

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.

November 6, 2017

## TV Asahi Holdings Corporation

### Consolidated Earnings Report for the Six Months ended September 30, 2017 (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 (*shihanki hokokusho*): November 13, 2017

Dividend payout: December 5, 2017

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, 2017 (April 1, 2017–September 30, 2017)

(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	%
Six months ended September 30, 2017	150,056	4.2	8,488	(12.1)	9,763	(8.2)	6,582	5.3
Six months ended September 30, 2016	144,023	3.3	9,662	19.2	10,630	12.6	6,249	5.4

Note: Comprehensive income: Six months ended September 30, 2017    ¥ 14,014million (259.9%)  
Six months ended September 30, 2016    ¥ 3,894million (minus 22.1%)

	Earnings per share	Diluted earnings per share
	¥	¥
Six months ended September 30, 2017	61.40	-
Six months ended September 30, 2016	58.25	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
September 30, 2017	432,970	334,224	76.5
March 31, 2017	426,070	322,793	75.0

Note: \*Owners' equity: September 30, 2017: ¥ 331,152million; March 31, 2017: ¥ 319,533million

\*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, 2017	—	20.00	—	20.00	40.00
FYE March 31, 2018	—	20.00			
Forecast for FYE March 31, 2018			—	20.00	40.00

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

## 3. Forecast for the Fiscal Year ending March 31, 2018 (April 1, 2017 – March 31, 2018)

(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	%	¥
FYE March 31, 2018	299,000	1.1	17,500	1.3	19,500	(11.2)	13,500	(15.4)	125.93

Note: Revisions from the latest release of dividends 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: Yes
  - 4) Retrospective restatement: None
- (4) Shares outstanding (ordinary shares)

	September 30, 2017	March 31, 2017
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	1,340,231	1,289,624
	Six months ended September 30, 2017	Six months ended September 30, 2016
3) Average number of shares outstanding during the term	107,217,687	107,293,251

**\* This document is outside the scope of quarterly review.**

### **\*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 Monday, November 6, 2017.
- TV Asahi Holdings Corporation has scheduled an earnings presentation aimed at analysts for Monday, November 13, 2017, and intends to publish the presentation handout materials on its website immediately after the event.

# Explanation of forward-looking statements, including the consolidated earnings forecast

With regard to the full-year consolidated earnings forecast, in light of the results for the six months ended September 30, 2017, net sales are expected to exceed the previous forecast. Also, since the Company expects to record negative goodwill in equity in earnings of affiliates as a result of conversion of Asahi Broadcasting Aomori Co., Ltd., Yamagata Television System, Inc., and Asahi Broadcasting Nagano Co., Ltd. into equity method affiliates, ordinary income and profit attributable to owners of the parent are expected to exceed the previous forecast.

For details, please refer to “Announcement of Difference between the Consolidated Earnings Forecast for the Six Months Ended September 30, 2017 and the Actual Results and Revision of the Full-Year Consolidated Earnings Forecast,” announced today (November 6, 2017).

Revision of the full-year consolidated earnings forecast for the fiscal year ending March 31, 2018  
Fiscal Year Ending March 31, 2018 (April 1, 2017 – March 31, 2018)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of the parent	Earnings per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous Forecast (A)	297,000	17,500	18,000	12,000	111.90
New Forecast (B)	299,000	17,500	19,500	13,500	125.93
Difference (B-A)	2,000	-	1,500	1,500	
Difference (%)	0.7%	-	8.3%	12.5%	
<Reference> Results for FYE March 31, 2017	295,879	17,278	21,947	15,949	148.66

## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	As of March 31, 2017 Amount	(millions of yen) As of September 30, 2017 Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	27,470	26,364
Trade notes and accounts receivable	81,280	77,313
Marketable securities	49,199	51,312
Inventories	7,771	10,769
Other current assets	16,874	11,709
Less allowance for doubtful accounts	(112)	(110)
Total current assets	182,483	177,359
<b>Fixed assets</b>		
Tangible assets		
Other tangible assets, net	97,302	96,407
Total tangible assets	97,302	96,407
Intangible assets		
Other intangible assets	7,758	7,124
Total intangible assets	7,758	7,124
Investments and other assets		
Investment securities	119,214	132,543
Other investments and other assets	19,467	19,691
Less allowance for doubtful accounts	(155)	(156)
Total investments and other assets	138,525	152,077
Total fixed assets	243,586	255,610
<b>Total assets</b>	426,070	432,970

	As of March 31, 2017 Amount	(millions of yen) As of September 30, 2017 Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	11,177	11,310
Accrued income taxes	4,324	3,184
Liabilities for director bonuses	83	21
Other current liabilities	53,653	47,811
Total current liabilities	69,237	62,327
<b>Non-current liabilities</b>		
Liabilities for retirement and severance benefits - directors and corporate auditors	298	308
Net defined benefit liabilities	17,788	18,109
Other non-current liabilities	15,953	18,000
Total non-current liabilities	34,039	36,417
Total liabilities	103,277	98,745
<b>Net assets</b>		
<b>Stockholders' equity</b>		
Common stock	36,642	36,642
Additional paid-in capital	70,220	70,226
Retained earnings	193,391	197,824
Treasury stock	(2,690)	(2,793)
Total stockholders' equity	297,563	301,900
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	25,794	32,941
Deferred gain (loss) on hedges	1,533	1,447
Foreign currency translation adjustments	(22)	(46)
Remeasurements of defined benefit plans	(5,334)	(5,089)
Total accumulated other comprehensive income	21,970	29,252
<b>Non-controlling interests</b>	3,259	3,072
<b>Total net assets</b>	322,793	334,224
<b>Total liabilities and net assets</b>	426,070	432,970

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

<b>Consolidated Statements of Income</b>		(millions of yen)
	Six Months ended September 30, 2016	Six Months ended September 30, 2017
	Amount	Amount
<b>Net sales</b>	144,023	150,056
Cost of sales	102,454	109,482
<b>Gross profit</b>	41,569	40,573
<b>SGA expenses</b>	31,907	32,085
<b>Operating income</b>	9,662	8,488
<b>Non-operating revenue</b>		
Interest income	65	58
Dividend income	724	901
Other non-operating revenue	290	346
Total non-operating revenue	1,080	1,305
<b>Non-operating expenses</b>		
Loss on disposal of non-current assets	13	16
Other non-operating expenses	98	14
Total non-operating expenses	112	30
<b>Ordinary Income</b>	10,630	9,763
<b>Extraordinary gains</b>		
Gain on bargain purchase	-	1,507
Total extraordinary gains	-	1,507
<b>Extraordinary losses</b>		
Loss on valuation of investment securities	-	47
Loss on step acquisitions	-	569
Total extraordinary losses	-	617
<b>Income before income taxes</b>	10,630	10,653
<b>Income taxes</b>	4,067	3,921
<b>Profit</b>	6,563	6,731
<b>Profit attributable to non-controlling interests</b>	313	149
<b>Profit attributable to owners of the parent</b>	6,249	6,582

### Consolidated Statements of Comprehensive Income

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
	Amount	Amount
<b>Profit</b>	6,563	6,731
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(1,311)	7,091
Deferred gain (loss) on hedges	(1,531)	(85)
Foreign currency translation adjustments	(88)	(24)
Remeasurements of defined benefit plans	260	244
Share of other comprehensive income of entities accounted for using equity method	2	56
<b>Total other comprehensive income</b>	(2,668)	7,283
<b>Comprehensive income</b>	3,894	14,014
Components:		
Comprehensive income attributable to owners of the parent	3,580	13,864
Comprehensive income attributable to non-controlling interests	313	150

## Segment Information

### 1. Information about Sales and Segment Income by Reportable Segment

Six Months ended September 30, 2016 (April 1, 2016 to September 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	121,245	5,151	17,626	144,023	-	144,023
Inter-segment sales and transfers	1,368	218	4,439	6,026	(6,026)	-
Total	122,614	5,369	22,066	150,050	(6,026)	144,023
Segment income	8,105	276	1,359	9,741	(78)	9,662

Notes: 1. Segment income adjustments totaling minus 78 million yen includes elimination of inter-segment transactions of minus 70 million yen, 952 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 961 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.

Six Months ended September 30, 2017 (April 1, 2017 to September 30, 2017)

	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	121,294	7,028	21,732	150,056	-	150,056
Inter-segment sales and transfers	1,464	137	4,607	6,209	(6,209)	-
Total	122,758	7,166	26,340	156,265	(6,209)	150,056
Segment income	6,538	665	1,308	8,512	(24)	8,488

Notes: 1. Segment income adjustments totaling minus 24 million yen includes elimination of inter-segment transactions of minus 49 million yen, 1,052 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,027 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.