

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, 2014

TV Asahi Holdings Corporation Consolidated Earnings Report for the Six Months ended September 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*): November 13, 2014

Dividend payout: December 8, 2014

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, 2014 (April 1, 2014–September 30, 2014)

(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, 2014	138,571	5.6	7,352	(23.9)	8,303	(23.5)	6,084	8.8
Six months ended September 30, 2013	131,279	5.8	9,663	93.2	10,850	77.5	5,593	74.3

Note: Comprehensive income: Six months ended September 30, 2014 ¥ 8,455million (20.3%)
Six months ended September 30, 2013 ¥ 7,031million (120.2%)

	Net income per share	Diluted net income per share
	¥	¥
Six months ended September 30, 2014	56.16	-
Six months ended September 30, 2013	55.69	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity* ratio
	¥ million	¥ million	%
September 30, 2014	367,971	290,633	77.7
March 31, 2014	346,001	271,318	77.0

Note: * Owners' equity: September 30, 2014: ¥ 285,772million; 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	-	15.00			
Forecast for FYE March 31, 2015			-	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	%	¥
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)

	September 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
	Six months ended September 30, 2014	Six months ended September 30, 2013
3) Average number of shares outstanding during the term	108,351,667	100,438,914

* 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 Friday, October 31, 2014.
- TV Asahi Holdings Corporation has scheduled an earnings presentation aimed at analysts for Tuesday, November 11, 2014, and intends to publish the presentation handout materials on its website immediately after the event.
- 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 September 30, 2014 Amount
Assets		
Current assets		
Cash and deposits	11,435	7,146
Trade notes and accounts receivable	71,488	73,351
Marketable securities	49,398	73,116
Inventories	9,204	9,810
Other current assets	10,627	12,718
Less allowance for doubtful accounts	(93)	(91)
Total current assets	152,061	176,052
Fixed assets		
Tangible assets		
Land	38,509	38,525
Other tangible assets, net	50,188	47,916
Total tangible assets	88,698	86,442
Intangible assets		
Other intangible assets	6,674	10,331
Total intangible assets	6,674	10,331
Investments and other assets		
Investment in securities	86,479	80,533
Other investments and other assets	12,240	14,756
Less allowance for doubtful accounts	(152)	(144)
Total investments and other assets	98,568	95,145
Total fixed assets	193,940	191,919
Total assets	346,001	367,971

	As of March 31, 2014 Amount	(millions of yen) As of September 30, 2014 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	6,300	5,064
Accrued income taxes	4,741	2,760
Liabilities for director bonuses	65	35
Other current liabilities	46,268	45,573
Total current liabilities	57,376	53,434
Non-current liabilities		
Liabilities for retirement and severance benefits - directors and corporate auditors	353	323
Net defined benefit liabilities	16,132	18,474
Other non-current liabilities	819	5,104
Total non-current liabilities	17,306	23,902
Total liabilities	74,683	77,337
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	55,342	70,168
Retained earnings	167,895	170,041
Treasury stock	(326)	(332)
Total stockholders' equity	259,553	276,519
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	7,127	8,395
Deferred gain on hedges	1,635	2,491
Foreign currency translation adjustments	(65)	(82)
Remeasurements of defined benefit plans	(1,685)	(1,551)
Total accumulated other comprehensive income	7,011	9,252
Minority interests	4,752	4,861
Total net assets	271,318	290,633
Total liabilities and net assets	346,001	367,971

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

	Six Months ended September 30, 2013	(millions of yen) Six Months ended September 30, 2014
	Amount	Amount
Net sales	131,279	138,571
Cost of sales	91,711	98,794
Gross profit	39,567	39,777
SGA expenses	29,904	32,425
Operating income	9,663	7,352
Non-operating revenue		
Interest income	57	80
Dividend income	539	605
Other non-operating revenue	653	810
Total non-operating revenue	1,250	1,496
Non-operating expenses		
Loss on disposal of fixed assets	45	514
Other non-operating expenses	17	30
Total non-operating expenses	63	544
Recurring profit	10,850	8,303
Extraordinary gains		
Gain on step acquisitions	-	1,085
Total extraordinary gains	-	1,085
Extraordinary losses		
Loss on sales of investment securities	79	115
Loss on valuation of investment securities	-	169
Loss on measures associated with the relocation of transmitting station	1,100	-
Total extraordinary losses	1,179	285
Income before income taxes and minority interests	9,671	9,103
Tax expenses	3,897	2,889
Income before minority interests	5,773	6,213
Minority interests	180	128
Net income	5,593	6,084

Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2013	(millions of yen) Six Months ended September 30, 2014
	Amount	Amount
Income before minority interests	5,773	6,213
Other comprehensive income		
Net unrealized gain on available-for-sale securities	839	1,266
Deferred gain (loss) on hedges	316	855
Foreign currency translation adjustments	56	(16)
Remeasurements of defined benefit plans	-	134
Share of other comprehensive income of associates accounted for using equity method	45	1
Total other comprehensive income	1,258	2,241
Comprehensive income	7,031	8,455
Components:		
Comprehensive income attributable to owners of the parent	6,851	8,326
Comprehensive income attributable to minority interests	180	129

Segment Information

1. Information about Sales and Segment Income by Reportable Segment

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

	Reportable segment				(millions of yen) Amounts reported on consolidated financial statements*2	
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	
Sales						
Sales to outside customers	111,861	7,935	11,482	131,279	-	131,279
Inter-segment sales and transfers	1,211	169	3,470	4,852	(4,852)	-
Total	113,073	8,105	14,952	136,131	(4,852)	131,279
Segment income	7,688	1,199	800	9,687	(24)	9,663

Notes: 1. Adjustments refer to elimination of inter-segment 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, 2014 (April 1, 2014 to September 30, 2014)

	Reportable segment				(millions of yen) Amounts reported on consolidated financial statements*2	
	TV Broadcasting Business	Music Publication Business	Other Businesses	Total	Adjustments*1	
Sales						
Sales to outside customers	120,729	3,662	14,179	138,571	-	138,571
Inter-segment sales and transfers	1,621	153	3,786	5,561	(5,561)	-
Total	122,350	3,816	17,966	144,133	(5,561)	138,571
Segment income	6,327	418	589	7,335	16	7,352

Notes: 1. Segment income adjustments totaling 16 million yen includes elimination of inter-segment transactions of minus 30 million yen, 997 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 950 million yen. 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 second quarter of the previous fiscal year (April 1, 2013 to September 30, 2013) has been restated herewith in accordance with the revised classification.