

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 31, 2013

TV Asahi Corporation

Consolidated Earnings Report for the Three Months ended June 30, 2013 (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>
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Scheduled dates

Filing of statutory quarterly financial report (*sihanki hokokusho*): August 13, 2013

Dividend payout: -

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: None

(Amounts rounded down to the nearest ¥ million)

1. Consolidated Performance for the Three Months ended June 30, 2013 (April 1, 2013–June 30, 2013)

(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, 2013	68,197	6.7	6,708	30.1	7,758	30.6	3,776	13.4
Three months ended June 30, 2012	63,919	11.5	5,156	81.1	5,942	57.1	3,330	52.8

Note: Comprehensive income: Three months ended June 30, 2013 ¥ 4,987million (97.1%)
 Three months ended June 30, 2012 ¥ 2,529million (20.3%)

	Net income per share	Diluted net income per share
	¥	¥
Three months ended June 30, 2013	37.60	-
Three months ended June 30, 2012	33.16	-

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Net income per share is calculated on the assumption that the share split was conducted on April 1, 2012.

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity* ratio
	¥ million	¥ million	%
June 30, 2013	335,610	264,926	77.6
March 31, 2013	333,150	261,969	77.3

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

Note: Owners' equity: June 30, 2013: ¥ 260,403million; March 31, 2013: ¥257,491million

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	¥	¥	¥	¥	¥
FYE March 31, 2013	-	1,000.00	-	20.00	-
FYE March 31, 2014	-				
Forecast for FYE March 31, 2014		10.00	-	20.00	30.00

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

Year-end dividend for the fiscal year ending March 31, 2013 is 20 yen per share. This includes a special dividend of 10 yen per share. Forecast of the year-end dividend for the fiscal year ending March 31, 2014 is 20 yen per share. This includes a commemorative dividend of 10 yen per share.

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. The figure for the dividends per share at the end of the second quarter of the fiscal year ended March 31, 2013 shows the amount of the actual dividend distributed before the share split.

3. Forecast for the Fiscal Year ending March 31, 2014 (April 1, 2013 – March 31, 2014)

(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, 2013	128,500	3.5	6,500	30.0	7,500	22.7	3,500	9.1	34.85
FYE March 31, 2014	260,000	2.5	14,000	4.4	15,500	(1.3)	8,700	(3.7)	86.62

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, 2013	March 31, 2013
1) Number of shares issued (including treasury stock)	100,600,000	100,600,000
2) Number of shares held in treasury	161,097	161,070

	Three months ended June 30, 2013	Three months ended June 30, 2012
3) Average number of shares outstanding during the term	100,438,923	100,441,765

Effective October 1, 2012, TV Asahi Corporation conducted a 1:100 share split. Average number of shares outstanding during the term, is calculated on the assumption that the share split was conducted on April 1, 2012.

* 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 intends to publish the supplementary material to quarterly financial results on its website on July 31, 2013.

For Reference: Non-Consolidated Forecast

Non-Consolidated Forecast for the Fiscal Year ending March 31, 2014 (April 1, 2013 – March 31, 2014)

(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, 2013	107,800	1.0	3,600	37.9	5,700	32.8	3,000	12.9	29.82
FYE March 31, 2014	222,000	2.0	8,800	2.1	11,000	3.5	6,500	2.7	64.61

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

Consolidated Earnings Forecasts and Other Forward-looking Statements

For the six months ending September 30, 2013, forecasts of net sales, operating income, and recurring profit have not been changed from the consolidated and non-consolidated earnings forecasts released on April 30, 2013. Net income for the period is expected to be lower than the latest forecasts, because the Company will record a “loss on measures associated with the relocation of transmitting station” to extraordinary losses.

For the fiscal year ending March 31, 2014, forecasts of net sales, operating income, and recurring profit have not been changed from the latest consolidated and non-consolidated earnings forecasts. Net income for the period, however, is expected to be lower than the latest forecasts.

Consolidated Forecast for the Six Months Ending September 30, 2013 (April 1, 2013~September 30, 2013)

(millions of yen)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net income per share(yen)
Previous Forecast (A)	128,500	6,500	7,500	4,300	42.81
New Forecast (B)	128,500	6,500	7,500	3,500	34.85
Difference (B-A)	-	-	-	(800)	
Difference (%)	-	-	-	(18.6)%	
<Reference> Results for Six Months Ended September 30, 2012	124,136	5,001	6,114	3,208	31.95

Consolidated Forecast for the Fiscal Year Ending March 31, 2014 (April 1, 2013~March 31, 2014)

(millions of yen)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net income per share(yen)
Previous Forecast (A)	260,000	14,000	15,500	9,500	94.58
New Forecast (B)	260,000	14,000	15,500	8,700	86.62
Difference (B-A)	-	-	-	(800)	
Difference (%)	-	-	-	(8.4)%	
<Reference> Results for FYE March 31, 2013	253,774	13,415	15,708	9,030	89.91

Non-Consolidated Forecast for the Six Months Ending September 30, 2013 (April 1, 2013~September 30, 2013)

(millions of yen)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net income per share(yen)
Previous Forecast (A)	107,800	3,600	5,700	3,800	37.77
New Forecast (B)	107,800	3,600	5,700	3,000	29.82
Difference (B-A)	-	-	-	(800)	
Difference (%)	-	-	-	(21.1)%	
<Reference> Results for Six Months Ended September 30, 2012	106,728	2,610	4,291	2,656	26.40

Non-Consolidated Forecast for the Fiscal Year Ending March 31, 2014 (April 1, 2013~March 31, 2014)

(millions of yen)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net income per share(yen)
Previous Forecast (A)	222,000	8,800	11,000	7,300	72.56
New Forecast (B)	222,000	8,800	11,000	6,500	64.61
Difference (B-A)	-	-	-	(800)	
Difference (%)	-	-	-	(11.0)%	
<Reference> Results for FYE March 31, 2013	217,662	8,619	10,624	6,330	62.93

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2013 Amount	(millions of yen) As of June 30, 2013 Amount
Assets		
Current assets		
Cash and deposits	10,766	10,641
Trade notes and accounts receivable	67,141	71,918
Marketable securities	49,996	43,997
Inventories	7,550	8,262
Other current assets	9,172	10,358
Less allowance for doubtful accounts	(104)	(107)
Total current assets	144,533	145,070
Fixed assets		
Tangible assets		
Land	39,916	39,916
Other tangible assets, net	45,144	46,160
Total tangible assets	85,061	86,076
Intangible assets		
Other intangible assets	5,826	5,502
Total intangible assets	5,826	5,502
Investments and other assets		
Investment in securities	84,388	85,883
Other investments and other assets	13,578	13,239
Less allowance for doubtful accounts	(238)	(163)
Total investments and other assets	97,728	98,960
Total fixed assets	188,616	190,539
Total assets	333,150	335,610

	As of March 31, 2013 Amount	(millions of yen) As of June 30, 2013 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,659	10,428
Accrued income taxes	3,643	2,532
Liabilities for director bonuses	60	15
Provision for measures associated with the relocation of transmitting station	1,080	1,525
Other current liabilities	40,128	40,138
Total current liabilities	55,572	54,639
Non-current liabilities		
Liabilities for retirement and severance benefits - employees	14,425	14,644
Liabilities for retirement and severance benefits - directors and corporate auditors	327	315
Other non-current liabilities	854	1,084
Total non-current liabilities	15,608	16,043
Total liabilities	71,180	70,683
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	55,342
Retained earnings	159,234	160,998
Treasury stock	(326)	(326)
Total stockholders' equity	250,893	252,657
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	5,718	6,574
Deferred gain (loss) on hedges	1,027	1,278
Foreign currency translation adjustments	(147)	(107)
Total accumulated other comprehensive income	6,598	7,745
Minority interests	4,478	4,523
Total net assets	261,969	264,926
Total liabilities and net assets	333,150	335,610

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

(millions of yen)

	Three Months ended June 30, 2012	Three Months ended June 30, 2013
	Amount	Amount
Net sales	63,919	68,197
Cost of sales	43,958	45,950
Gross profit	19,960	22,247
SGA expenses	14,804	15,538
Operating income	5,156	6,708
Non-operating revenue		
Interest income	16	23
Dividend income	476	538
Equity in earnings of affiliates	218	392
Other non-operating revenue	110	108
Total non-operating revenue	822	1,063
Non-operating expenses		
Loss on disposal of fixed assets	7	6
Loss on exchange rate	11	-
Loss on investments in partnership	-	3
Other non-operating expenses	16	3
Total non-operating expenses	35	13
Recurring profit	5,942	7,758
Extraordinary losses		
Loss on devaluation of investment in securities	253	83
Loss on measures associated with the relocation of transmitting station	-	1,100
Total extraordinary losses	253	1,183
Income before income taxes and minority interests	5,689	6,575
Tax expenses	2,272	2,735
Income before minority interests	3,416	3,839
Minority interests	86	62
Net income	3,330	3,776

Consolidated Statements of Comprehensive Income

	Three Months ended June 30, 2012	(millions of yen) Three Months ended June 30, 2013
	Amount	Amount
Income before minority interests	3,416	3,839
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(696)	841
Deferred gain (loss) on hedges	(180)	251
Foreign currency translation adjustments	19	39
Share of other comprehensive income of associates accounted for using equity method	(30)	14
Total other comprehensive income	(887)	1,147
Comprehensive income	2,529	4,987
Components:		
Comprehensive income attributable to owners of the parent	2,443	4,924
Comprehensive income attributable to minority interests	85	63

Segment Information

Three Months ended June 30, 2012 (April 1, 2012 to June 30, 2012)

	Reportable segment				(millions of yen)	
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	Amounts reported on consolidated financial statements*2
Sales						
Sales to outside customers	55,740	1,883	6,294	63,919	-	63,919
Inter-segment sales and transfers	887	103	1,719	2,709	(2,709)	-
Total	56,627	1,987	8,013	66,628	(2,709)	63,919
Segment income	4,201	306	662	5,170	(14)	5,156

- 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, 2013 (April 1, 2013 to June 30, 2013)

	Reportable segment				(millions of yen)	
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	Amounts reported on consolidated financial statements*2
Sales						
Sales to outside customers	57,241	4,661	6,294	68,197	-	68,197
Inter-segment sales and transfers	1,051	85	1,719	2,856	(2,856)	-
Total	58,293	4,746	8,014	71,054	(2,856)	68,197
Segment income	5,768	602	340	6,711	(2)	6,708

- 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.