April 30, 2008

TV Asahi Corporation and Subsidiaries
Consolidated Financial Statements
For the Year Ended March 31, 2008

(Unaudited)

Summary

	Millions of yen (except per share data)	
	Year ended March 31, 2008	Year ended March 31, 2007
Net sales	¥ 252,746	¥ 251,125
Operating income	9,976	13,678
Net income	6,422	10,304
Net income per share (basic)	6,383.75	10,242.19
Net income per share (diluted)	–	–
Return on equity	2.6%	4.2%
Total assets	313,677	314,466
Total net assets	245,763	249,444
Equity ratio	77.2%	78.6%
Net assets per share	240,678.24	245,677.73
Net cash provided by operating activities	17,527	13,688
Net cash used in investing activities	(1,296)	(18,748)
Net cash used in financing activities	(2,326)	(1,419)
Cash and cash equivalents at end of year	61,352	47,480
Cash dividends per share	3,000.00	2,000.00

(Supplementary information)

Summary of Non-consolidated Financial Statements

	Millions of yen (except per share data)	
	Year ended March 31, 2008	Year ended March 31, 2007
Net sales	¥ 230,145	¥ 227,688
Operating income	6,106	9,721
Net income	3,847	6,062
Net income per share (basic)	3,824.44	6,025.93
Net income per share (diluted)	–	–
Total assets	296,577	301,917
Total net assets	225,840	233,157
Equity ratio	76.1%	77.2%
Net assets per share	224,492.66	231,766.23

(Caution)

These Statements are issued based on the Financial Results for the year ended March 31, 2008, announced in Japan on April 30, 2008. 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, 2008	March 31, 2007
Current Assets:		
Cash	¥ 14,712	¥ 16,215
Trade notes and accounts receivable	70,234	64,830
Short-term investments	59,825	48,454
Inventories	14,533	14,128
Deferred income taxes	1,864	1,561
Other current assets	6,091	8,083
Less allowance for doubtful receivables	79	71
Total current assets	167,180	153,200
Property and equipment, net of accumulated depreciation – ¥ 53,875 million and ¥ 48,440 million:		
Buildings and structures	21,359	21,896
Machinery and vehicles	16,303	19,039
Land	16,733	16,695
Construction in progress	64	26
Other	2,155	2,011
Net property and equipment	56,614	59,667
Intangible assets, net:		
Software	4,845	5,468
Other	322	311
Net intangible assets	5,167	5,779
Investments and other assets:		
Investments in securities	60,647	75,281
Deferred income taxes	5,357	988
Other investments and other assets	18,861	19,734
Less allowance for doubtful receivables	149	183
Total investments and other assets	84,716	95,820
Total assets	¥ 313,677	¥ 314,466

Liabilities and Net Assets	Millions of yen	
	March 31, 2008	March 31, 2007
Current liabilities:		
Trade notes and accounts payable	¥ 17,686	¥ 14,672
Other payables	14,072	13,202
Accrued expenses	17,122	16,932
Accrued income taxes	1,933	394
Other current liabilities	2,174	1,902
Total current liabilities	52,987	47,102
Non-current liabilities:		
Liabilities for retirement and severance benefits:		
Employees	13,613	15,876
Directors and corporate auditors	317	1,020
Deferred income taxes	30	840
Other non-current liabilities	967	184
Total non-current liabilities	14,927	17,920
Total liabilities	67,914	65,022
Stockholders’ equity:		
Common stock	36,643	36,643
Additional paid-in capital	55,343	55,343
Retained earnings	147,464	143,355
Total stockholders’ equity	239,450	235,341
Valuation and translation adjustments:		
Net unrealized gain on other securities	2,728	11,777
Deferred losses on hedges	(56)	–
Foreign currency translation adjustments	1	34
Total valuation and translation adjustments	2,673	11,811
Minority interests	3,640	2,292
Total net assets	245,763	249,444
Commitments and contingencies		
Total liabilities and net assets	¥ 313,677	¥ 314,466

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

	Millions of yen	
	Year ended March 31, 2008	Year ended March 31, 2007
Net sales	¥ 252,746	¥ 251,125
Cost of sales	183,348	177,476
Gross profit	69,398	73,649
Selling, general and administrative expenses	59,422	59,971
Operating income	9,976	13,678
Other income (deductions):		
Interest income	711	428
Dividend income	557	521
Equity in earnings (losses) of affiliates	740	(206)
Loss on devaluation of investments in securities and other investments	(840)	(19)
Other, net	96	166
	1,264	890
Income before income taxes and minority interests	11,240	14,568
Income taxes:		
Current	3,589	3,113
Deferred	966	837
	4,555	3,950
Income before minority interests	6,685	10,618
Minority interests	263	314
Net income	¥ 6,422	¥ 10,304

TV Asahi Corporation and Subsidiaries
Consolidated Statement of Changes in Net Assets
(Unaudited)

	Millions of yen Stockholders' equity			
	Common stock	Additional paid-in capital	Retained earnings	Total
Balance at March 31, 2006	¥ 36,643	¥ 55,343	¥ 134,650	¥ 226,636
Changes arising during year:				
Cash dividends			(1,409)	(1,409)
Bonuses to directors and corporate auditors			(186)	(186)
Net income			10,304	10,304
Other			(4)	(4)
Net changes other than stockholders' equity				
Total changes during the year	–	–	8,705	8,705
Balance at March 31, 2007	¥ 36,643	¥ 55,343	¥ 143,355	¥ 235,341
Changes arising during year:				
Cash dividends			(2,313)	(2,313)
Net income			6,422	6,422
Net changes other than stockholders' equity				
Total changes during the year	–	–	4,109	4,109
Balance at March 31, 2008	¥ 36,643	¥ 55,343	¥ 147,464	¥ 239,450

	Millions of yen					
	Valuation and translation adjustments				Minority interests	Total net assets
	Net unrealized gain on other securities	Deferred losses on hedges	Foreign currency translation adjustments	Total		
Balance at March 31, 2006	¥ 16,186	¥ –	¥ 27	¥ 16,213	¥ 1,665	¥ 244,514
Changes arising during year:						
Cash dividends						(1,409)
Bonuses to directors and corporate auditors						(186)
Net income						10,304
Other						(4)
Net changes other than stockholders' equity	(4,409)		7	(4,402)	627	(3,775)
Total changes during the year	(4,409)	–	7	(4,402)	627	4,930
Balance at March 31, 2007	¥ 11,777	¥ –	¥ 34	¥ 11,811	¥ 2,292	¥ 249,444
Changes arising during year:						
Cash dividends						(2,313)
Net income						6,422
Net changes other than stockholders' equity	(9,049)	(56)	(33)	(9,138)	1,348	(7,790)
Total changes during the year	(9,049)	(56)	(33)	(9,138)	1,348	(3,681)
Balance at March 31, 2008	¥ 2,728	¥ (56)	¥ 1	¥ 2,673	¥ 3,640	¥ 245,763

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

	Millions of yen	
	Year ended March 31, 2008	Year ended March 31, 2007
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 11,240	¥ 14,568
Depreciation and amortization	8,829	8,383
Loss on disposal of property and equipment	102	68
Loss on devaluation of investments in securities and other investments	840	19
Equity in (earnings) losses of affiliates	(740)	206
Allowance for doubtful receivables	(50)	(186)
Decrease in liabilities for retirement and severance benefits	(2,740)	(424)
Interest and dividend income	(1,268)	(949)
Increase in trade notes and accounts receivable	(4,804)	(1,609)
(Increase) decrease in inventories	(222)	166
Increase in trade notes and accounts payable	3,624	893
Other, net	3,125	(931)
Sub total	17,936	20,204
Interest and dividend received	1,257	945
Income taxes refunded	423	–
Income taxes paid	(2,089)	(7,461)
Net cash provided by operating activities	17,527	13,688
Cash flows from investing activities:		
Increase in time deposits	(10)	(5,704)
Decrease in short-term investments	8,396	1,314
Capital expenditures	(3,592)	(3,088)
Proceeds from sale of property and equipment	20	65
Purchase of intangible assets	(1,520)	(1,455)
Purchase of investments in securities and investments in subsidiaries	(6,202)	(11,313)
Other, net	1,612	1,433
Net cash used in investing activities	(1,296)	(18,748)
Cash flows from financing activities:		
Dividends paid to stockholders	(2,314)	(1,407)
Dividends paid to minority stockholders of subsidiaries	(12)	(12)
Net cash used in financing activities	(2,326)	(1,419)
Effect of exchange rate changes on cash and cash equivalents	(33)	6
Net increase (decrease) in cash and cash equivalents	13,872	(6,473)
Cash and cash equivalents at beginning of year	47,480	53,953
Cash and cash equivalents at end of year	¥ 61,352	¥ 47,480

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: 20 companies

Company name of major consolidated subsidiaries:
TV Asahi Productions Co., Ltd., TV Asahi Create Co., Ltd., Television Asahi Service Co., Ltd., TV ASAHI Music Co., Ltd., Trust Network Inc., Japan Cable Television, Ltd., Flex Co., Ltd., Housougijyutsusha Co., Ltd.

3. Application of the Equity Method

Number of affiliates accounted for by the equity method: 6 companies

Company name of major affiliates:
Toei Animation Co., Ltd., Asahi Satellite Broadcasting Limited, Bunkakobo, Inc.

The equity method does not apply to certain affiliates, since net income and retained earnings of 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 cash equivalents to consist of all highly liquid investments that have maturities of generally three months or less when purchased and that have insignificant risk of changes in value.

(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 fair 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 net assets. Realized gains or losses on those other securities are determined by the moving average cost.

(Continued)

Debt classified as “other securities” for which fair value is not available are stated at amortized cost. Equity securities classified as “other securities” for which fair value is not available are stated at 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 and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is calculated 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

Pursuant to an amendment to the Corporation Tax Law, the Company and its domestic consolidated subsidiaries changed the estimated residual value of property and equipment which was acquired on or after April 1, 2007 from 5% of the acquisition cost to ¥1. The effect of this change was immaterial.

Pursuant to an amendment to the Corporation Tax Law, assets acquired on or before March 31, 2007 which were depreciated to the allowable limit (95% of the acquisition cost) in a particular business year can be further depreciated down to ¥1 evenly over five years starting from the following business year. The effect of this change was immaterial.

(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 life 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 consists of the amount of uncollectible receivables based on historical loss ratios and the amount that takes into account the possibility of certain 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. Thus, comprehensive adjustments resulting from translation is presented in net assets as “Foreign currency translation adjustments.”

(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 using 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 using 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 had defined benefit pension plans, which consisted of a lump-sum indemnities plan and a tax qualified noncontributory pension plan. In September 2007, the Company converted its tax qualified noncontributory pension plan into a defined benefit pension plan under the Corporate Defined Benefit Pension Plan Law. With respect to the transfer, the Company adopted “Accounting for Transfers among Retirement Benefit Plans” (Financial Accounting Standard Implementation Guidance No. 1).

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.

At the general meeting of stockholders held on June 27, 2007, abolishment of retirement benefit system for directors and corporate auditors was approved and directors and corporate auditors were entitled to lump-sum payment up to the date of the abolishment when they leave the Company. The amount to be paid is included in other non-current liabilities in the accompanying consolidated balance sheet.

(9) Finance Leases

Finance leases other than those that are deemed to transfer the ownership of the leased assets to lessees are generally accounted for by the method that is applicable to ordinary operating leases.

(10) Hedging Transactions

The Company has entered into forward exchange contracts to hedge the foreign currency risk of a forecast transaction.

The Company states derivative financial instruments at fair value and valuation gains or losses on hedging instruments are deferred as assets or liabilities until the gains or losses on underlying hedged instruments are realized. Receivables and payables denominated in foreign currencies of which yen amounts at settlement are fixed due to forward exchange contracts, are translated at the foreign exchange rate stipulated in the contract.

(11) Directors’ Bonus

Effective from the year ended March 31, 2007, the Company and its domestic consolidated subsidiaries adopted the “Accounting Standard for Directors’ bonus” (Accounting Standards Board of Japan Statement No. 4, issued by Accounting Standards Board of Japan on November 29, 2005).

According to the Standards, directors’ bonuses are accounted for as an expense when such bonuses are accrued, instead of being accounted for as an appropriation of retained earnings upon approval at general meeting of stockholders. The effect of adoption of the new standard was immaterial.

(12) Presentation of Net Assets on Balance Sheet

Effective from the year ended March 31, 2007, the Company adopted the “Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board of Japan Statement No. 5, issued by Accounting Standards Board of Japan on December 9, 2005) and the “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board of Japan Guidance No. 8, issued by Accounting Standards Board of Japan on December 9, 2005).

(Continued)

According to the Standards, former “Stockholders’ equity” is presented as “Net assets” and classified into “Stockholders’ equity,” “Valuation and translation adjustments” and “Minority interests.” “Minority interests” formerly listed after “Liabilities” is included in “Net Assets.” The stockholders’ equity at March 31, 2007 amounted to ¥247,152 million based on the former classification.

(13) Reclassifications

Certain reclassifications have been made to the prior years’ consolidated financial statements to conform to the presentation used as of and for the year ended March 31, 2008.

5. Investments in Affiliates

The aggregate carrying amounts of investments in affiliates as of March 31, 2008 and 2007 are ¥6,739 million and ¥6,380 million, respectively.

6. Selling, General and Administrative Expenses

Significant components of selling, general and administrative expenses for the years ended March 31, 2008 and 2007 are as follows:

	Millions of yen	
	2008	2007
Salaries and bonuses	¥ 10,135	¥ 9,876
Agency commissions	38,187	38,357
Advertising expense	2,320	2,276

7. Commitments and Contingencies

At March 31, 2008, the Company has guaranteed ¥2,145 million of employee mortgage loans to financial institutions, and ¥877 million of third parties loans to financial institutions.

8. Dividends

The amount available for dividends is based on the amount recorded in the Company’s non-consolidated books of account in accordance with the Corporation Law of Japan.

Cash dividends charged to retained earnings for the years ended March 31, 2008 and 2007 represent dividends paid out during those years.

(1) Dividends paid during the year ended March 31, 2007

The following was approved by the general meeting of stockholders held on June 28, 2006.

(a) Total dividends	¥704 million
(b) Cash dividends per common share	¥700
(c) Record date	March 31, 2006
(d) Effective date	June 29, 2006

The following was approved by the Board of Directors held on November 16, 2006.

(a) Total dividends	¥704 million
(b) Cash dividends per common share	¥700
(c) Record date	September 30, 2006
(d) Effective date	December 11, 2006

(Continued)

(2) Dividends paid during the year ended March 31, 2008

The following was approved by the general meeting of stockholders held on June 27, 2007.

(a)	Total dividends	¥1,308 million
(b)	Cash dividends per common share	¥1,300
(c)	Record date	March 31, 2007
(d)	Effective date	June 28, 2007

The following was approved by the Board of Directors held on November 9, 2007.

(a)	Total dividends	¥1,006 million
(b)	Cash dividends per common share	¥1,000
(c)	Record date	September 30, 2007
(d)	Effective date	December 10, 2007

(3) Dividends to be paid after the balance sheet date but the record date for the payment belongs to the year ended March 31, 2008

The following dividends will be payable upon approval by the general meeting of stockholders to be held on June 26, 2008.

(a)	Total dividends	¥2,012 million
(b)	Dividend source	Retained earnings
(c)	Cash dividends per common share	¥2,000
(d)	Record date	March 31, 2008
(e)	Effective date	June 27, 2008

9. 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, 2008 and 2007 is as follows:

	Millions of yen	
	2008	2007
Cash	¥ 14,712	¥ 16,215
Time deposits with maturities of over three months when acquired	(5,837)	(5,727)
Short-term investments with maturities of three months or less when acquired	52,477	36,992
Cash and cash equivalents	¥ 61,352	¥ 47,480

(Continued)

Assets and liabilities of newly consolidated subsidiaries, Japan Cable Television Ltd., JCTV-HQ, JCTV America, Inc., and Flex Co., Ltd., and the net proceeds from the acquisitions of the subsidiaries in 2007 are as follows:

	Millions of yen
Current assets	¥ 2,843
Non-current assets	1,224
Current liabilities	(924)
Non-current liabilities	(602)
Minority interests	(1,134)
Acquisition cost of stocks	1,407
Cash and cash equivalents held by acquired subsidiaries	(1,977)
Expenditure for acquisitions	288
Net proceeds from acquisitions of subsidiaries	¥ (282)

10. Per Share Information

(1) Net Income per Share

Basic net income per share, and reconciliation of the numbers and the amounts used in the basic net income per share computations for the years ended March 31, 2008 and 2007 are as follows:

	Yen	
	2008	2007
Basic net income per share	¥ 6,383.75	¥ 10,242.19

	Millions of yen	
	2008	2007
Net income	¥ 6,422	¥ 10,304
Net income not applicable to common stockholders	–	–
Net income applicable to common stockholders	¥ 6,422	¥ 10,304

	2008	2007
Weighted average number of shares outstanding on which basic net income per share is calculated	1,006,000	1,006,000

(2) Net Assets per Share

Net assets per share, and reconciliation of the numbers and the amounts used in the net assets per share computations at March 31, 2008 and 2007 are as follows:

	Yen	
	2008	2007
Net assets per share	¥ 240,678.24	¥ 245,677.73

(Continued)

	Millions of yen	
	2008	2007
Total net assets	¥ 245,763	¥ 249,444
Amount deducted from total net assets:		
Minority interests	(3,640)	(2,292)
Net assets applicable to common stockholders	¥ 242,123	¥ 247,152

	2008	2007
Number of shares outstanding at the end of year on which net assets per share is calculated	1,006,000	1,006,000

11. Segment Information

Industry segment, geographic segment and overseas sales of the Company and its consolidated subsidiaries for the years ended March 31, 2008 and 2007 is summarized as follows:

(1) Industry Segment Information

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

	Millions of yen					
	2008					
	TV broadcasting	Music publication	Other businesses	Total	Elimination/ corporate	Consolidated
Sales:						
Outside customers	¥ 217,899	9,546	25,301	252,746	–	252,746
Inter-segment	2,582	152	6,822	9,556	(9,556)	–
	220,481	9,698	32,123	262,302	(9,556)	252,746
Operating expenses	214,776	7,934	30,418	253,128	(10,358)	242,770
Operating income	¥ 5,705	1,764	1,705	9,174	802	9,976
Assets	¥ 144,662	12,666	31,357	188,685	124,992	313,677
Depreciation and amortization	7,836	45	948	8,829	–	8,829
Capital expenditures	4,678	32	513	5,223	–	5,223

(Continued)

	Millions of yen					
	2007					
	TV broadcasting	Music publication	Other businesses	Total	Elimination/ corporate	Consolidated
Sales:						
Outside customers	¥ 219,410	9,195	22,520	251,125	–	251,125
Inter-segment	2,028	154	6,636	8,818	(8,818)	–
	221,438	9,349	29,156	259,943	(8,818)	251,125
Operating expenses	211,020	7,459	27,684	246,163	(8,716)	237,447
Operating income	¥ 10,418	1,890	1,472	13,780	(102)	13,678
Assets	¥ 153,376	9,647	31,687	194,710	119,756	314,466
Depreciation and amortization	7,450	45	888	8,383	–	8,383
Capital expenditures	4,373	40	257	4,670	–	4,670

Corporate assets of ¥135,294 million and ¥128,082 million as of March 31, 2008 and 2007 in the Elimination / corporate line consist primarily of surplus funds (cash and deposits, and securities), long-term investments (investment securities) and assets relating to the administrative operations.

(2) 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, 2008 and 2007.

(3) 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, 2008 and 2007.

Appendix

Breakdown of net sales

Breakdown of net sales by industry segment of the Company and its consolidated subsidiaries for the years ended March 31, 2008 and 2007 is summarized as follows:

	Millions of yen	
	2008	2007
TV broadcasting:		
Network time	¥ 95,474	¥ 95,444
Spot	97,917	99,373
Sales of programs	12,227	11,987
Other	14,863	14,634
Sub-total	220,481	221,438
Music publication	9,698	9,349
Other businesses	32,123	29,156
Total	262,302	259,943
Elimination	(9,556)	(8,818)
Consolidated	¥ 252,746	¥ 251,125

(Supplementary information)

TV Asahi Corporation
Non-consolidated Balance Sheets
(Unaudited)

Assets	Millions of yen	
	March 31, 2008	March 31, 2007
Current Assets:		
Cash	¥ 9,980	¥ 14,017
Trade notes and accounts receivable	64,729	61,782
Short-term investments	59,825	48,454
Inventories	13,849	13,312
Deferred income taxes	1,139	1,067
Other current assets	5,821	8,464
Less allowance for doubtful receivables	46	49
Total current assets	155,297	147,047
Property and equipment, net of accumulated depreciation:		
Buildings	19,922	20,596
Machinery	15,822	18,654
Land	16,593	16,591
Construction in progress	66	19
Other	2,693	2,489
Net property and equipment	55,096	58,349
Intangible assets, net:		
Software	4,719	5,333
Other	272	280
Net intangible assets	4,991	5,613
Investments and other assets:		
Investments in securities and investments in subsidiaries and affiliates	61,423	73,737
Deferred income taxes	4,026	–
Other investments and other assets	15,865	17,343
Less allowance for doubtful receivables	121	172
Total investments and other assets	81,193	90,908
Total assets	¥ 296,577	¥ 301,917

Liabilities and Net Assets	Millions of yen March 31, 2008	Millions of yen March 31, 2007
Current liabilities:		
Trade notes and accounts payable	¥ 12,832	¥ 11,156
Short-term debt and current installments of long-term debt	14,385	11,404
Other payables	14,054	13,214
Accrued expenses	15,435	15,696
Accrued income taxes	677	–
Other current liabilities	1,394	1,310
Total current liabilities	58,777	52,780
Non-current liabilities:		
Long-term debt	100	300
Liabilities for retirement and severance benefits:		
Employees	10,928	13,918
Directors and corporate auditors	–	849
Deferred income taxes	–	803
Other non-current liabilities	932	110
Total non-current liabilities	11,960	15,980
Total liabilities	70,737	68,760
Stockholders’ equity:		
Common stock	36,643	36,643
Additional paid-in capital	55,343	55,343
Retained earnings:		
Legal reserve	530	530
General reserve	122,160	119,160
Other reserve	2,614	2,245
Unappropriated retained earnings	5,702	7,537
Total retained earnings	131,006	129,472
Total stockholders’ equity	222,992	221,458
Valuation and translation adjustments:		
Net unrealized gain on other securities	2,904	11,699
Deferred losses on hedges	(56)	–
Total valuation and translation adjustments	2,848	11,699
Total net assets	225,840	233,157
Commitments and contingencies		
Total liabilities and net assets	¥ 296,577	¥ 301,917

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

	Millions of yen	
	Year ended March 31, 2008	Year ended March 31, 2007
Net sales	¥ 230,145	¥ 227,688
Cost of sales	169,405	162,848
Gross profit	60,740	64,840
Selling, general and administrative expenses	54,634	55,119
Operating income	6,106	9,721
Other income (deductions):		
Interest income	687	410
Dividend income	676	581
Interest expenses	(79)	(30)
Loss on devaluation of investments in securities investments in subsidiaries and affiliates	(840)	(15)
Other, net	80	166
	524	1,112
Income before income taxes	6,630	10,833
Income taxes:		
Current	1,610	1,590
Deferred	1,173	3,181
	2,783	4,771
Net income	¥ 3,847	¥ 6,062

\- 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.

April 30, 2008

TV Asahi Corporation Earnings Summary
Results for the Fiscal Year Ended March 31, 2008

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/
Masao Kimiwada, President and CEO
Information Contact: Nobuo Morioka, Treasurer Tel: +81-3-6406-1111
Scheduled date of General Shareholders Meeting: June 26, 2008
Scheduled date of submission of Financial Report (Yuhka Shoken Houkokusho): June 26, 2008
Scheduled date of dividend payout: June 27, 2008

1. Consolidated Performance for Fiscal Year Ended March 31, 2008 (April 1, 2007 - March 31, 2008)

(1) Consolidated Operating Results

Note: Percentages indicate year-on-year growth rates.

	Net sales		Operating income		Recurring profit		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FYE March 31, 2008	252,746	0.6	9,976	(27.1)	12,080	(17.2)	6,422	(37.7)
FYE March 31, 2007	251,124	0.7	13,677	(19.9)	14,587	(15.8)	10,303	8.8

	Net income per share	Net income per share after dilution	Return on equity	Total capital to recurring profit	Sales to recurring profit
	yen	yen	%	%	%
FYE March 31, 2008	6,383.75	-	2.6	3.8	3.9
FYE March 31, 2007	10,242.19	-	4.2	4.6	5.4

Note: Gain (Loss) on investment by equity method: FYE March 31, 2008: 740 million yen; FYE March 31, 2007: (205) million

(2) Consolidated Financial Data

	Total assets	Net asets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
At March 31, 2008	313,677	245,762	77.2	240,678.24
At March 31, 2007	314,466	249,443	78.6	245,677.73

Note: Shareholders' equity: at March 31, 2008: 242,122 million yen; at March 31, 2007: 247,151million yen.

(3) Consolidated Cash Flows

	Cash flows from operating activities	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, 2008	17,526	(1,295)	(2,326)	61,351
FYE March 31, 2007	13,688	(18,748)	(1,419)	47,479

2. Dividends

	Annual dividend per share			Total dividend payout	Dividend payout ratio	Net assets to dividend ratio
	Mid-Term	Year-end	Annual			
	yen	yen	yen	millions of yen	%	%
FYE March 31, 2007	700.00	1,300.00	2,000.00	2,012	19.5	0.8
FYE March 31, 2008	1,000.00	2,000.00	3,000.00	3,018	47.0	1.2
Outlook for FYE March 31, 2009	1,000.00	2,000.00	3,000.00		56.9	

3. Forecast for Fiscal Year Ending March 31, 2009 (April 1, 2008 - March 31, 2009)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Mid-term ending Sept. 30, 2008	130,000	4.3	3,100	(24.4)	4,100	(22.2)	2,300	(12.9)	2,286.28
FYE March 31, 2009	263,000	4.1	7,500	(24.8)	9,400	(22.2)	5,300	(17.5)	5,268.39

4. Others

(1) Major change in affiliate companies during term: none

(2) Changes in accounting principles, guidelines, presentation, etc., regarding composition of consolidated financial statements.

① Changes arising from amendment in accounting guidelines, etc. : yes

② Changes other than ① : none

(Note: for detail of changes, please refer to "Notes to Consolidated Financial Statements" on page 9.)

(3) Shares outstanding (Ordinary shares)

① Number of shares outstanding at end of term (including share buy back) :
FYE March 31, 2008: 1,006,000 shares; FYE March 31, 2007: 1,006,000 shares

② Number of shares from share buy back: FYE March 31, 2008: none; FYE March 31, 2007: none

(Note: For the number of shares used in the calculation of net income per share of common stock, please refer to "Per Share Information" on page 14.)

<Reference> Financial Summary on Non-Consolidated Basis

1. Non-Consolidated Performance for Fiscal Year Ended March 31, 2008 (April 1, 2007 - March 31, 2008)

(1) Non-Consolidated Operating Results

Note: Percentages indicate year-on-year growth rates.

	Net sales		Operating income		Recurring profit		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FYE March 31, 2008	230,144	1.1	6,105	(37.2)	7,470	(31.1)	3,847	(36.5)
FYE March 31, 2007	227,687	1.7	9,720	(19.5)	10,848	(16.4)	6,062	66.6

	Net income per share	Net income per share after dilution
	yen	yen
FYE March 31, 2008	3,824.44	-
FYE March 31, 2007	6,025.93	-

(2) Non-Consolidated Financial Data

	Total assets	Net assets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
At March 31, 2008	296,576	225,839	76.1	224,492.66
At March 31, 2007	301,917	233,156	77.2	231,766.23

Note: Net assets: at Mrach 31, 2008: 225,839 million yen; at March 31, 2007: 233,156 million yen.

2. Non-Consolidated Forecast for Fiscal Year Ending March 31, 2009 (April 1, 2008 - March 31, 2009)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Mid-term ending Sept. 30, 2008	116,000	1.9	1,000	(53.9)	1,700	(43.9)	1,000	(29.3)	994.04
FYE March 31, 2009	236,000	2.5	4,100	(32.9)	5,200	(30.4)	3,000	(22.0)	2,982.11

Note: The forecast above is based on information available at the time of announcement and actual results may differ due to various factors in the business environment.

Note: The following document is a translation of the tanshin report released in Japanese, and thus, all figures have been rounded down to the nearest million yen. Moreover, the document has been created in accordance to the regulations and standards established by the regulatory body Tokyo Stock Exchange.

Management's Discussion and Analysis

1. Business Performance and Financial Situation

(1) Business Performance

During the fiscal year under review, at the onset, the Japanese economy experienced a gradual growth supported by the increase in capital expenditure spending due to the high level of corporate profits backed by increase in exports. However, the economic outlook has increasingly become bearish due to increased pressure on corporate profits that has been affected by various factors including the U.S. economic recession triggered by the default of subprime loans, the rise in material costs such as the price of crude oil, the strengthening of the Japanese yen, etc., and the decline in the financial markets.

In the broadcasting industry, the total advertising spending declined from the previous year due to weakening corporate outlook affected by the slow recovery of consumer spending and due to the decline from the previous year's 2006 FIFA World Cup™ Germany.

Under these economic conditions, TV Asahi (hereinafter the "Company") continued to focus on increasing earnings and profits in its TV Broadcasting Business as well as its Music Publication Business and Other Businesses. As a result, TV Asahi achieved consolidated net sales of ¥252.746 billion, representing an increase of ¥1.621 billion, or 0.6%, from the previous year. However, the operating expenses rose by ¥5.323 billion, or 2.2% year-on-year, to ¥242.769 billion, and as a result the decrease in operating income was ¥3.701 billion, or 27.1%, falling to ¥9.976 billion.

Recurring income totaled ¥12.080 billion, representing a year-on-year decrease of ¥2.506 billion, or 17.2%. Net income fell by ¥3.881 billion, or 37.7%, to ¥6.422 billion.

The following is a summary of business performance by segment.

[1] TV Broadcasting Business

During the fiscal year under review, TV Asahi recorded 7.9% in its all-day (6 a.m. to midnight) viewer rating, 12.3% in prime time (7 p.m. to 11 p.m.), 11.5% in golden time (7 p.m. to 10 p.m.) and 8.4% in prime 2 (11 p.m. to 1 a.m.). Especially, in prime time, the Company achieved No.2 position for the second time in two years and in all-day, recorded its highest rating in its history.

TV Asahi entered into its 50th Anniversary Celebration period on November 1, and has broadcast various large-scale special programs. Drama Special Seicho Matsumoto's *Dots and Lines* captured 23.8% and 23.7% for its two-night consecutive broadcast and was granted the Agency of Cultural Affairs' Arts Festival Award for the Television Division Drama Category. In addition, the exclusive terrestrial broadcast in December of the Japanese national baseball team in the Baseball Beijing Olympics Asian Final Qualifiers garnered high ratings: 23.7% for the match against Republic of Korea and 27.4% for that of Taiwan. Also, *Sunday Night Movie Love and Honor*, *Music Station Super Live 2007*, drama *Partners New Years Special*, etc., attained high ratings contributing to a successful launch of the 50th Anniversary Celebration period. As part of its 50th Anniversary Celebration, TV Asahi established a company-wide cross-functional Global Warming Prevention Project. The first program produced under this effort, a four hour special program *Earth Crisis 2008*, garnering much acclaim from our viewers.

TV Asahi's regular programming also delivered strong results. In the entertainment genre, programs such as *Golden Legend* (7 p.m. on Thursdays), *Quiz Presentation Variety Q-Sama!!* (8 p.m. on Mondays) and *Takeshi's TV Tackle* (9 p.m. on Mondays) continued to achieve high ratings. Moreover, programs in the late night neo-variety slots (11:15 p.m. to 00:10 a.m. from Mondays to Thursdays) continue to demonstrate a strong following from the younger demographic as can be seen from the average ratings of 10-12% and popular program *Quiz Trivia King* being promoted to golden time (8:00 p.m. on Wednesdays) in the January programming season.

In the drama show genre, the sixth season of *Partners* broadcast from October, recorded an average of 15.9%. Detective dramas *The Negotiator*, *Sono Otoko Fukushocho*, etc., have also garnered high ratings. Moreover, special dramas such as the readaptation of Akira Kurosawa's *High and Low* and *Ikiru*, samurai drama *Hissatsu Shigotonin 2007*, *Hitoshi Tadano, the Extraordinary Undercover Detective Special '08*, etc., were also popular among viewers.

In sports programming, TV Asahi had exclusive terrestrial broadcast rights to Soccer AFC Asia Cup 2007 held in July, which resulted in an average rating of over 20% for the six matches broadcast. In addition, the broadcast of Grand Prix of Figure Skating 2007 and the flexible arrangement needed due to last-minute scheduling and the high quality broadcast of Soccer AFC Champions League Final Urawa Reds Diamonds of Japan vs. Sepahan of Iran demonstrated TV Asahi's commitment to and leadership in sports programming.

In the news and information program genre, the Company's weeknight news show *Hodo Station* captured an average annual rating of 14.1%. The other weekday news shows *Yajiuma Plus*, *Super Morning*, *Wide! Scramble* and *Super J Channel* have also produced steady high ratings. Moreover, the Company covered the Upper House election held in July on *Election Station 2007*. By delivering news and information that encompasses the needs of the audience, TV Asahi continues to be the reliable news channel of choice among viewers.

With these high ratings in hand, the Company endeavored to achieve higher earnings and profits through aggressive sales efforts.

In the time sales segment, the Company was successful in raising the price for regular programs such as the *Quiz Presentation Variety Q-SAMA* and *Golden Legend* and for the Wednesday 9 p.m. drama slot where *Partners* was slated. For special one-off programs, compared to the large events of the previous year such as 2006 FIFA World Cup™ Germany and FINA World Championships Melbourne 2007 swimming event, this year the Company achieved good sales results from Soccer AFC Asia Cup 2007, Baseball Beijing Olympics Asian Final Qualifiers, Grand Prix of Figure Skating 2007, and 50th Anniversary Drama Special Seicho Matsumoto's *Dots and Lines*. As a result, time sales revenue totaled ¥95.474 billion, which represents a minimal increase of ¥29 million, or 0.0% from the previous year.

For spot sales, the Company struggled with the decline in the Tokyo spot market (-3.0%). The Company was able to secure growth in the "pharmaceutical," "housing and housing materials," and "hi-tech precision equipment" industry segments, but recorded decreases in the "automobile" segment, "publishing" segment which performed well the previous year, and "finance and insurance" segment which continues to show negative growth figures. In consequence, spot sales revenues decreased by ¥1.456 billion, or 1.5%, to ¥97.916 billion. However, with the aggressive sales tactics taken given the Company's growing viewer ratings, TV Asahi was able to record a better growth figure than that of the Tokyo spot market, increasing its share of the market.

Program sales rose by ¥240 million, or 2.0% year-on-year, to ¥12.227 billion. Other revenues increased by ¥229 million, or 1.6%, to ¥14.862 billion, owing to increased broadcasting related revenue from subsidiaries Housougijyutsusha Co., Ltd., Trust Network Inc., etc.

The net result of the above amounted to TV Broadcasting revenues totaling ¥220.481 billion, a decline of ¥ 956 million, or 0.4%, from the previous year, while operating expenses increased by ¥3.756 billion, or 1.8%, to ¥214.776 billion. As a result, the Company posted operating income of ¥5.704 billion, representing a year-on-year decrease of ¥4.713 billion, or 45.2%.

[2] Music Publication Business

Management business of music publication rights and neighboring rights progressed favorably due to increase in the music download market.

In the music publication business, artist Ketsumeishi's album "Ketsunopolice 5" and four singles, and artist Shonan no Kaze's shingle "Suirenka" and Ogon Soul" were released, which all became hits. Revenues from the music download business also progressed favorably.

In the artist management business, Shonan no Kaze held a New Year's Eve countdown live concert at Osaka-Jo Hall which attracted more than 10,000 fans. Moreover, Ketsumeishi's national concert tour has taken off in February at arena-class venues. Sales of artists' goods at the concert venues are also selling well.

In addition, the Company has been promoting new artists with the aim to continuously produce and market hit artists.

As a result, net sales increased by ¥348 million, or 3.7% on a year-on-year basis, to ¥9.697 billion, operating expenses increased by ¥475 million, or 6.4%, to ¥7.933 billion. Operating income also declined by ¥126 million, or 6.7%, to ¥1.763 billion.

[3] Other Businesses

In the investment in motion pictures business, animation *Crayon Shin-Chan Arashi wo Yobu Ketsudake Bakudan!* became the third highest hit of the series and live action *Masked Rider Kabuto/ Geki Ranger The Movie* drew larger audiences than its previous title. Moreover, *Kaabee* released in January and the third movie of the new Doraemon animation series which opened in theaters in March have also recorded stable box office receipts.

The mobile phone content subscription service, Tele Asa com・plete!, is also progressing at a stable pace with increased synergies with broadcast content. With the complete transition to digital terrestrial broadcast scheduled to take place in 2011, the Company will continue to engage in cross-media efforts in its data broadcasting service.

In the special events business, the Company sponsored 50th Anniversary Special Events such as Dai Tokugawa (Legacy of Tokugawa) Exhibition, LUNA SEA – Reunited for One Night Only Live Concert and Tetsuko's Room Concert. It also sponsored various other events such as RED HOT CHILI PEPPERS concert, Broadway musical Hairspray, rock concert Summer Sonic 07, which were all received well.

In addition, the Company's TV shopping business was unified under the brand name "Ropping" in July and TV shopping program *Selection X* and the shopping segment in information program *Chii Sanpo* contributed to sales. The Company's efforts in video and DVD business also led to a strong slew of titles such as drama *Partners*, drama *Time Limit Investigator Season 2*, entertainment program *Produced by Uchimura*. The Company also focused on strengthening its merchandise and publishing businesses.

Moreover, in April 2006 the Company assumed operation of CS(communication satellite) channel TV Asahi Channel and subscription has increased to over 2.17 million households.

Due to increased sales from CS business and video and DVD sales, net sales from other businesses totaled ¥32.123 billion, representing an increase of ¥2.966 billion, or 10.2%, from the previous year. Operating expenses increased by ¥2.733 billion, or 9.9%, to ¥30.417 billion, and operating income rose by ¥233 million, or 15.9%, to ¥1.705 billion.

Moreover, for the outlook for fiscal year ending March 31, 2009, there is much uncertainty regarding the Japanese economy due to slow recovery of the employment market and and consumer spending.

In such economic environment, although it is difficult to be optimistic about the television advertising market which greatly impacts the Company's revenue, the Company will pursue active sales efforts in order to increase advertising revenue through increased viewer ratings. TV Asahi will also continue to strengthen its music publication business and other businesses, and thus, the Company expects an increase in revenue for fiscal year ending March 31, 2009.

On the other hand, consistent with its New Medium-Term Management Plan, the Company will increase production costs in order to strengthen its content and thus, operating income, recurring profit and net income is expected to decrease.

[1] Consolidated

	Six-month ending Sept. 30, 2008		Year ending Mar. 31, 2009	
	Amount (Millions of yen)	Year-on-year growth (%)	Amount (Millions of yen)	Year-on-year growth (%)
Net sales	130,000	4.3	263,000	4.1
Operating income	3,100	(24.4)	7,500	(24.8)
Recurring profit	4,100	(22.2)	9,400	(22.2)
Net income	2,300	(12.9)	5,300	(17.5)

[2] Non-consolidated

	Six-month ending Sept. 30, 2008		Year ending Mar. 31, 2009	
	Amount (Millions of yen)	Year-on-year growth (%)	Amount (Millions of yen)	Year-on-year growth (%)
Net sales	116,000	1.9	236,000	2.5
Operating income	1,000	(53.9)	4,100	(32.9)
Recurring profit	1,700	(43.9)	5,200	(30.4)
Net income	1,000	(29.3)	3,000	(22.0)

(2) Financial Situation

<Assets, Liabilities and Total Assets for the Fiscal Year Ended March 31, 2008>

Current assets increased by ¥13.980 billion from the previous year, to ¥167,179 billion, due to an increase of ¥11.371 billion yen of short-term investments

Fixed assets decreased by ¥14.769 billion from the previous year, to ¥146.497 billion. Despite investments in digitalization of broadcast equipment, the aggregate amount of tangible assets and intangible assets declined by ¥3.665 billion, as depreciation amounted to ¥8.828 billion. Investments and other assets declined by ¥11.103 billion, to ¥84.716 billion, due to a decrease of ¥14.634 billion in investment in securities from decrease in unrealized gain in securities.

As a result, total assets as of the end of the fiscal year in review decreased by ¥788 million from the previous year, to ¥313.677 billion.

Current liabilities rose by ¥5.884 billion from the previous year, to ¥52.987 billion, due to an increase of ¥3.014 billion in trade notes and accounts payable.

Non-current liabilities decreased by ¥2.992 billion from the previous year, to ¥14.927 billion, due to a decrease of ¥2.263 billion from the change in employee retirement and severance benefit plan.

As a result, total liabilities increased by ¥2.892 billion yen from the previous year, to ¥67.914 billion.

Net assets decreased by ¥3.681 billion from the previous year to ¥245.762 billion yen.

Total liabilities and net assets decreased by ¥788 million from the previous year, to ¥313.677 billion, resulting in an equity ratio of 77.2%.

<Cash Flow during Fiscal Year Ended March 31, 2008>

During the period under review, cash and cash equivalents (hereinafter “cash”) on a consolidated basis increased by ¥13.872 billion from the previous year, to ¥61.351 billion.

[Cash Flow from Operating Activities]
Cash flow from operating activities showed an increase of ¥17.526 billion, which is ¥3.838 billion more than the previous year. The main reasons for the increase were due to a decline of ¥5.570 billion to ¥2.089 billion in income taxes paid, despite income before income taxes and minority interests decreasing by ¥3.327 billion to ¥11.240 billion.

[Cash Flow from Investing Activities]
Cash flow from investing activities resulted in a decrease in cash of ¥1.295 billion, indicating a year-on-year increase of ¥17.452 billion. The principal reason for the increase is a decline in the amount of cash used in purchase of securities and investment in securities.

[Cash Flow from Financing Activities]
Cash flow from financing activities decreased by ¥906 million to ¥2.326 billion due to an increase in dividends paid.

Trend of Cash Flow Indicators

Indicator	FYE March 31, 2006	FYE March 31, 2007	FYE March 31, 2008
Equity ratio (%)	76.8	78.6	77.2
Fair value equity ratio (%)	96.4	75.8	45.2
Interest coverage ratio (times)	19,795.0	-	-

Notes:
· Equity ratio: Shareholders' equity/Total assets
· Fair value equity ratio: Gross market capitalization/Total assets
· Interest coverage ratio: Cash flow/Interest payments
1. All indicators are calculated using consolidated financial values.
2. Gross market capitalization is calculated using the number of shares issued at the end of the fiscal year.
3. For cash flow, the cash flow from operating activities on a consolidated basis is used. Moreover, for interest payments, the value on the consolidated statement of cash flows is used.

(3) Basic Policy on the Allocation of Profits and Dividends for the Fiscal Year Ended

TV Asahi regards the passing-on of profits to shareholders an important management issue. More specifically, the Company’s basic policy is to sustain a stable dividend which focuses on continually increasing common dividend payout while maintaining balanced retained earnings that secures a stable foundation conducive to long-term broadcasting operations for the Company. In addition, the Company will endorse commemorative dividends in times of celebratory events such as the anniversary of the Company, and consider special dividends in relation to the operational results of the Company.

With respect to the allocation of profits to retained earnings, the Company will strive to enhance its financial condition and prepare itself for active business development that will position it well for distributing content over a broad range of media in the digital era.

Moreover, for the end of year dividend for the fiscal year, the Company plans to pay ¥2,000 per share, comprised of ¥1,000 of ordinary dividend and a ¥1,000 commemorative dividend celebrating the start of the Company's 50th Anniversary Celebration period. Combined with the interim dividend of ¥1,000 per share already paid, the dividend for the full year will be ¥3,000 per share, representing a dividend payout ratio of 47.0%.

In addition, for the fiscal year ending March 21, 2009, the Company plans to pay an annual dividend of ¥3,000, comprised of an interim dividend of ¥1,000 and an end of year dividend of ¥2,000 (of which ¥1,000 is a commemorative dividend for the Company's 50th Anniversary Celebration), representing a dividend payout ratio of 56.9%.

2. Corporate Group Structure

There has been no major change since the release of the Financial Report(Yuhka Shouken Houkokusho) on June 27th, 2007 and thus, this section has been omitted. Moreover, as for the number of consolidated subsidiaries and affiliates where the equity method applies, please refer to "Notes to Consolidated Financial Statements" on page 9.

3. Management Policy

There has been no major change since the release of the Consolidated and Non-consolidated Financial Statements and Management's Discussion and Analysis for the Year Ended March 31, 2007 (released on May 15, 2007) and thus, (1) Basic Management Policies, and (2) Management Indicators have been omitted.

The abovementioned Earnings Summary can be obtained from the following websites:

TV Asahi Corporation Website
English version: http://company.tv-asahi.co.jp/e/contents/earnings/data/200705/00.pdf
Japanese version: http://company.tv-asahi.co.jp/contents/setnote/0009/data/0401.pdf

Tokyo Stock Exchange Website
Japanese version: http://www.tse.or.jp/listing/compsearch/index.html

(3) Medium- to Long-Term Management Strategies, and Issues Going Forward

Terrestrial digital broadcast started in December 2003 and the penetration has been steadily increasing.

Moreover, One-Seg, the broadcast service for mobile phones and other portable devices, has been allowed to provide independent programming from that of terrestrial digital broadcast starting April 2008, which will allow broadcasters to deliver diverse content to an increasing number of viewers.

In addition, the termination of analog broadcast and the complete transition to digital broadcast is scheduled to take place in July 2011. The Company will engage in marketing activities to promote terrestrial digital broadcasting to allow viewers to continue to receive television broadcasting.

On the other hand, the competitive environment is becoming more aggressive as various companies are seeking business opportunities in online content distribution due to the development of and growing penetration of broadband. Moreover, given the bearish Japanese economy due to the global price rise in natural resources, the instability of financial markets, etc., it is quite difficult to have an optimistic outlook of the environment surrounding the television advertising market.

In such environment, TV Asahi launched its five year New Medium-Term Management Plan which spans five years from FYE March 31, 2008 to FYE March 31, 2012. With the objective to continue to strengthen the Company's content production capability, the goals of the New Medium-Term Management Plan are to "achieve No. 1 in prime time ratings in FYE March 31, 2012," "achieve consolidated net sales of 300 billion yen and operating income of 20 billion yen in FYE March 31, 2012," and "build a corporate culture that maximizes the creativity of all employees."

By the reallocation of personnel, concentrated investment in production budget and development of new content, the Company will aim to increase its viewer ratings and increase its revenue from television broadcasting business. Moreover, TV Asahi will also endeavor to increase its nonadvertising revenue. By pursuing synergies with its terrestrial broadcasting business, the Company will increase efforts in strengthening its businesses in investment in motion pictures, publication business, marketing of videos and DVDs of programs, subscription service on mobile phones, operation of CS(communication satellite) channel "TV Asahi Channel," etc.

Moreover, TV Asahi will also strengthen its efforts in content development and licensing business. In the music publication business, the Company will embark on new challenges such as entering new business fields and building infrastructure, in order to discover and develop new talent that will become the cornerstone for further revenue growth. In the broadband sphere, the Company will seek opportunities to develop new content and establish licensing business.

November 1, 2007 marked the 50th anniversary of the founding of TV Asahi. Moreover, February 1, 2009 will mark the 50th anniversary of TV Asahi's first broadcast. With much appreciation to our various stakeholders, the Company will deliver various special dramas, large sports events, entertainment, news and information programs, special events, etc., until the end of its 50th anniversary celebration period, March 2009. It will focus on strengthening its production capabilities during this period and aim to lay the cornerstone for further growth.

In addition, looking forward to the next 50 years and realizing the importance of handing over the earth's pristine environment to the next generation, TV Asahi positioned the prevention of global warming as one of the major issues in increasing corporate value. The Company will broadcast and report on the issues pertaining to global warming through its various programs such as news and information programs, entertainment shows, music programs, dramas and sports programs, and will continue to contribute to the prevention of global warming as a member of the media community.

With the arrival of the new digital broadcasting era, TV Asahi will continue to study diverse corporate management styles. The Company will also continue to endeavor to deliver quality programs with the intention of accomplishing its public duties and social responsibilities as a television broadcaster and continue to strive to meet expectations of its stakeholders.