

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.

October 31, 2013

TV Asahi Corporation Consolidated Earnings Report for the Six Months ended September 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>
Representative: Hiroshi Hayakawa, President
Information contact: Keizo Kayama, Treasurer Tel: +81-3-6406-1111

Scheduled dates

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

Dividend payout: December 9, 2013

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 Six Months ended September 30, 2013 (April 1, 2013–September 30, 2013)

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

	Net sales		Operating income		Recurring profit		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended September 30, 2013	131,279	5.8	9,663	93.2	10,850	77.5	5,593	74.3
Six months ended September 30, 2012	124,136	7.4	5,001	19.2	6,114	8.3	3,208	(2.9)

Note: Comprehensive income: Six months ended September 30, 2013 ¥ 7,031million (120.2%)
Six months ended September 30, 2012 ¥ 3,192million (0.9%)

	Net income per share	Diluted net income per share
	¥	¥
Six months ended September 30, 2013	55.69	-
Six months ended September 30, 2012	31.95	-

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	%
September 30, 2013	336,519	266,971	78.0
March 31, 2013	333,150	261,969	77.3

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

Note: Owners' equity: September 30, 2013: ¥ 262,330million; 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	-	10.00			
Forecast for FYE March 31, 2014			-	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	%	¥
FYE March 31, 2014	262,000	3.2	15,500	15.5	17,200	9.5	9,700	7.4	96.58

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

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)

	September 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

	Six months ended September 30, 2013	Six months ended September 30, 2012
3) Average number of shares outstanding during the term	100,438,914	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 Thursday, October 31, 2013.
- TV Asahi Corporation has scheduled an earnings presentation aimed at analysts for Thursday, November 7, 2013, and intends to publish the presentation handout materials on its website immediately after the event.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2013 Amount	(millions of yen) As of September 30, 2013 Amount
Assets		
Current assets		
Cash and deposits	10,766	7,046
Trade notes and accounts receivable	67,141	69,195
Marketable securities	49,996	51,996
Inventories	7,550	7,939
Other current assets	9,172	10,617
Less allowance for doubtful accounts	(104)	(106)
Total current assets	144,533	146,689
Fixed assets		
Tangible assets		
Land	39,916	39,917
Other tangible assets, net	45,144	45,014
Total tangible assets	85,061	84,931
Intangible assets		
Other intangible assets	5,826	5,871
Total intangible assets	5,826	5,871
Investments and other assets		
Investment in securities	84,388	86,020
Other investments and other assets	13,578	13,167
Less allowance for doubtful accounts	(238)	(160)
Total investments and other assets	97,728	99,027
Total fixed assets	188,616	189,830
Total assets	333,150	336,519

	As of March 31, 2013 Amount	(millions of yen) As of September 30, 2013 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,659	10,519
Accrued income taxes	3,643	3,709
Liabilities for director bonuses	60	34
Provision for measures associated with the relocation of transmitting station	1,080	490
Other current liabilities	40,128	38,573
Total current liabilities	55,572	53,327
Non-current liabilities		
Liabilities for retirement and severance benefits - employees	14,425	14,860
Liabilities for retirement and severance benefits - directors and corporate auditors	327	324
Other non-current liabilities	854	1,036
Total non-current liabilities	15,608	16,221
Total liabilities	71,180	69,548
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	55,342
Retained earnings	159,234	162,815
Treasury stock	(326)	(326)
Total stockholders' equity	250,893	254,474
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	5,718	6,603
Deferred gain (loss) on hedges	1,027	1,343
Foreign currency translation adjustments	(147)	(90)
Total accumulated other comprehensive income	6,598	7,856
Minority interests	4,478	4,640
Total net assets	261,969	266,971
Total liabilities and net assets	333,150	336,519

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income			(millions of yen)
	Six Months ended September 30, 2012	Six Months ended September 30, 2013	
	Amount	Amount	
Net sales	124,136	131,279	
Cost of sales	90,910	91,711	
Gross profit	33,226	39,567	
SGA expenses	28,224	29,904	
Operating income	5,001	9,663	
Non-operating revenue			
Interest income	33	57	
Dividend income	477	539	
Equity in earnings of affiliates	491	504	
Other non-operating revenue	202	149	
Total non-operating revenue	1,204	1,250	
Non-operating expenses			
Loss on disposal of fixed assets	32	45	
Other non-operating expenses	58	17	
Total non-operating expenses	91	63	
Recurring profit	6,114	10,850	
Extraordinary losses			
Loss on sales of investment in securities	-	79	
Loss on devaluation of investment in securities	314	-	
Loss on measures associated with the relocation of transmitting station	-	1,100	
Total extraordinary losses	314	1,179	
Income before income taxes and minority interests	5,799	9,671	
Tax expenses	2,414	3,897	
Income before minority interests	3,384	5,773	
Minority interests	176	180	
Net income	3,208	5,593	

Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2012	(millions of yen) Six Months ended September 30, 2013
	Amount	Amount
Income before minority interests	3,384	5,773
Other comprehensive income		
Net unrealized gain on available-for-sale securities	85	839
Deferred gain (loss) on hedges	(249)	316
Foreign currency translation adjustments	6	56
Share of other comprehensive income of associates accounted for using equity method	(35)	45
Total other comprehensive income	(191)	1,258
Comprehensive income	3,192	7,031
Components:		
Comprehensive income attributable to owners of the parent	3,017	6,851
Comprehensive income attributable to minority interests	175	180

Segment Information

Six Months ended September 30, 2012 (April 1, 2012 to September 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	107,467	3,623	13,045	124,136	-	124,136
Inter-segment sales and transfers	1,809	198	3,894	5,903	(5,903)	-
Total	109,277	3,821	16,940	130,039	(5,903)	124,136
Segment income	3,775	625	647	5,048	(46)	5,001

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.

Six Months ended September 30, 2013 (April 1, 2013 to September 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	110,395	7,935	12,948	131,279	-	131,279
Inter-segment sales and transfers	2,068	169	3,719	5,957	(5,957)	-
Total	112,463	8,105	16,667	137,236	(5,957)	131,279
Segment income	7,855	1,199	634	9,688	(24)	9,663

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.