

Note: This document is a direct translation of the *kessan tanshin* released in Japanese. All figures in millions of yen have thus been rounded down to the nearest million yen. If there are any discrepancies between this document and the original Japanese version, the original Japanese version prevails.

July 29, 2011

**TV Asahi Corporation**  
**Consolidated Earnings Report for the Three Months ended June 30, 2011**  
**(Japanese GAAP)**

Stock listing: Tokyo Stock Exchange (First Section)      Securities code: 9409  
Headquarters: 6-9-1 Roppongi, Minato-ku, Tokyo 106-8001 JAPAN      URL: <http://company.tv-asahi.co.jp/e/index.html>  
Representative: Hiroshi Hayakawa, President  
Information contact: Keizo Kayama, Treasurer      Tel: +81-3-6406-1111

Scheduled dates

Filing of statutory quarterly financial report (*sihanki hokokusho*): August 12, 2011

Dividend payout: -

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: Yes

(Amounts rounded down to the nearest \ million)

**1. Consolidated Performance for the Three Months ended June 30, 2011 (April 1, 2011 – June 30, 2011)**

(1) Consolidated Operating Results (percentages indicate year-on-year changes)

|                                  | Net sales |       | Operating income |       | Recurring profit |      | Net income |      |
|----------------------------------|-----------|-------|------------------|-------|------------------|------|------------|------|
|                                  | ¥ million | %     | ¥ million        | %     | ¥ million        | %    | ¥ million  | %    |
| Three months ended June 30, 2011 | 57,343    | (1.8) | 2,847            | 20.3  | 3,781            | 14.8 | 2,180      | 54.8 |
| Three months ended June 30, 2010 | 58,411    | 1.0   | 2,367            | (2.0) | 3,294            | 4.5  | 1,408      | 7.6  |

Note: Comprehensive income: Three months ended June 30, 2011 ¥2,101 million (－%)

Three months ended June 30, 2010 (¥305) million (－%)

|                                  | Net income per share | Diluted net income per share |
|----------------------------------|----------------------|------------------------------|
|                                  | ¥                    | ¥                            |
| Three months ended June 30, 2011 | 2,170.81             | -                            |
| Three months ended June 30, 2010 | 1,402.49             | -                            |

(2) Consolidated Financial Position

|                | Total assets | Net assets | Owners' equity* ratio |
|----------------|--------------|------------|-----------------------|
|                | ¥ million    | ¥ million  | %                     |
| June 30, 2011  | 304,466      | 242,927    | 78.3                  |
| March 31, 2011 | 309,871      | 242,863    | 76.9                  |

\*Owners' equity= Net assets – Share purchase warrants – Minority interests

Note: Owners' equity: June 30, 2011: ¥238,280 million; March 31, 2011: ¥238,257 million

## 2. Dividends

|                                    | Dividend per share |          |        |          |              |
|------------------------------------|--------------------|----------|--------|----------|--------------|
|                                    | End-Q1             | End-Q2   | End-Q3 | Year-end | Annual total |
|                                    | ¥                  | ¥        | ¥      | ¥        | ¥            |
| FYE March 31, 2011                 | -                  | 1,000.00 | -      | 2,000.00 | 3,000.00     |
| FYE March 31, 2012                 | -                  |          |        |          |              |
| Forecast for<br>FYE March 31, 2012 |                    | 1,000.00 | -      | 1,000.00 | 2,000.00     |

Note: Revisions from the latest release of dividends forecasts: None

## 3. Forecast for the Fiscal Year ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(percentages indicate year-on-year changes)

|                                  | Net sales |       | Operating income |        | Recurring profit |        | Net income |        | Net income per share |
|----------------------------------|-----------|-------|------------------|--------|------------------|--------|------------|--------|----------------------|
|                                  | ¥ million | %     | ¥ million        | %      | ¥ million        | %      | ¥ million  | %      | ¥                    |
| Six months ending Sept. 30, 2011 | 114,700   | (0.9) | 2,500            | (34.2) | 3,600            | (28.2) | 2,100      | (9.6)  | 2,090.76             |
| FYE March 31, 2012               | 236,400   | 0.4   | 6,800            | (31.0) | 8,500            | (31.3) | 5,000      | (28.7) | 4,978.01             |

Note: Revisions from the latest release of earnings forecasts: Yes

## 4. Other Information

- (1) Changes in consolidation status of major subsidiaries during the term: none
- (2) Accounting methods specific to quarterly consolidated financial statements: yes
- (3) Changes in accounting principles, changes in accounting estimates, and retrospective restatement
  - 1) Changes in accordance with amendments to accounting standards, etc.: none
  - 2) Changes other than noted in 1) above: none
  - 3) Changes in accounting estimates: none
  - 4) Retrospective restatement: none
- (4) Shares outstanding (ordinary shares)

|  | June 30, 2011                       | March 31, 2011                      |
|--|-------------------------------------|-------------------------------------|
| 1) Number of shares outstanding (including treasury stock) | 1,006,000                           | 1,006,000                           |
| 2) Number of shares held in treasury                       | 1,582                               | 1,582                               |
|  | Three months ended<br>June 30, 2011 | Three months ended<br>June 30, 2010 |
| 3) Average number of shares outstanding during the term    | 1,004,418                           | 1,004,418                           |

### \* Quarterly Review Status

As of this report's publication, an audit of the consolidated quarterly financial statements in accordance with Japan's Financial Instruments and Exchange Act was in progress.

### \*Appropriate Use of Earnings Forecasts and Other Important Information

- The above forecasts are based on information available as of this report's publication. Actual results may differ from forecasts due to changes in the business environment. • TV Asahi Corporation has scheduled an earnings presentation aimed at analysts for Friday, August 5, 2011, and intends to publish the presentation handout materials on its website immediately after the event.

**For Reference: Non-Consolidated Forecast**

**1. Non-Consolidated Forecast for the Fiscal Year ending March 31, 2012 (April 1, 2011 – March 31, 2012)**

(percentages indicate year-on-year changes)

|                                  | Net sales |       | Operating income |        | Recurring profit |        | Net income |        | Net income per share |
|----------------------------------|-----------|-------|------------------|--------|------------------|--------|------------|--------|----------------------|
|                                  | ¥ million | %     | ¥ million        | %      | ¥ million        | %      | ¥ million  | %      | ¥                    |
| Six months ending Sept. 30, 2011 | 96,600    | (7.1) | 800              | (65.4) | 1,600            | (56.1) | 1,000      | (46.5) | 994.04               |
| FYE March 31, 2012               | 202,400   | (3.9) | 3,800            | (43.0) | 4,800            | (45.7) | 2,800      | (49.6) | 2,783.30             |

Note: Revisions from the latest release of earnings forecasts: Yes

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

|                                      | As of<br>March 31, 2011<br>Amount | (millions of yen)<br>As of<br>June 30, 2011<br>Amount |
|--------------------------------------|-----------------------------------|---|
| <b>Assets</b>                        |                                   |   |
| <b>Current assets</b>                |                                   |   |
| Cash and deposits                    | 12,465                            | 10,333  |
| Trade notes and accounts receivable  | 61,364                            | 60,733  |
| Marketable securities                | 55,042                            | 51,994  |
| Inventories                          | 8,686                             | 10,044  |
| Other current assets                 | 7,490                             | 7,778   |
| Less allowance for doubtful accounts | (105)                             | (106)   |
| Total current assets                 | 144,944                           | 140,777   |
| <b>Fixed assets</b>                  |                                   |   |
| Tangible assets                      |                                   |   |
| Land                                 | 31,240                            | 31,644  |
| Other tangible assets, net           | 40,555                            | 39,168  |
| Total tangible assets                | 71,796                            | 70,812  |
| Intangible assets                    |                                   |   |
| Other intangible assets              | 6,947                             | 6,591   |
| Total intangible assets              | 6,947                             | 6,591   |
| Investments and other assets         |                                   |   |
| Investment in securities             | 70,626                            | 70,787  |
| Other investments and other assets   | 15,861                            | 15,793  |
| Less allowance for doubtful accounts | (304)                             | (295)   |
| Total investments and other assets   | 86,184                            | 86,285  |
| Total fixed assets                   | 164,927                           | 163,689   |
| <b>Total assets</b>                  | 309,871                           | 304,466   |

|  | As of<br>March 31, 2011<br>Amount | (millions of yen)<br>As of<br>June 30, 2011<br>Amount |
|--|-----------------------------------|---|
| <b>Liabilities</b>   |                                   |   |
| <b>Current liabilities</b>   |                                   |   |
| Trade notes and accounts payable   | 12,662                            | 13,433  |
| Accrued income taxes   | 3,476                             | 1,545   |
| Liabilities for director bonuses   | 89                                | 26  |
| Other current liabilities  | 35,356                            | 31,348  |
| Total current liabilities  | 51,584                            | 46,353  |
| <b>Non-current liabilities</b>   |                                   |   |
| Liabilities for retirement and severance benefits - employees                        | 13,411                            | 13,410  |
| Liabilities for retirement and severance benefits - directors and corporate auditors | 638                               | 440   |
| Other non-current liabilities  | 1,374                             | 1,335   |
| Total non-current liabilities  | 15,423                            | 15,185  |
| Total liabilities  | 67,008                            | 61,539  |
| <b>Net assets</b>  |                                   |   |
| <b>Stockholders' equity</b>  |                                   |   |
| Common stock   | 36,642                            | 36,642  |
| Additional paid-in capital   | 55,342                            | 55,342  |
| Retained earnings  | 147,737                           | 147,905   |
| Treasury stock   | (321)                             | (321)   |
| Total stockholders' equity   | 239,401                           | 239,570   |
| <b>Accumulated other comprehensive income</b>  |                                   |   |
| Net unrealized gain on available-for-sale securities                                 | (995)                             | (1,067)   |
| Deferred gain (loss) on hedges   | 22                                | (58)  |
| Foreign currency translation adjustments   | (170)                             | (164)   |
| Total accumulated other comprehensive income   | (1,144)                           | (1,290)   |
| <b>Minority interests</b>  | 4,605                             | 4,647   |
| <b>Total net assets</b>  | 242,863                           | 242,927   |
| <b>Total liabilities and net assets</b>  | 309,871                           | 304,466   |

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

**Consolidated Statements of Income**

(millions of yen)

|  | Three Months ended<br>June 30, 2010 | Three Months ended<br>June 30, 2011 |
|--|-------------------------------------|-------------------------------------|
|  | Amount                              | Amount                              |
| <b>Net sales</b>   | 58,411                              | 57,343                              |
| Cost of sales  | 42,443                              | 41,556                              |
| <b>Gross profit</b>  | 15,968                              | 15,786                              |
| <b>SGA expenses</b>  | 13,600                              | 12,939                              |
| <b>Operating income</b>  | 2,367                               | 2,847                               |
| <b>Non-operating revenue</b>   |                                     |                                     |
| Interest income  | 47                                  | 31                                  |
| Dividend income  | 455                                 | 468                                 |
| Equity in earnings of affiliates   | 288                                 | 366                                 |
| Other non-operating revenue  | 173                                 | 150                                 |
| Total non-operating revenue  | 964                                 | 1,017                               |
| <b>Non-operating expenses</b>  |                                     |                                     |
| Loss on disposal of fixed assets   | 20                                  | 30                                  |
| Loss on valuation of membership  | 4                                   | 41                                  |
| Other non-operating expenses   | 12                                  | 10                                  |
| Total non-operating expenses   | 37                                  | 83                                  |
| <b>Recurring profit</b>  | 3,294                               | 3,781                               |
| <b>Extraordinary losses</b>  |                                     |                                     |
| Loss on sale of investment in securities   | 63                                  | -                                   |
| Loss on devaluation of investment in securities                                    | 55                                  | -                                   |
| Effect of adoption of new accounting standards for<br>asset retirement obligations | 437                                 | -                                   |
| Total extraordinary losses   | 555                                 | -                                   |
| <b>Income before income taxes and minority interests</b>                           | 2,738                               | 3,781                               |
| <b>Tax expenses</b>  | 1,256                               | 1,534                               |
| <b>Income before minority interests</b>  | 1,482                               | 2,247                               |
| <b>Minority interests</b>  | 73                                  | 67                                  |
| <b>Net income</b>  | 1,408                               | 2,180                               |

# Consolidated Statements of Comprehensive Income

(millions of yen)

|  | Three Months ended<br>June 30, 2010 | Three Months ended<br>June 30, 2011 |
|--|-------------------------------------|-------------------------------------|
|  | Amount                              | Amount                              |
| <b>Income before minority interests</b>  | 1,482                               | 2,247                               |
| <b>Other comprehensive income</b>  |                                     |                                     |
| Net unrealized gain on available-for-sale securities                                   | (1,788)                             | (72)                                |
| Deferred gain (loss) on hedges   | -                                   | (80)                                |
| Foreign currency translation adjustments   | 3                                   | 6                                   |
| Share of other comprehensive income of associates<br>accounted for using equity method | (2)                                 | 0                                   |
| Total other comprehensive income   | (1,788)                             | (145)                               |
| <b>Comprehensive income</b>  | (305)                               | 2,101                               |
| Components:  |                                     |                                     |
| Comprehensive income attributable to owners of the<br>parent                           | (378)                               | 2,034                               |
| Comprehensive income attributable to minority<br>interests                             | 73                                  | 67                                  |

## Segment Information

### 1. Sales and income by reportable segment

Three Months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

| Three Months ended June 30, 2016 (April 1, 2016 to June 30, 2016) |                                |                                  |                     |        |               | (millions of yen)   |
|---|--------------------------------|----------------------------------|---------------------|--------|---------------|---|
| Reportable segment  |                                |                                  |                     |        |               | Amounts<br>reported on<br>consolidated<br>financial<br>statements*2 |
|   | TV<br>Broadcasting<br>Business | Music<br>Publication<br>Business | Other<br>Businesses | Total  | Adjustments*1 |   |
| Sales   |                                |                                  |                     |        |               |   |
| Sales to outside customers  | 50,620                         | 1,669                            | 6,121               | 58,411 | -             | 58,411  |
| Inter-segment sales and transfers                                 | 750                            | 59                               | 1,247               | 2,058  | (2,058)       | -   |
| Total   | 51,371                         | 1,729                            | 7,369               | 60,469 | (2,058)       | 58,411  |
| Segment income  | 1,483                          | 281                              | 612                 | 2,376  | (8)           | 2,367   |

Notes: 1. Adjustments refer to elimination of intersegment transactions

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

Three Months ended June 30, 2011 (April 1, 2011 to June 30, 2011)

|                                   |                          |                            |                  |        |               | (millions of yen)                                       |
|-----------------------------------|--------------------------|----------------------------|------------------|--------|---------------|---|
|                                   | Reportable segment       |                            |                  |        |               | Amounts reported on consolidated financial statements*2 |
|                                   | TV Broadcasting Business | Music Publication Business | Other Businesses | Total  | Adjustments*1 |   |
| Sales                             |                          |                            |                  |        |               |   |
| Sales to outside customers        | 48,098                   | 3,624                      | 5,620            | 57,343 | -             | 57,343  |
| Inter-segment sales and transfers | 732                      | 56                         | 1,240            | 2,029  | (2,029)       | -   |
| Total                             | 48,831                   | 3,680                      | 6,860            | 59,372 | (2,029)       | 57,343  |
| Segment income                    | 1,698                    | 583                        | 560              | 2,843  | 4             | 2,847   |

Notes: 1. Adjustments refer to elimination of intersegment transactions

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