

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.

February 4, 2014

TV Asahi Corporation Consolidated Earnings Report for the Nine Months ended December 31, 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*): February 13, 2014

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 Nine Months ended December 31, 2013 (April 1, 2013–December 31, 2013)

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

	Net sales		Operating income		Recurring profit		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Nine months ended December 31, 2013	201,087	5.7	15,167	34.8	16,933	30.4	9,506	13.5
Nine months ended December 31, 2012	190,201	5.3	11,254	16.1	12,989	10.6	8,379	28.9

Note: Comprehensive income: Nine months ended December 31, 2013 ¥ 13,197million (33.0%)
Nine months ended December 31, 2012 ¥ 9,919million (61.7%)

	Net income per share	Diluted net income per share
	¥	¥
Nine months ended December 31, 2013	94.65	-
Nine months ended December 31, 2012	83.42	-

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	%
December 31, 2013	348,213	272,130	76.8
March 31, 2013	333,150	261,969	77.3

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

Note: Owners' equity: December 31, 2013: ¥ 267,400million; 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	265,500	4.6	17,300	29.0	19,200	22.2	11,700	29.6	116.49

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)

	December 31, 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

	Nine months ended December 31, 2013	Nine months ended December 31, 2012
3) Average number of shares outstanding during the term	100,438,911	100,441,481

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 Tuesday, February 4, 2014.
- TV Asahi Corporation has scheduled an earnings presentation aimed at analysts for Thursday, February 13, 2014, and intends to publish the presentation handout materials on its website immediately after the event.

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	%	¥
FYE March 31, 2014	225,800	3.7	11,700	35.7	14,200	33.6	9,300	46.9	92.45

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

Qualitative Information on Consolidated Earnings Forecast

For consolidated and non-consolidated earnings forecast for the fiscal year ending March 31, 2014, due to satisfactory performance of time sales and spot sales from our previous outlook as of October 31, 2013, we expect an increase in net sales, operating income, recurring profit and net income from our previous forecast.

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)	262,000	15,500	17,200	9,700	96.58
New Forecast (B)	265,500	17,300	19,200	11,700	116.49
Difference (B-A)	3,500	1,800	2,000	2,000	
Difference (%)	1.3%	11.6%	11.6%	20.6%	
<Reference> Results for FYE March 31, 2013	253,774	13,415	15,708	9,030	89.91

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)	223,500	10,300	12,700	7,500	74.55
New Forecast (B)	225,800	11,700	14,200	9,300	92.45
Difference (B-A)	2,300	1,400	1,500	1,800	
Difference (%)	1.0%	13.6%	11.8%	24.0%	
<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 December 31, 2013 Amount
Assets		
Current assets		
Cash and deposits	10,766	7,337
Trade notes and accounts receivable	67,141	73,680
Marketable securities	49,996	46,498
Inventories	7,550	10,223
Other current assets	9,172	11,689
Less allowance for doubtful accounts	(104)	(108)
Total current assets	144,533	149,320
Fixed assets		
Tangible assets		
Land	39,916	40,243
Other tangible assets, net	45,144	50,485
Total tangible assets	85,061	90,729
Intangible assets		
Other intangible assets	5,826	6,496
Total intangible assets	5,826	6,496
Investments and other assets		
Investment in securities	84,388	88,856
Other investments and other assets	13,578	12,968
Less allowance for doubtful accounts	(238)	(157)
Total investments and other assets	97,728	101,666
Total fixed assets	188,616	198,892
Total assets	333,150	348,213

	As of March 31, 2013 Amount	(millions of yen) As of December 31, 2013 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,659	9,989
Accrued income taxes	3,643	3,248
Liabilities for director bonuses	60	45
Provision for measures associated with the relocation of transmitting station	1,080	259
Other current liabilities	40,128	45,013
Total current liabilities	55,572	58,556
Non-current liabilities		
Liabilities for retirement and severance benefits - employees	14,425	15,103
Liabilities for retirement and severance benefits - directors and corporate auditors	327	338
Other non-current liabilities	854	2,083
Total non-current liabilities	15,608	17,526
Total liabilities	71,180	76,082
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	55,342
Retained earnings	159,234	165,722
Treasury stock	(326)	(326)
Total stockholders' equity	250,893	257,381
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	5,718	8,202
Deferred gain on hedges	1,027	1,910
Foreign currency translation adjustments	(147)	(93)
Total accumulated other comprehensive income	6,598	10,018
Minority interests	4,478	4,730
Total net assets	261,969	272,130
Total liabilities and net assets	333,150	348,213

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income			(millions of yen)
	Nine Months ended December 31, 2012	Nine Months ended December 31, 2013	
	Amount	Amount	
Net sales	190,201	201,087	
Cost of sales	135,850	139,612	
Gross profit	54,350	61,475	
SGA expenses	43,096	46,308	
Operating income	11,254	15,167	
Non-operating revenue			
Interest income	50	97	
Dividend income	662	757	
Equity in earnings of affiliates	883	745	
Other non-operating revenue	246	254	
Total non-operating revenue	1,843	1,855	
Non-operating expenses			
Loss on disposal of fixed assets	62	65	
Other non-operating expenses	45	23	
Total non-operating expenses	108	89	
Recurring profit	12,989	16,933	
Extraordinary losses			
Loss on sales of investment in securities	-	79	
Loss on devaluation of investment in securities	272	-	
Loss on measures associated with the relocation of transmitting station	-	1,100	
Total extraordinary losses	272	1,179	
Income before income taxes and minority interests	12,716	15,754	
Tax expenses	4,058	5,977	
Income before minority interests	8,658	9,776	
Minority interests	279	269	
Net income	8,379	9,506	

Consolidated Statements of Comprehensive Income

	(millions of yen)
	Nine Months ended December 31, 2012
	Nine Months ended December 31, 2013
	Amount
	Amount
Income before minority interests	8,658
Income before minority interests	9,776
Other comprehensive income	
Net unrealized gain on available-for-sale securities	774
Deferred gain on hedges	518
Foreign currency translation adjustments	(0)
Share of other comprehensive income of associates accounted for using equity method	(31)
	70
Total other comprehensive income	1,260
	3,420
Comprehensive income	9,919
Comprehensive income	13,197
Components:	
Comprehensive income attributable to owners of the parent	9,640
	12,927
Comprehensive income attributable to minority interests	278
	270

Segment Information

Nine Months ended December 31, 2012 (April 1, 2012 to December 31, 2012)

	Reportable segment				Adjustments*1	(millions of yen) Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total		
Sales						
Sales to outside customers	164,271	5,329	20,600	190,201	-	190,201
Inter-segment sales and transfers	2,840	297	5,844	8,983	(8,983)	-
Total	167,112	5,626	26,445	199,184	(8,983)	190,201
Segment income	8,865	997	1,446	11,310	(55)	11,254

- 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.

Nine Months ended December 31, 2013 (April 1, 2013 to December 31, 2013)

	Reportable segment				Adjustments*1	(millions of yen) Amounts reported on consolidated financial statements*2
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total		
Sales						
Sales to outside customers	169,560	9,876	21,650	201,087	-	201,087
Inter-segment sales and transfers	3,189	248	5,980	9,417	(9,417)	-
Total	172,749	10,124	27,630	210,505	(9,417)	201,087
Segment income	12,438	1,690	1,088	15,217	(50)	15,167

- 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.