

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 29, 2016

TV Asahi Holdings Corporation Consolidated Earnings Report for the Three Months ended June 30, 2016 (Japanese GAAP)

Stock listing: Tokyo Stock Exchange (First Section)
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Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): August 12, 2016

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, 2016 (April 1, 2016–June 30, 2016)

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

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of the parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Three months ended June 30, 2016	70,878	0.7	8,239	43.6	9,095	34.1	5,489	31.4
Three months ended June 30, 2015	70,405	(0.4)	5,737	21.6	6,780	19.3	4,178	(6.3)

Note: Comprehensive income: Three months ended June 30, 2016 ¥ 3,693million (minus 31.3%)
Three months ended June 30, 2015 ¥ 5,376million (20.6%)

	Earnings per share	Diluted earnings per share
	¥	¥
Three months ended June 30, 2016	51.16	-
Three months ended June 30, 2015	38.56	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
June 30, 2016	396,921	310,197	76.9
March 31, 2016	402,251	308,917	75.5

Note: *Owners' equity: June 30, 2016: ¥ 305,405million; March 31, 2016: ¥ 303,856million

*Owners' equity = Net assets – Share purchase warrants – Non-controlling interests

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	¥	¥	¥	¥	¥
FYE March 31, 2016	—	20.00	—	20.00	40.00
FYE March 31, 2017	—				
Forecast for FYE March 31, 2017		20.00	—	20.00	40.00

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

3. Forecast for the Fiscal Year ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of the parent		Earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Six months ending Sept. 30, 2016	142,000	1.8	6,000	(26.0)	6,500	(31.1)	3,500	(41.0)	32.62
FYE March 31, 2017	289,000	2.9	14,000	(15.5)	14,500	(21.7)	9,000	(26.0)	83.88

Note: Revisions from the latest release of dividends 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.: 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, 2016	March 31, 2016
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	1,235,740	1,235,740
	Three months ended June 30, 2016	Three months ended June 30, 2015
3) Average number of shares outstanding during the term	107,293,260	108,362,321

* 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, July 29, 2016.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2016 Amount	(millions of yen) As of June 30, 2016 Amount
Assets		
Current assets		
Cash and deposits	25,272	20,355
Trade notes and accounts receivable	79,586	75,763
Marketable securities	54,824	55,317
Inventories	9,442	11,485
Other current assets	13,450	14,963
Less allowance for doubtful accounts	(88)	(83)
Total current assets	182,487	177,803
Fixed assets		
Tangible assets		
Land	39,703	39,703
Other tangible assets, net	50,051	49,493
Total tangible assets	89,755	89,196
Intangible assets		
Other intangible assets	8,836	8,497
Total intangible assets	8,836	8,497
Investments and other assets		
Investment securities	102,286	102,359
Other investments and other assets	19,032	19,209
Less allowance for doubtful accounts	(146)	(146)
Total investments and other assets	121,172	121,423
Total fixed assets	219,763	219,117
Total assets	402,251	396,921

	As of March 31, 2016 Amount	(millions of yen) As of June 30, 2016 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,389	6,648
Accrued income taxes	4,723	2,911
Liabilities for director bonuses	54	11
Other current liabilities	49,348	48,875
Total current liabilities	64,516	58,447
Non-current liabilities		
Liabilities for retirement and severance benefits - directors and corporate auditors	309	214
Net defined benefit liabilities	16,421	16,530
Other non-current liabilities	12,087	11,531
Total non-current liabilities	28,817	28,276
Total liabilities	93,334	86,724
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	70,168	70,257
Retained earnings	181,694	185,080
Treasury stock	(2,577)	(2,577)
Total stockholders' equity	285,927	289,403
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,531	20,792
Deferred gain (loss) on hedges	1,855	577
Foreign currency translation adjustments	(1)	(41)
Remeasurements of defined benefit plans	(5,456)	(5,326)
Total accumulated other comprehensive income	17,928	16,001
Non-controlling interests	5,060	4,792
Total net assets	308,917	310,197
Total liabilities and net assets	402,251	396,921

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

	(millions of yen)	
	Three Months ended June 30, 2015	Three Months ended June 30, 2016
	Amount	Amount
Net sales	70,405	70,878
Cost of sales	48,862	46,437
Gross profit	21,543	24,441
SGA expenses	15,806	16,202
Operating income	5,737	8,239
Non-operating revenue		
Interest income	39	35
Dividend income	705	650
Other non-operating revenue	326	241
Total non-operating revenue	1,071	927
Non-operating expenses		
Loss on valuation of membership	4	16
Foreign exchange losses	-	33
Other non-operating expenses	24	21
Total non-operating expenses	28	72
Ordinary Income	6,780	9,095
Income before income taxes	6,780	9,095
Income taxes	2,551	3,474
Profit	4,228	5,620
Profit attributable to non-controlling interests	50	130
Profit attributable to owners of the parent	4,178	5,489

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Three Months ended June 30, 2015	Three Months ended June 30, 2016
	Amount	Amount
Profit	4,228	5,620
Other comprehensive income		
Valuation difference on available-for-sale securities	745	(681)
Deferred gain (loss) on hedges	343	(1,278)
Foreign currency translation adjustments	(1)	(39)
Remeasurements of defined benefit plans	54	130
Share of other comprehensive income of entities accounted for using equity method	6	(56)
Total other comprehensive income	1,147	(1,926)
Comprehensive income	5,376	3,693
Components:		
Comprehensive income attributable to owners of the parent	5,325	3,562
Comprehensive income attributable to non-controlling interests	50	131

Segment Information

1. Information about Sales and Segment Income by Reportable Segment

Three Months ended June 30, 2015 (April 1, 2015 to June 30, 2015)

	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	59,698	3,829	6,877	70,405	-	70,405
Inter-segment sales and transfers	577	75	1,908	2,561	(2,561)	-
Total	60,276	3,905	8,785	72,967	(2,561)	70,405
Segment income	5,012	505	265	5,783	(45)	5,737

- Notes: 1. Segment income adjustments totaling minus 45 million yen includes elimination of inter-segment transactions of minus 20 million yen, 528 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 553 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.

Three Months ended June 30, 2016 (April 1, 2016 to June 30, 2016)

	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	61,580	2,010	7,287	70,878	-	70,878
Inter-segment sales and transfers	526	104	2,307	2,939	(2,939)	-
Total	62,107	2,115	9,595	73,818	(2,939)	70,878
Segment income	7,693	85	557	8,335	(96)	8,239

- Notes: 1. Segment income adjustments totaling minus 96 million yen includes elimination of inter-segment transactions of minus 52 million yen, 476 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 519 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.