or received on interest rate swap agreements was recognized over the life of the agreement as an adjustment to interest expense.

(10) Net income per share

Basic net income per share is computed by dividing net income available to common stockholders by the weighted average number of shares of common stock outstanding during the respective year.

5. Short-term investments and Investments in Securities

Balance sheet amount, fair value and gross unrealized gain and gross unrealized loss of held-to-maturity securities with fair value as of March 31, 2005 and 2004 are summarized as follows:

	Millions of yen			
	2005			
	Balance sheet amount	Gross unrealized gain	Gross unrealized loss	Fair value
Government bond securities	¥ 30,600	15	(1)	30,614
Corporate bond securities	6,620	15	(3)	6,632
Other debt securities	-	-	-	-
	¥ 37,220	30	(4)	37,246

	Millions of yen			
	2004			
	Balance sheet amount	Gross unrealized gain	Gross unrealized loss	Fair value
Government bond securities	¥ 9,000	-	(1)	8,999
Corporate bond securities	1,800	-	(13)	1,787
Other debt securities	-	-	-	-
	¥ 10,800	-	(14)	10,786

(Continued)

Acquisition cost, balance sheet amount and gross unrealized gain and gross unrealized loss of other securities with fair value as of March 31, 2005 and 2004 is summarized as follows:

	Millions of yen			
	2005			
	Acquisition cost	Gross unrealized gain	Gross unrealized loss	Balance sheet amount
Equity securities	¥ 9,019	13,619	(356)	22,282
Debt securities	2,018	81	-	2,099
Other securities	1,527	16	-	1,543
	¥ 12,564	13,716	(356)	25,924

	Millions of yen			
	2004			
	Acquisition cost	Gross unrealized gain	Gross unrealized loss	Balance sheet amount
Equity securities	¥ 6,643	12,941	(17)	19,567
Debt securities	2,018	7	-	2,025
Other securities	1,026	14	-	1,040
	¥ 9,687	12,962	(17)	22,632

It is not practicable to estimate the fair value of securities as of March 31, 2005 and 2004 described bellow because of lack of market price and difficulty in estimating fair value.

	Millions of yen	
	2005	2004
Held-to-maturity securities:		
Commercial paper	¥ 500	¥ 3,000
Other securities:		
Unlisted equity securities	¥ 12,796	¥ 14,786
Certificates of Deposit	-	13,000

Projected future redemption of other securities with maturities and held-to-maturity securities as of March 31, 2005 is summarized as follows:

	Millions of yen	
	Due within one year	Due after one year through five years
Debt securities	¥ 29,120	8,600
Other securities	-	40
	¥ 29,120	8,640

(Continued)

6. Investments in Affiliates

The aggregate carrying amounts of investments in affiliates as of March 31, 2005 and 2004 are ¥6,934 million and ¥7,839 million, respectively.

7. Selling, General and Administrative Expenses

Significant components of selling, general and administrative expenses for the years ended March 31, 2005 and 2004 are as follows:

	Millions of yen	
	2005	2004
Salaries and bonuses	¥ 12,380	¥ 11,678
Agency commissions	37,954	33,249
Advertising expense	2,508	1,797

8. Liabilities for Retirement and Severance Benefits

The Company and its consolidated subsidiaries have noncontributory pension plans to provide retirement and severance benefits to substantially all employees.

The principal pension plans are unfunded defined benefit pension plans. Under the plans, employees are entitled to lump-sum payments based on the current rate of pay and length of service upon retirement or termination of employment for reasons other than dismissal for cause. In addition to the above plans, the Company and certain consolidated subsidiaries have tax qualified noncontributory pension plans. The liability under these plans is funded by contributions to trusted pension funds.

The funded status of the pension plans as of March 31, 2005 and 2004 is outlined as follows:

	Millions of yen	
	2005	2004
Projected benefit obligation	¥ (24,074)	¥ (24,432)
Plan assets at fair value	5,089	4,754
Funded status	(18,985)	(19,678)
Unrecognized actuarial loss	2,473	2,143
Unrecognized prior service cost	186	202
Amount recognized in the consolidated balance sheets	¥ (16,326)	¥ (17,333)

Net periodic pension cost for the years ended March 31, 2005 and 2004 consisted of the following components:

	Millions of yen	
	2005	2004
Service cost	¥ 1,191	¥ 1,292
Interest cost	559	577
Expected return on plan assets	(119)	(103)
Amortization of actuarial loss	169	229
Amortization of prior service cost	17	17
Net periodic pension cost	¥ 1,817	¥ 2,012

(Continued)

Significant assumptions of pension plans used to determine these amounts in fiscal 2005 and 2004 are as follows:

	2005	2004
Periodic allocation method for projected benefit	Straight-line	Straight-line
Discount rate	2.5%	2.5%
Expected rate of return on plan assets	2.5%	2.5%
Period for amortization of unrecognized actuarial loss	15 years	15 years
Period for amortization of unrecognized prior service cost	15 years	15 years

9. Commitments and Contingencies

At March 31, 2005, the Company has guaranteed ¥2,573 million of employee mortgage loans to financial institutions, and ¥1,862 million of third parties loans to financial institutions.

10. Income Taxes

The Company and its consolidated subsidiaries are subject to a number of taxes based on income. The aggregate normal tax rates for domestic companies were approximately 40.7% and 42.1% in 2005 and 2004, respectively. Amendments to Japanese tax regulations were enacted on March 31, 2003 and the normal income tax rate is to be reduced from approximately 42.1% to 40.7% effective from the Company’s fiscal year beginning April 1, 2004. Foreign consolidated subsidiaries are subject to income taxes of the countries in which they are incorporated.

Reconciliation between the normal income tax rate and the effective income tax rate as a percentage of income before income taxes and minority interests for the year ended March 31, 2004 was as follows:

	2004
Normal income tax rate	42.1 %
Expenses not deductible for tax purposes	8.7
Equity in losses of affiliates	13.6
Income not credited for tax purposes	(1.8)
Effect of change in the tax rate	1.3
Tax credit for information technology investment	(7.7)
Other	(1.8)
Effective income tax rate	54.4 %

The reconciliation for the year ended March 31, 2005 was not subject to disclosure as the difference between the rates is less than 5%.

(Continued)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of March 31, 2005 and 2004 are presented below:

	Millions of yen	
	2005	2004
Total gross deferred tax assets:		
Accrued bonuses	¥ 1,173	¥ 1,493
Accrued business tax	505	157
Liabilities for retirement and severance benefits	6,228	6,281
Inventories	693	379
Amortization of intangible assets	1,083	967
Other	1,846	1,808
	11,528	11,085
Total gross deferred tax liabilities:		
Net unrealized gains on securities	(5,467)	(5,248)
Deferred profit on sale of property	(1,047)	(1,076)
	(6,514)	(6,324)
Net deferred tax assets	¥ 5,014	¥ 4,761

11. Supplementary Cash Flow Information

Reconciliation between “Cash” in the accompanying consolidated balance sheets and “Cash and cash equivalents” in the accompanying consolidated statements of cash flows as of March 31, 2005 and 2004 is as follows:

	Millions of yen	
	2005	2004
Cash	¥ 31,767	¥ 31,164
Time deposits that have maturities of over three months when acquired	(22)	(93)
Short-term investments that have maturities of three months or less when acquired	25,502	23,002
Cash and cash equivalents	¥ 57,247	¥ 54,073

(Continued)

12. Segment Information

Information about industry segment, geographic segment and overseas sales of the Company and its consolidated subsidiaries for the years ended March 31, 2005 and 2004 is summarized as follows:

(a) Industry Segment Information

The Company and its subsidiaries' major business categories are TV broadcasting business, music publication business and other business.

	Millions of yen					
	2005					
	TV broadcasting	Music publication	Other	Total	Elimination/ corporate	Consolidated
Sales:						
Outside customers	¥ 213,640	9,071	19,326	242,037	-	242,037
Inter-segment	1,663	51	5,166	6,880	(6,880)	-
	215,303	9,122	24,492	248,917	(6,880)	242,037
Operating expenses	205,401	6,843	23,014	235,258	(6,827)	228,431
Operating income	¥ 9,902	2,279	1,478	13,659	(53)	13,606
Assets	¥ 159,790	7,482	29,937	197,209	100,335	297,544
Depreciation and amortization	7,447	54	888	8,389	-	8,389
Capital expenditures	4,578	63	1,535	6,176	-	6,176

	Millions of yen					
	2004					
	TV broadcasting	Music publication	Other	Total	Elimination/ corporate	Consolidated
Sales:						
Outside customers	¥ 195,081	7,227	15,771	218,079	-	218,079
Inter-segment	1,672	38	6,802	8,512	(8,512)	-
	196,753	7,265	22,573	226,591	(8,512)	218,079
Operating expenses	193,369	5,842	20,650	219,861	(8,303)	211,558
Operating income	¥ 3,384	1,423	1,923	6,730	(209)	6,521
Assets	¥ 176,300	6,052	19,501	201,853	87,114	288,967
Depreciation and amortization	7,389	20	423	7,832	-	7,832
Capital expenditures	29,695	253	753	30,701	-	30,701

(b) Geographic Segment Information

Both domestic sales and assets located in Japan are over 90% of those for all segments for the years ended March 31, 2005 and 2004.

(c) Overseas sales

Overseas sales, which include export sales of the Company and its domestic subsidiaries, are less than 10% of consolidated sales for the years ended March 31, 2005 and 2004.

Appendix

Breakdown of net sales

Information about breakdown of net sales by industry segment of the Company and its consolidated subsidiaries for the years ended March 31, 2005 and 2004 is summarized as follows:

	Millions of yen	
	2005	2004
TV broadcasting:		
Network time	¥ 91,718	¥ 88,720
Spot	98,360	84,838
Sales of programs	11,872	11,756
Other	13,353	11,439
Sub-total	215,303	196,753
Music publication	9,122	7,265
Other	24,492	22,573
Total	248,917	226,591
Elimination	(6,880)	(8,512)
Consolidated	¥ 242,037	¥ 218,079

May 20, 2005

TV Asahi Corporation
Non-consolidated Financial Statements
For the Year Ended March 31, 2005

(Unaudited)

Summary

	Millions of yen (except per share data)	
	Year ended March 31, 2005	Year ended March 31, 2004
Net sales	¥ 218,265	¥ 197,240
Operating income	10,011	4,154
Net income	6,431	1,875
Net income per share (basic)	6,303.25	1,786.98
Net income per share (diluted)	-	-
Return on equity	2.9%	0.9%
Cash dividends per share	1,300.00	1,100.00
Total assets	291,732	274,401
Total stockholders' equity	222,782	217,451
Stockholders' equity ratio	76.4%	79.2%
Stockholders' equity per share	221,364.18	216,153.90

(Caution)

These Statements are issued based on the Financial Results for the year ended March 31, 2005, announced in Japan on May 20, 2005. The Results have been prepared in accordance with the prevailing accounting rules in Japan.

TV Asahi Corporation
Non-consolidated Balance Sheets
(Unaudited)

Assets	Millions of yen	
	March 31, 2005	March 31, 2004
Current Assets:		
Cash	¥ 29,532	¥ 20,921
Trade notes and accounts receivable	60,604	54,063
Short-term investments	30,622	26,001
Inventories	13,671	16,355
Deferred tax assets	1,495	1,384
Other current assets	4,877	7,584
Less allowance for doubtful receivables	73	70
Total current assets	140,728	126,238
Property and equipment, net of accumulated depreciation – ¥36,450 million and ¥33,498 million:		
Buildings	22,140	22,406
Machinery	23,241	25,087
Land	16,590	16,595
Construction in progress	214	1,023
Other	2,536	2,636
Net property and equipment	64,721	67,747
Intangible assets, net:		
Software	6,731	6,658
Other	312	320
	7,043	6,978
Investments and other assets:		
Investments in securities and investments in subsidiaries	56,634	48,987
Deferred tax assets	1,845	1,777
Other investments and other assets	21,112	23,018
Less allowance for doubtful receivables	351	344
Total investments and other assets	79,240	73,438
Total assets	¥ 291,732	¥ 274,401

Liabilities and Stockholders' Equity	Millions of yen March 31, 2005	March 31, 2004
Current liabilities:		
Trade notes and accounts payable	¥ 10,588	¥ 10,587
Short-term debt and current installments of long-term debt	7,708	-
Other payables	13,729	12,296
Accrued expenses	13,864	12,060
Accrued income taxes	3,877	588
Other current liabilities	3,301	5,347
Total current liabilities	53,067	40,878
Non-current liabilities:		
Long-term debt	400	-
Liabilities for retirement and severance benefits:		
Employees	14,556	15,260
Directors and corporate auditors	821	786
Other non-current liabilities	106	26
Total non-current liabilities	15,883	16,072
Total liabilities	68,950	56,950
Stockholders' equity:		
Common stock	36,643	36,643
Additional paid-in capital	55,343	55,343
Retained earnings:		
Legal reserve	530	530
General reserve	112,160	82,160
Other reserve	1,568	31,676
Unappropriated retained earnings	8,620	3,466
Total retained earnings	122,878	117,832
Net unrealized gain on other securities	7,918	7,633
Total stockholders' equity	222,782	217,451
Commitments and contingencies		
Total liabilities and stockholders' equity	¥ 291,732	¥ 274,401

TV Asahi Corporation
Non-consolidated Statements of Income
(Unaudited)

	Millions of yen	
	Year ended March 31, 2005	Year ended March 31, 2004
Net sales	¥ 218,265	¥ 197,240
Cost of sales	153,019	144,566
Gross profit	65,246	52,674
Selling, general and administrative expenses	55,235	48,520
Operating income	10,011	4,154
Other income (deductions):		
Interest income	127	26
Dividend income	314	246
Interest expenses	(4)	(1)
Loss on devaluation of investments in securities and other investments	(133)	(118)
Provision for allowance for doubtful receivables	(11)	(3)
Other, net	72	(1,133)
	365	(983)
Income before income taxes	10,376	3,171
Income taxes:		
Current	4,320	1,727
Deferred	(375)	(431)
	3,945	1,296
Net income	6,431	1,875
Unappropriated retained earnings at beginning of year	2,692	1,893
Interim dividends	(503)	(302)
Unappropriated retained earnings at end of year	¥ 8,620	¥ 3,466

- End -

Note: The following document is a direct translation of that released in Japanese, and thus, all figures have been rounded down to the nearest million yen.

TV Asahi Corporation May 20, 2005

Earnings Summary (Consolidated Basis)
Results for the Fiscal Year Ended March 31, 2005

Stock Listing: Tokyo Stock Exchange (First Section) Code Number: 9409
Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001, JAPAN http://company.tv-asahi.co.jp/e/
Michisada Hirose, President and CEO
Information Contact: Kenji Kazama, Executive Director and Treasurer Tel: +81-3-6406-1111
Date of Board of Directors meeting to approve consolidated financial statements: May 20, 2005
Name of Parent Company, etc.: Asahi Shimbun Publishing Co., Ltd. (plus one other company)
Percentage of Voting Rights Held by Parent Company, etc.: 36.0%
U.S. accounting standards: not applicable

1. Performance for Fiscal Year Ended March 31,2005 (April 1, 2004 - March 31, 2005)

(1) Operating Results

	Net sales		Operating income		Recurring profit	
	millions of yen	%	millions of yen	%	millions of yen	%
FYE March 31, 2005	242,036	11.0	13,606	108.7	13,592	130.6
FYE March 31, 2004	218,078	4.3	6,520	(12.2)	5,893	(15.0)

	Net income		Net income per share	Net income per share after dilution	Return on equity	Total capital to recurring profit	Sales to recurring profit
	millions of yen	%	yen	yen	%	%	%
FYE March 31, 2005	7,382	337.5	7,198.89	-	3.3	4.6	5.6
FYE March 31, 2004	1,687	(11.6)	1,559.52	-	0.8	2.0	2.7

Notes:
1) Gain (Loss) on investment by equity method: FYE March 31, 2005: (901)m yen; FYE March 31, 2004: (1,222)m yen
2) Average number of shares outstanding during the period: FYE March 31, 2005: 1,006,000 shares; FYE March 31, 2004: 1,006,000 shares.
3) Change in accounting method: None
4) Percentages indicate year-on-year increase/decrease in net sales, operating income and recurring profit and net income.

(2) Financial Data

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	millions of yen	millions of yen	%	yen
At March 31, 2005	297,544	226,729	76.2	225,237.25
At March 31, 2004	288,967	220,508	76.3	219,193.18

Note: Average number of shares outstanding during the period: FYE March 31, 2005: 1,006,000 shares; FYE March 31, 2004: 1,006,000 shares.

(3) Cash Flows

	Cash flows from operations	Cash flows from investing activities	Cash flows from financial activities	Cash and cash equivalent at end of term
	millions of yen	millions of yen	millions of yen	millions of yen
FYE March 31, 2005	24,808	(19,437)	(2,183)	57,247
FYE March 31, 2004	6,474	(23,751)	(3,064)	54,072

(4) Number of subsidiaries and affiliates
Consolidated subsidiaries: 14
Non-consolidated subsidiares accounted for by the equity method: 0
Affiliates accounted for by the equity method: 7

(5) Additions and deletions from consolidated subsidiaries and affiliates
Consoliated subsidiaries: additions 0, deletions 0
Affiliates: additions 1, deletions 0

2. Forecast for Fiscal Year Ending March 31, 2006 (April 1, 2005 - March 31, 2006)

	Net sales	Recurring profit	Net income
	millions of yen	millions of yen	millions of yen
Mid-term ending Sept. 30, 2005	121,700	5,300	3,000
FYE March 31, 2006	246,000	13,700	7,600

Reference: Consolidated net income per share is forecast to be 7,554.67 yen

Note: The forecasts above are based on information available at the time of announcement and thus, actual results may differ due to various changes in business environment. For assumptions for forecast for FYE March 31, 2006, please refer to p.30 of reference materials.

Note: The following document is a direct translation of that released in Japanese, and thus, all figures have been rounded down to the nearest million yen.

1. Corporate Group Structure

The Corporate Group led by TV Asahi comprises of TV Asahi and its 14 subsidiary companies together with its 12 affiliated companies (as of March 31, 2005). Just as TV Asahi professionally pursues businesses related to program productions, each one of the corporate group companies are actively involved in their respective professional fields. We also have stable business relationships with our associated companies; Asahi Shimbun Publishing Co., Ltd. and Toei Co., Ltd.

The Corporate Group is divided into three business segments. The TV Broadcasting Business covers businesses related to the production and broadcast of television programs aired by TV Asahi, and the core companies comprising this segment are TV Asahi Corporation and TV Asahi Productions Co., Ltd. The Music Publication Business consists of management of music publication copyrights, record business and artist management, all of which are conducted by TV ASAHI Music Co., Ltd. Other Businesses covers various business activities which include special events, video and DVD sales, publishing and investments in motion pictures which are all directly managed by TV Asahi, TV shopping business which is managed by TV Asahi and our subsidiary, TV Asahi Living Co., Ltd., and sales of broadcasting equipment and other broadcasting peripheral operations which is conducted by our subsidiary, Television Asahi Service Co., Ltd.

TV ASAHI

TV Broadcasting Business

Business related to Program Production

Consolidated Subsidiaries:
- Logical Solution & D Inc.
- Take Systems Co., Ltd.
- TV Asahi Productions Co., Ltd.
- TV Asahi Create Co., Ltd.
- Trust Network Inc.
- Video Pack Nippon Company Ltd.
- Housougijutusha Co., Ltd.
- TV ASAHI America , Inc.

Affiliates (equity holding by TV Asahi):
- Japan Cable Television Incorporated
- Flex Co., Ltd.
- Bunkakobo, Inc.
- JCTV-HQ

Associated Companies:
- Tohoku Asahi Production Co., Ltd.
- Mystery Channel Inc.
- Ryukyu Trust Co., Ltd.
- Media Mix Japan Co., Ltd.

Other Associated Company:
- Toei Co., Ltd.

BS/CS Digital Broadcasting

Affiliates (equity holding by TV Asahi):
- Asahi Satellite Broadcasting Limited
- CS One Ten, Ltd.

Multi Lingual & Multi Data Broadcasting

Consolidated Subsidiary:
- TV Asahi Data Vision Co., Ltd.

Music Publication Business

Consolidated Subsidiaries:
- TV ASAHI Music Co., Ltd.

Affiliate (equity holding by TV Asahi):
- BS Asahi Sounds Limited

Other Businesses

TV Shopping Business

Consolidated Subsidiary:
- TV Asahi Living Co., Ltd.

Broadcasting Facilities Related Business

Consolidated Subsidiary:
- Television Asahi Service Co., Ltd.

Announcer Training School

Consolidated Subsidiary:
- TV Asahi ASK Co., Ltd.

Facilities Administration Business

Consolidated Subsidiary:
- TV Asahi BEST Co., Ltd.

Content Distribution for Broadband Market

Associated Company:
- TRESOLA Corporation

Daily Newspaper Publisher

Other Associated Company:
- Asahi Shimbun Publishing Co., Ltd.

2. Management Policy

(1) Basic Management Policies

TV Asahi’s broadcasting mission is to serve the public. TV Asahi is committed to providing high-quality programs and implementing ongoing reforms so that it will continue to be the broadcaster of choice for large numbers of viewers and advertisers, and will develop together with the community it serves.

TV Asahi, together with its Group companies, is also committed to establishing itself as the leader in the information and media industry. The Company faces a myriad of challenges in the current business environment, characterized by an increase in both consolidation and competition with the telecommunications and other industries, the emergence of new services, and the expansion of its business domain. With the continued support of our viewers, advertisers, and shareholders, TV Asahi will strive to increase its corporate value to its stakeholders.

(2) Basic Policy on the Allocation of Profits

As TV Asahi is a company engaged primarily in broadcasting business, and therefore of a highly public-service character, its basic policy is to endeavor to sustain a stable dividend payout while maintaining a retained earnings balance that is conducive to securing a stable foundation of the Company. Its aim is to build a solid long-term business foundation and to ensure the passing-on of profits to shareholders, subject to variation based on factors such as commemorative occasions and business performance in each business term.

With respect to the allocation of profits to retained earnings, the Company will strive to further enhance its financial condition and to prepare itself for active development of business operations that will position it well for the full transition to the digital era and for supplying a greater amount of content to a broad range of media.

For the term under review, the Company plans to pay an end-of-period dividend of ¥500 per share of common stock, together with a special dividend of ¥300 per share. Combined with the interim dividend of ¥500 per share already paid, the dividend for the full year will thus be ¥1,300 per share, representing a dividend payout ratio of 20.6%.

(3) Management Indicators

In view of the unique characteristics of television broadcasting business, which is greatly influenced by economic and advertising market trends, TV Asahi does not currently employ any specific management indicators. However, the Company is committed to increasing profits and enhancing corporate value by increasing viewer ratings, both which contribute greatly to Group sales revenues, and by placing emphasis on more efficient management of costs.

(4) Medium- to Long-Term Management Strategies, and Issues to Be Addressed

TV Asahi has been pursuing Company-Wide Reform Campaign from June 2002 to March 2005. The Campaign’s mission was to become "the industry leader in content creation." The three strategic goals were to raise viewer ratings, increase revenue stream and to instill an energetic corporate culture.

The viewer ratings for the second half of the fiscal year under review has increased 1.3 percentage points in prime time ratings, 1.0 percentage points in all-day ratings compared to the beginning of the Campaign. The Company has also enlarged its revenue streams as indicated by its non-advertising revenues increasing 1.5 fold in the past three years. Moreover, the improvement of its corporate image by moving to new headquarters building and changing its company name and also the reorganization of its corporate structure and implementation of new personnel management systems, TV Asahi has been successful in branding itself into a new and vibrant company.

Moreover, TV Asahi has launched Phase Two of the Company-wide Reform Campaign in April 2005 in order to build on the results of the first phase of the Campaign and to establish a corporate structure that compels success in the digital era. Specific goals are to maintain viewer ratings of 13% or above during golden time and prime time rating periods, achieve viewer ratings of 8% in all-day and prime time 2 rating periods, and to achieve advertising revenue of ¥200 billion by fiscal year ending March 31, 2007 and to maintain non-advertising revenue of ¥28 billion until fiscal year ending March 31, 2007.

Measures to increase ratings include improving corporate organization, giving priority to increasing staff in the programming and production sections, streamlining employee efforts and increasing operating efficiency. By enhancing production capabilities and efficiency, TV Asahi is aiming to further strengthen its competency in content creation. By sustaining content creation capacity and improving its production efficiency, TV Asahi will continue to provide high quality programs in order to fulfill its duty as a public goods provider and a responsible corporate citizen.

Furthermore, with regards to revenues, in addition to increasing its advertising revenue, TV Asahi will also expand its non-advertising revenue. The Company will focus on areas that have synergies with its TV broadcasting business, such as TV shopping business, video and DVD sales of its programs, subscription-based information and download services for mobile phones, production of theatrical films of its television programs and program sales.

In 2008, terrestrial digital broadcasting will become available on a national level. It is important for TV Asahi, the key network station, to ensure a smooth start of terrestrial digital broadcasting among all of its affiliate stations.

With the termination of analog broadcast and complete transition to digital broadcasting approaching in 2011, TV Asahi will continue to incorporate the advantages of digital technology into its operations and will remain actively engaged in delivering TV broadcasting services that are both convenient and of entertainment value.

TV Asahi will continue to aim towards achieving a strong financial structure. It will also focus on active promotion of the Company and diligent investor relation activities, and will also continue to seek opportunities to meet expectations of our stakeholders.

(5) Fundamental Thinking on Corporate Governance, and State of Implementation of Related Measures

TV Asahi regards the study and implementation of corporate governance measures to be one of the most important tasks of management. As such, the Company maintains a system of statutory auditors, creating a management-oversight structure whereby the Board of Directors monitors the status of operational control executed by the executive officers, while auditors and the Board of Auditors track corporate management as a whole. This structure is further strengthened by the development of various internal control mechanisms implemented within the organizational structure.

[1] Status of management organizations for management decision-making, execution, and supervision, and other corporate-governance systems

a. Appointment of outside directors and auditors

Of the Company's 21 directors, five are outside directors as provided in Article 188, Paragraph 2, Item 7-2 of the Commercial Code. Of the five auditors, two are outside auditors as provided in Article 18, Paragraph 1 of the Law for Special Exceptions to the Commercial Code concerning Audits, etc. of Kabushiki-Kaisha (Corporations).

b. Management execution, oversight and internal control mechanisms

The Board of Directors is comprised of 21 internal and outside directors, and business execution is carried out by the executive officers appointed by the board and by full-time internal directors who assist them. In addition, pursuant to Article 260-3 of the Commercial Code, the five auditors also attend meetings of the Board of Directors.

Regarding business execution by internal directors, full-time internal directors form the Council of Executive Directors, which as a rule holds weekly meetings at which business statuses are reported and discussions are held concerning the operation of the business sections for which its members are responsible. The Council effectively acts as the checking mechanism for the execution of each business activity.

Moreover, for the election of directors, the most appropriate candidates are chosen according to the business, size and mid to long-term corporate strategy of the Company, and is then passed on for approval at the shareholder's meeting. Compensation is determined according to set procedures in a fair and appropriate manner.

Routine business activities by employees are covered by internal-control mechanisms. Authority and responsibilities are set out by organizations and regulations, and whenever necessary they are checked by a number of internal departments such as the Compliance Audit Department, the Legal Affairs Department, and the Broadcast Standards and Practices Department, and reports on the status of activities are submitted to the Council of Executive Directors and other councils.

The executive officers present detailed reports to the Board of Directors on the execution of business within the structure described above; board meetings are as a rule convened once per month.

The Board of Directors ensures that the management policies it has determined, the execution of important businesses, and other matters are not in violation of laws, the articles of incorporation, or other rules, and that each business is being conducted in an appropriate and responsible manner.

The auditors examine the legality and propriety of the execution of business by the Board of Directors with respect to the Company's entire range of business activities.

Matters such as auditing methods and timing are based on an audit plan prepared through mutual discussion by the auditors. The auditors attend meetings of the Board of Directors and other key internal meetings, and conduct their auditing activities strictly through such means as interviews with officers and employees, and the examination of reported materials.

The Company's internal-control mechanism is based on the various mechanisms implemented within the organizational structure for the purpose of observing laws and other rules throughout the Company. Senior management to employees are subject to the mechanisms.

Within this structure, the President has responsibility of command, and under his direction, the Company offers training sessions base on compliance measures for its employees, in order to implement internal-control mechanisms.

The Company is in the course of establishing rules and structures for cases in which any law or rule has been violated. These involve immediate investigation of the matter, the taking of necessary remedial measures, and appropriate steps to limit damage and to prevent any recurrence.

c. Lawyers, external auditors and other third parties

Within the internal-control mechanism described above, the Compliance Audit Department and other components consult and report to external specialists such as lawyers and certified public accountants with respect to all aspects of the Company's business activities, and receive appropriate advice and guidance in return.

Regarding financial auditing for the Company, Toyo & Co. conducts financial auditing. The CPAs who have conducted the audit and their respective years of signing the auditing report are: Koichiro Yoshida, 11 years and Masabumi Sukegawa, two years.

In addition, five CPAs and one accountant have assisted in the auditing.

Moreover, the auditing fee paid to the Company’s financial auditor, in accordance with the audit contract is ¥19 million for the issuance of the auditor’s report.

[2] Outline of personal, capital, and business relationships between the Company and outside directors and auditors

The following are the relationships between the Company and outside directors as provided in Article 188, Paragraph 2, Item 7-2 of the Commercial Code, and outside auditors as provided in Article 18, Paragraph 1 of the Law for Special Exceptions to the Commercial Code concerning Audits, etc. of Kabushiki-Kaisha.

(At March 31, 2005)

Title	Name	Status at other companies	Capital relationship	Business relationship
Director	Tsuyoshi Okada	President and CEO, Toei Co., Ltd.	Yes	Yes
Director	Yoshitoshi Kitajima	President and CEO, Dai Nippon Printing Co., Ltd.	Yes	Yes
Director	Mitsuru Gondo	President and CEO, Kyusyu Asahi Broadcasting Co., Ltd.	Yes	Yes
Director	Yoshio Nishimura	President and CEO Asahi Broadcasting Corporation	Yes	Yes
Director	Shinichi Hakoshima	President and CEO, Asahi Shimbun	Yes	Yes
Auditor	Sawako Noma	President, Kodansha Ltd.	Yes	Yes
Auditor	Takahisa Hamamoto	President and CEO, HokkaidoTelevision Broadcasting Co., Ltd.	Yes	Yes

[3] Company efforts during the past year to enhance corporate governance

The Company undertook the development and establishment of the structure described above, for the purpose of further enhancing its compliance-oriented internal control mechanisms, including a training system outlining compliance procedures, and an in-house hotline for anonymously reporting concerns.

Moreover, TV Asahi has published a “Compliance Handbook” which includes several case studies. The handbook has been distributed to all directors and employees of the Company. Training sessions were also held to further the understanding of corporate governance in the workplace.

(6) Matters regarding Parent Companies

[1] Trade name of Parent Companies

Parent Company	Category	Percentage of Voting Rights held by Parent Company (%)	Stock Exchange Listing of Parent Company
Asahi Shimbun Publishing Co., Ltd.	Company that is the associated company of the listed company	35.96 (2.08)	None
Toei Co., Ltd.	Company that is the associated company of the listed company	17.46 (1.35)	Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange

Note: The amount in parenthesis under the column for Percentage of Voting Rights held by Parent Company refers to indirect holding by parent company and is included in the amount above.

[2] The Parent Company that has the Greatest Influence over the Listed Company (TV Asahi)

Name of Parent Company:	Asahi Shimbun Publishing Co., Ltd.
Reason:	Largest shareholder and is in position to exercise ultimate influence over the listed company.

[3] Relationship between the Listed Company and the Parent Company including the Position of the Listed Company within the Group Companies of the Parent

The Company's major shareholders include Asahi Shimbun Publishing Co., Ltd., which is a leading daily national newspaper publisher, and Toei Co., Ltd., which is one of the prominent theatrical film producers in Japan. The Company provides services in line with the various needs of its viewers through achieving synergies from its "multi-faceted media" structure.

Of the above, Asahi Shimbun holds 35.96% (including indirect holdings) of voting shares of the Company and is recognized as the Company's parent company. The Company conducts personnel exchanges and business transactions with Asahi Shimbun and its group companies in order to strengthen its competitiveness as a media company.

Of the 21 members of the Board of Directors[1)], only two full-time internal members are from Asahi Shimbun and three outside members are corporate directors among the said group companies. Moreover, of the five corporate auditors of the Company, one is an outside auditor who is from a company comprising Asahi Shimbun group companies.

Business transactions with Asahi Shimbun and its group companies are executed under the same terms as that of other companies, and business matter and transaction volume is checked before and after its execution. Thus, regarding the Company's business activities and management administration, the Company maintains independence from Asahi Shimbun and its group companies.

[4] Businesses Relationship with Parent Company

No particular business relationship to be noted.

3. Business Performance and Financial Situation

(1) Business Performance

During the fiscal year under review, despite numerous negative factors, such as the strong Japanese yen, increase in oil prices and the slow down of the domestic economy in the second half of the fiscal year, the Japanese economy continued to show signs of recovery as the capital expenditure in the manufacturing sector continued to increase, the effects of the war on Iraq and SARS subsided, the Athens Olympics and an especially hot summer boosted the economy, and the corporate operating results improved due to regained exports.

Total advertising spending in calendar year 2004 grew year-on-year for the first time in four years. Particularly, total television advertising rose significantly year-on-year due to several major events such as the Athens Olympics and the robust spot advertising market.

Under these economic conditions, the Company ended its Company-wide Reform Campaign this fiscal year. As a result of increased efforts in its TV Broadcasting Business as well as its Music Publication Business and Other Businesses, such as television shopping, TV Asahi achieved consolidated net sales of ¥242.036 billion, representing an increase of ¥23.958 billion, or 11.0%, from the previous year. The aggregate total of cost of sales and of selling, general and administrative expenses rose by ¥16.873 billion, or 8.0% year-on-year, to ¥228.43 billion, and as a result the increase in operating income was ¥7.085 billion, or 108.7%, rising to ¥13.606 billion.

Recurring income totaled ¥13.592 billion, representing a year-on-year rise of ¥7.699 billion, or 130.6%, and net income rose by ¥5.695 billion, or 337.5%, to ¥7.382 billion.

The following is a summary of business performance by segment.

[1] TV Broadcasting Business

During the fiscal year under review, TV Asahi recorded 7.8% in its all-day (6 a.m. to midnight) viewer ratings period. TV Asahi has become the third ranked broadcaster following Fuji Television and Nippon TV. This is a feat accomplished for the first time in 34 years since fiscal year ended March 31, 1971 and is also an all-time high record for the Company.

Prime time (7 p.m. to 11 p.m.) viewer ratings rose to 12.3%, a year-on-year increase of 0.2 percentage points. Golden time (7 p.m. to 10 p.m.) ratings rose 0.6 percentage points to 11.9% and continues to show an upward trend.

In the entertainment program genre, Takeshi Kitano’s *Takeshi’s TV Tackle* at 9 p.m. on Mondays covers current social topics and continues to capture high ratings. Shows in the 11 p.m. slots aired Monday though Thursday are also maintaining high average ratings of 10 to 13%.

In the drama program genre, TV Asahi’s 45th Anniversary Special Drama *My Younger Brother*, which ran over five consecutive nights, recorded an average rating of 24.2% and won tremendously favorable reviews from various fields. In addition, *Black Leather Notebook* and *Hitoshi Tadano, the Extraordinary Undercover Detective* have gained wide audiences.

In our news and information program genre, daily news programs such as *Yajiuma Plus*, *Super Morning*, *Wide! Scramble* and *Super J Channel* have all achieved higher ratings. *Hodo Station*, the successor to *News Station*, started in April 2004 and it has continued to gain the confidence of our viewers by presenting fresh perspectives to various news topics.

In the sports program genre, our exclusive terrestrial broadcast of the 2006 FIFA World Cup^{TM} Asian Qualifiers has gained especially high viewer ratings - 47.2% for the match between Japan and North Korea, 37.9% for Japan vs. Iran and 40.5% for Japan vs. Bahrain. In particular, the 47.2% for Japan vs. North Korea is an all-time high rating in the history of TV Asahi and it has also ranked No.1 for all programs aired during this fiscal year, including NHK's popular annual year-end music program.

Within such circumstances, the Company has endeavored to achieve higher profits through aggressive sales efforts.

As a result, in the time sales segment, smooth sales progression due to the high ratings of regular entertainment and daily news shows and heightened sales efforts for drama and sports special programs led to time sales revenues of ¥91.717 billion, which represents a rise of ¥2.997 billion, or 3.4% from the previous year.

For spot sales, the impact of the Athens Olympics and the hot summer season instigated sales, and spot sales ran high throughout the year. In addition to our main segments, beverages, toiletries and insurance industries, consumer electronics also grew substantially year-on-year. In consequence, spot sales revenues rose by ¥13.521 billion, or 15.9%, to ¥98.359 billion.

Program sales rose by ¥116 million, or 1.0% year-on-year, to ¥11.871 billion. Other revenues increased by ¥1.913 billion, or 16.7%, to ¥13.353 billion, owing to increased broadcasting related revenue of our subsidiaries, TV Asahi Productions Co., Ltd. and TV Asahi Create Co., Ltd.

The net result of the above amounted to TV Broadcasting revenues totaling ¥215.302 billion, a rise of ¥18.549 billion, or 9.4%, from the previous year, while operating expenses increased by ¥12.032 billion, or 6.2%, to ¥205.401 billion. As a result, the Company posted operating income of ¥9.901 billion, representing a year-on-year increase of ¥6.517 billion, or 192.6%.

[2] Music Publication Business

The music publication and music rights management business has progressed favorably. In record sales, album and single sales of TV Asahi Music's exclusive artists, such as album *TRUNK* from "HY," single *Aoi Bench* and album *Smile* from "Sasuke" have posted good results. Other singles *Kimi ni Bump* and *Sakura* from "Ketsumeishi," another exclusive artist group, have also made the hit charts. Management of concert events and sales of artist merchandise have also contributed to net sales.

As a result, net sales increased by ¥1.857 billion, or 25.6% on a year-on-year basis, to ¥9.122 billion, operating expenses increased by ¥1 billion, or 17.1%, to ¥6.843 billion. Operating income increased by ¥856 million, or 60.2%, to ¥2.279 billion.

[3] Other Businesses

In the investment in motion pictures business, domestic production *CASSHERN*, foreign production *House of Flying Daggers*, animation *DORAEMON Nobita in The Wyan-Nyan Space-Time Odyssey*, *Crayon Shin-Chan Arashi wo Yobu! Yuhi no Kasukabe Boys* became hit releases.

In the special events business, TV Asahi undertook numerous events, such as rock concert *SUMMER SONIC 2004*, Broadway musical *42nd Street*, exhibition *China's National Treasures* and was successful in drawing a large audience.

In addition, TV shopping business grew substantially from increased sales of its television shopping programs *Selection X* and *Kaiteki! Zubari*. Moreover, TV Asahi has also focused on content distribution business, including publication and DVD and video repackaging of drama shows.

Sales of equipment by subsidiary company, TV Asahi Service Co., Ltd. has decreased from the previous year, but due to increased sales from TV shopping and special events businesses, net sales from other businesses totaled ¥24.492 billion, representing an increase of ¥1.919 billion, or 8.5%, from the previous year. Operating expenses increased by ¥2.364 billion, or 11.5%, to ¥23.013 billion, with the result of operating income falling by ¥445 million, or 23.1%, to ¥1.478 billion.

(2) Financial Situation

Total assets as of the end of the fiscal year in review increased by ¥8.576 billion, to ¥297.544 billion, shareholders' equity increased by ¥6.22 billion, to ¥226.729 billion, resulting in s decrease of shareholders' equity ratio by 0.1 percentage points, to 76.2%.

Cash Flow during Fiscal Year Ended March 31, 2005

During the period under review, cash and cash equivalents (hereinafter "cash") on a consolidated basis rose by ¥3.174 billion from the previous year, to ¥57.247 billion.

[Cash Flow from Operating Activities]

Cash flow from operating activities showed an increase of ¥24.808 billion, which is ¥18.334 billion more than the previous year. The main reasons for the increase were a rise of ¥9.135 billion in net income before income taxes and minority interests, and rise of ¥3.121 billion in consumption tax related cash flow due to as a return of consumption tax from the large capital expenditure in the previous year and no payment of consumption taxes thus far this year.

[Cash Flow from Investing Activities]

Cash flow from investing activities showed a year-on-year decrease of ¥4.313 billion, to ¥19.437 billion, compared to the total of ¥23.751 billion the previous year. The principal reason for this is the large amount of payment for the purchase of broadcasting equipment related to the relocation to our new headquarter building the previous year.

[Cash Flow from Financing Activities]

As the Company increased dividend per share, the total dividend payout has also risen, but as repayment of debt has decreased, cash flow from financing activities totaled ¥2.183 billion, a decrease of ¥881 million compared to the previous year.

Trend of Cash Flow Indicators

Indicator	Year ended March 31, 2003	Year ended March 31, 2004	Year ended March 31, 2005
Equity ratio (%)	73.4	76.3	76.2
Fair value equity ratio (%)	48.6	74.8	83.8
No. of years for debt redemption (years)	0.3	0.1	0.0
Interest coverage ratio (times)	100.8	176.1	8,987.3

Notes:
· Equity ratio: Shareholders' equity/Total assets
· Fair value equity ratio: Gross market capitalization/Total assets
· No. of years for debt redemption: Interest-bearing debt/Cash flow from operating activities
· Interest coverage ratio: Cash flow from operating activities/Interest payments

1. All indicators are calculated on the basis of consolidated financial values.
2. Gross market capitalization is calculated by multiplying the closing price of the Company's shares at the year-end by the number of shares issued and outstanding at the year-end.
3. For cash flow from operating activities, the cash flow from operating activities on a consolidated basis is used. Interest-bearing debt refers to short-term and long-term borrowings stated in the consolidated balance sheets. Interest payments equate with "interest paid" in the consolidated statement of cash flows.

(3) Outlook for Year Ending March 31, 2006

Although the Japanese economy needs to be followed cautiously in relation to rising oil prices, the slow momentum of the world economy, adjustments to production of digital consumer electronics and higher supply costs for domestic digital consumer electronics manufacturers, the financial stability and profitability of corporations have improved, which gives much assurance to a stable recovery of the economy.

Amid this operating environment, the Company, achieving stable viewer ratings in Phase Two of the Company-wide Reform Campaign, expects to increase total revenue by improving earnings in the TV Broadcasting Business through active advertising sales activities, and also continued efforts in the Music Publication Business and Other Businesses.

On the other hand, operating expenses will be effectively controlled and thus, the Company expects an increase in operating income, recurring profit and net income on a year-on-year basis.

[1] Consolidated

	Six-month ending Sept. 30, 2005		Year ending Mar. 31, 2006	
	Amount (Millions of yen)	Year-on-year growth (%)	Amount (Millions of yen)	Year-on-year growth (%)
Net sales	121,700	2.8	246,000	1.6
Operating income	5,300	(21.1)	13,700	0.7
Current income	5,300	(21.8)	13,700	0.8
Net income	3,000	(13.6)	7,600	2.9

[2] Non-consolidated

	Six-month ending Sept. 30, 2005		Year ending Mar. 31, 2006	
	Amount (Millions of yen)	Year-on-year growth (%)	Amount (Millions of yen)	Year-on-year growth (%)
Net sales	110,040	3.1	221,800	1.6
Operating income	4,000	(18.5)	10,400	3.9
Current income	4,400	(18.0)	11,000	2.3
Net income	2,700	(11.4)	6,600	2.6

(4) Business Risks

[1] Dependence on TV Broadcasting Business

TV Asahi’s revenue is largely comprised of its TV Broadcasting Business, which is dependent on the advertising expenses of companies that are in turn greatly influenced 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 not able to produce and broadcast programs that are widely popular among the viewers, the operating results of the Company may be influenced.

[2] Competition, Capital Expenditures and Investments

Terrestrial digital broadcasting commenced on December 1, 2003.

Aligned with its move to its new headquarter building in the previous fiscal year, TV Asahi has invested in broadcasting equipment necessary for the broadcast of terrestrial digital broadcasting. The Company will continue to position digital broadcasting as an important management issue until the full transition to digital broadcasting is completed in 2011.

In addition, terrestrial digital broadcasting may bring about further competition with services other than terrestrial broadcasting, such as BS digital broadcasting, CS digital broadcasting, cable television and content broadcasting on broadband.

Thus, the Company will continue to spend appropriate capital expenditure and make other investments in order to maintain technical standards, improve its content production competency, acquire popular content and strengthen its media strategy. In the event sufficient profits cannot be attained to balance such investments, the operating results of the Company may be influenced.

[3] Regulations (License and Foreign Ownership)

The main business of the Company is its TV Broadcasting Business, which is administered under various regulations such as the Radio Wave Laws and Broadcasting Laws of Japan.

For the launch of its TV Broadcasting Business, TV Asahi was granted its broadcasting license on January 9, 1959 in accordance with the Radio Wave Laws, and started broadcasting service on February 1, 1959. As stipulated in the Laws, the license period is five years, and thus, the Company has continued to apply for license renewal.

According to the Radio Wave Laws, there exists a foreign ownership restriction that prohibits a foreign national to be an executive director and/or foreign entities to own more than one fifths of a free-to-air radio or television broadcaster. In effect, under certain conditions, it is possible to reject the transfer of stock registration of a foreign entity. Moreover, when foreign ownership reaches 15%, the Company is required to disclose the fact, in accordance with the Broadcasting Laws.

Note: The following document is a direct translation of that released in Japanese, and thus, all figures have been rounded down to the nearest million yen.

TV Asahi Corporation

May 20, 2005

Earnings Summary (Non-Consolidated Basis)
Results for the Fiscal Year Ended March 31, 2005 (April 1, 2004 - March 31, 2005)

Stock Listing: Tokyo Stock Exchange (First Section) Code Number: 9409
Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001, JAPAN http://company.tv-asahi.co.jp/e/
Michisada Hirose, President and CEO
Information Contact: Kenji Kazama, Executive Director and Treasurer Tel: +81-3-6406-1111
Date of Board of Directors meeting to approve interim non-consolidated financial statements: May 20, 2005
Date of Annual Shareholders' Meeting: June 29, 2005
Interim dividends: Yes Unit stock system: No

1. Performance for Fiscal Year Ended March 31, 2005 (April 1, 2004 - March 31, 2005)

(1) Operating Results

	Net sales		Operating income		Recurring profit	
	millions of yen	%	millions of yen	%	millions of yen	%
FYE March 31, 2005	218,265	10.7	10,011	141.0	10,755	124.4
FYE March 31, 2004	197,239	2.6	4,154	(34.2)	4,793	(28.7)

	Net income		Net income per share	Net income per share after dilution	Return on equity	Total capital to recurring profit	Sales to recurring profit
	millions of yen	%	yen	yen	%	%	%
FYE March 31, 2005	6,431	243.0	6,303.25	-	2.9	3.8	4.9
FYE March 31, 2004	1,874	(24.7)	1,786.98	-	0.9	1.7	2.4

Notes:
1) Average number of shares outstanding during the period: FYE March 31, 2005: 1,006,000 shares; FYE March 31, 2004: 1,006,000 shares.
2) Change in accounting method: None
3) Percentages indicate year-on-year increase/decrease in net sales, operating income and recurring profit, and net income.

(2) Dividends

	Annual dividend per share			Total dividend payout	Dividend payout ratio	Shareholders' equity dividend ratio
		Mid-term	Year-end			
	yen	yen	yen	millions of yen	%	%
FYE March 31, 2005	1,300.00	500.00	800.00	1,307	20.6	0.6
FYE March 31, 2004	1,100.00	300.00	800.00	1,106	61.6	0.5

Notes: Year-end dividend for FYE March 31, 2005: Ordinary dividend of 500.00 yen and special dividend of 300.00 yen

(3) Financial Data

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	millions of yen	millions of yen	%	yen
At March 31, 2005	291,732	222,782	76.4	221,364.18
At March 31, 2004	274,400	217,450	79.2	216,153.90

Notes:
1) Average number of shares outstanding during the period: FYE March 31, 2005: 1,006,000 shares; FYE March 31, 2004: 1,006,000 shares.
2) Number of treasury stocks: March 31, 2005: 0; March 31, 2004: 0

2. Forecast for Fiscal Year Ending March 31, 2006 (April 1, 2005 - March 31, 2006)

	Net sales	Recurring profit	Net income	Annual dividend per share		
				mid-term	year-end	
	millions of yen	millions of yen	millions of yen	yen	yen	yen
Mid-Term ending Sept. 30, 2005	110,040	4,400	2,700	500.00	-	-
FYE March 31, 2006	221,800	11,000	6,600	-	500.00	1,000.00

Reference: Non-consolidated net income per share is forecast to be 6,560.64 yen

Note: The forecasts above are based on information available at the time of announcement and thus, actual results may differ due to various changes in business environment. For assumptions for forecast for FYE March 31, 2006, please refer to p.30 of reference materials.