

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, 2014

TV Asahi Holdings Corporation Consolidated Earnings Report for the Three Months ended June 30, 2014 (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://www.tv-asahi.co.jp/e/index.html>
Representative: Hiroshi Hayakawa, Chairman and CEO
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Scheduled dates

Filing of statutory quarterly financial report (*sihanki hokokusho*): August 13, 2014

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, 2014 (April 1, 2014–June 30, 2014)

(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, 2014	70,721	3.7	4,716	(29.7)	5,682	(26.8)	4,457	18.0
Three months ended June 30, 2013	68,197	6.7	6,708	30.1	7,758	30.6	3,776	13.4

Note: Comprehensive income: Three months ended June 30, 2014 ¥ 4,459million ((10.6%)
Three months ended June 30, 2013 ¥ 4,987million (97.1%)

	Net income per share	Diluted net income per share
	¥	¥
Three months ended June 30, 2014	41.14	-
Three months ended June 30, 2013	37.60	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity* ratio
	¥ million	¥ million	%
June 30, 2014	363,499	286,637	77.5
March 31, 2014	346,001	271,318	77.0

Note: * Owners' equity: June 30, 2014: ¥ 281,850million; March 31, 2014: ¥266,565million

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

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	¥	¥	¥	¥	¥
FYE March 31, 2014	-	10.00	-	20.00	30.00
FYE March 31, 2015	-				
Forecast for FYE March 31, 2015		15.00	-	15.00	30.00

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

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.

3. Forecast for the Fiscal Year ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(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 Sep. 30, 2014	138,500	5.5	6,500	(32.7)	6,800	(37.3)	5,200	(7.0)	47.99
FYE March 31, 2015	281,500	5.1	18,000	1.4	18,800	(4.8)	12,200	4.5	112.59

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

4. Other Information

- (1) Changes in consolidation status of major subsidiaries during the term: Yes
Newly consolidated subsidiaries: 1 (Asahi Satellite Broadcasting Limited)
- (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.: Yes
 - 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, 2014	March 31, 2014
1) Number of shares issued (including treasury stock)	108,529,000	100,600,000
2) Number of shares held in treasury	166,619	161,097
	Three months ended June 30, 2014	Three months ended June 30, 2013
3) Average number of shares outstanding during the term	108,343,632	100,438,923

* 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 Holdings Corporation intends to publish the supplementary material to quarterly financial results on its website on Thursday, July 31, 2014.
- As of April 1, 2014, the company changed its trade name from "TV Asahi Corporation" to "TV Asahi Holdings Corporation."

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2014 Amount	(millions of yen) As of June 30, 2014 Amount
Assets		
Current assets		
Cash and deposits	11,435	7,465
Trade notes and accounts receivable	71,488	78,162
Marketable securities	49,398	64,621
Inventories	9,204	10,031
Other current assets	10,627	11,486
Less allowance for doubtful accounts	(93)	(91)
Total current assets	152,061	171,675
Fixed assets		
Tangible assets		
Land	38,509	38,509
Other tangible assets, net	50,188	48,951
Total tangible assets	88,698	87,461
Intangible assets		
Other intangible assets	6,674	9,259
Total intangible assets	6,674	9,259
Investments and other assets		
Investment in securities	86,479	80,336
Other investments and other assets	12,240	14,917
Less allowance for doubtful accounts	(152)	(152)
Total investments and other assets	98,568	95,102
Total fixed assets	193,940	191,823
Total assets	346,001	363,499

	As of March 31, 2014 Amount	(millions of yen) As of June 30, 2014 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	6,300	5,269
Accrued income taxes	4,741	1,829
Liabilities for director bonuses	65	15
Other current liabilities	46,268	46,505
Total current liabilities	57,376	53,619
Non-current liabilities		
Liabilities for retirement and severance benefits - directors and corporate auditors	353	305
Net defined benefit liabilities	16,132	18,368
Other non-current liabilities	819	4,567
Total non-current liabilities	17,306	23,241
Total liabilities	74,683	76,861
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	70,168
Retained earnings	167,895	168,413
Treasury stock	(326)	(332)
Total stockholders' equity	259,553	274,892
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	7,127	7,357
Deferred gain on hedges	1,635	1,295
Foreign currency translation adjustments	(65)	(76)
Remeasurements of defined benefit plans	(1,685)	(1,618)
Total accumulated other comprehensive income	7,011	6,958
Minority interests	4,752	4,787
Total net assets	271,318	286,637
Total liabilities and net assets	346,001	363,499

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income			(millions of yen)
	Three Months ended June 30, 2013	Three Months ended June 30, 2014	
	Amount	Amount	
Net sales	68,197	70,721	
Cost of sales	45,950	49,404	
Gross profit	22,247	21,317	
SGA expenses	15,538	16,600	
Operating income	6,708	4,716	
Non-operating revenue			
Interest income	23	39	
Dividend income	538	604	
Other non-operating revenue	500	377	
Total non-operating revenue	1,063	1,021	
Non-operating expenses			
Loss on disposal of fixed assets	6	33	
Other non-operating expenses	6	22	
Total non-operating expenses	13	56	
Recurring profit	7,758	5,682	
Extraordinary gains			
Gain on step acquisitions	-	1,085	
Total extraordinary gains	-	1,085	
Extraordinary losses			
Loss on devaluation of investment in securities	83	285	
Loss on measures associated with the relocation of transmitting station	1,100	-	
Total extraordinary losses	1,183	285	
Income before income taxes and minority interests	6,575	6,482	
Tax expenses	2,735	1,968	
Income before minority interests	3,839	4,513	
Minority interests	62	56	
Net income	3,776	4,457	

Consolidated Statements of Comprehensive Income

(millions of yen)

	Three Months ended June 30, 2013	Three Months ended June 30, 2014
	Amount	Amount
Income before minority interests	3,839	4,513
Other comprehensive income		
Net unrealized gain on available-for-sale securities	841	244
Deferred gain (loss) on hedges	251	(340)
Foreign currency translation adjustments	39	(10)
Remeasurements of defined benefit plans	-	67
Share of other comprehensive income of associates accounted for using equity method	14	(14)
Total other comprehensive income	1,147	(53)
Comprehensive income	4,987	4,459
Components:		
Comprehensive income attributable to owners of the parent	4,924	4,403
Comprehensive income attributable to minority interests	63	56

Segment Information

1. Information about Sales and Segment Income by Reportable Segment

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	57,967	4,661	5,568	68,197	-	68,197
Inter-segment sales and transfers	619	85	1,578	2,283	(2,283)	-
Total	58,587	4,746	7,147	70,481	(2,283)	68,197
Segment income	5,679	602	428	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.

Three Months ended June 30, 2014 (April 1, 2014 to June 30, 2014)

	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	62,860	1,941	5,919	70,721	-	70,721
Inter-segment sales and transfers	597	76	1,869	2,542	(2,542)	-
Total	63,457	2,018	7,788	73,264	(2,542)	70,721
Segment income	4,109	224	424	4,758	(41)	4,716

- Notes:
1. Adjustments refer to elimination of intersegment transactions and corporate expenses etc. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
 2. Segment income is adjusted to align it with operating income reported on the quarterly consolidated statements of income for the corresponding period.

2. Change in Reportable Segment

Subsequent to the transition to the certified broadcasting holding company structure on April 1, 2014, the Company has reviewed the classification of reportable segments. Consequently, starting from the first quarter of the current fiscal year (April 1, 2014 to June 30, 2014), the CS business, which is conducted by the Company's consolidated subsidiary, the TV Asahi Corporation, and has hitherto been classified as "Other Businesses," is now classified into "TV Broadcasting Business."

It should also be noted that the segment information for the first quarter of the previous fiscal year (April 1, 2013 to June 30, 2013) has been restated herewith in accordance with the revised classification.