

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 6, 2018

TV Asahi Holdings Corporation

Consolidated Earnings Report for the Nine Months ended December 31, 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>
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Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): February 13, 2018

Dividend payout: -

Supplementary materials to quarterly financial results available: Yes

Quarterly earnings presentation held: No

(Amounts rounded down to the nearest ¥ million)

1. Consolidated Performance for the Nine Months ended December 31, 2017 (April 1, 2017–December 31, 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	%
Nine months ended December 31, 2017	228,327	2.8	16,124	(4.0)	18,490	2.5	13,074	8.9
Nine months ended December 31, 2016	222,053	5.1	16,794	10.1	18,044	5.6	12,005	11.6

Note: Comprehensive income: Nine months ended December 31, 2017 ¥ 21,300million (34.3%)
 Nine months ended December 31, 2016 ¥ 15,862million (8.4%)

	Earnings per share	Diluted earnings per share
	¥	¥
Nine months ended December 31, 2017	121.96	-
Nine months ended December 31, 2016	111.89	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
December 31, 2017	436,459	339,330	77.0
March 31, 2017	426,070	322,793	75.0

Note: *Owners' equity: December 31, 2017: ¥ 336,187million; 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)	125.94

Note: Revisions from the latest release of earnings 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.: 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)

	December 31, 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	1,353,854	1,289,624
	Nine months ended December 31, 2017	Nine months ended December 31, 2016
3) Average number of shares outstanding during the term	107,204,924	107,293,218

*** 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 Tuesday, February 6, 2018.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2017 Amount	(millions of yen) As of December 31, 2017 Amount
Assets		
Current assets		
Cash and deposits	27,470	20,969
Trade notes and accounts receivable	81,280	81,468
Marketable securities	49,199	51,608
Inventories	7,771	12,315
Other current assets	16,874	12,897
Less allowance for doubtful accounts	(112)	(111)
Total current assets	182,483	179,146
Fixed assets		
Tangible assets		
Other tangible assets, net	97,302	95,410
Total tangible assets	97,302	95,410
Intangible assets		
Other intangible assets	7,758	6,956
Total intangible assets	7,758	6,956
Investments and other assets		
Investment securities	119,214	135,489
Other investments and other assets	19,467	19,615
Less allowance for doubtful accounts	(155)	(157)
Total investments and other assets	138,525	154,946
Total fixed assets	243,586	257,313
Total assets	426,070	436,459

	As of March 31, 2017 Amount	(millions of yen) As of December 31, 2017 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,177	10,319
Accrued income taxes	4,324	1,128
Liabilities for director bonuses	83	27
Other current liabilities	53,653	49,479
Total current liabilities	69,237	60,955
Non-current liabilities		
Liabilities for retirement and severance benefits - directors and corporate auditors	298	335
Net defined benefit liabilities	17,788	18,152
Other non-current liabilities	15,953	17,685
Total non-current liabilities	34,039	36,174
Total liabilities	103,277	97,129
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	70,220	70,226
Retained earnings	193,391	202,166
Treasury stock	(2,690)	(2,823)
Total stockholders' equity	297,563	306,212
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,794	33,523
Deferred gain (loss) on hedges	1,533	1,461
Foreign currency translation adjustments	(22)	(42)
Remeasurements of defined benefit plans	(5,334)	(4,967)
Total accumulated other comprehensive income	21,970	29,975
Non-controlling interests	3,259	3,142
Total net assets	322,793	339,330
Total liabilities and net assets	426,070	436,459

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(millions of yen)

	Nine Months ended December 31, 2016	Nine Months ended December 31, 2017
	Amount	Amount
Net sales	222,053	228,327
Cost of sales	155,889	163,082
Gross profit	66,163	65,245
SGA expenses	49,368	49,120
Operating income	16,794	16,124
Non-operating revenue		
Interest income	102	87
Dividend income	1,038	1,312
Share of profit of entities accounted for using equity method	4	896
Other non-operating revenue	293	263
Total non-operating revenue	1,438	2,560
Non-operating expenses		
Loss on disposal of non-current assets	100	172
Other non-operating expenses	89	22
Total non-operating expenses	189	195
Ordinary Income	18,044	18,490
Extraordinary gains		
Gain on sales of investment securities	526	306
Gain on step acquisitions	47	-
Gain on bargain purchase	491	1,507
Total extraordinary gains	1,065	1,813
Extraordinary losses		
Loss on valuation of investment securities	-	47
Loss on step acquisitions	-	569
Total extraordinary losses	-	617
Income before income taxes	19,109	19,686
Income taxes	6,636	6,392
Profit	12,472	13,293
Profit attributable to non-controlling interests	467	219
Profit attributable to owners of the parent	12,005	13,074

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Nine Months ended December 31, 2016	Nine Months ended December 31, 2017
	Amount	Amount
Profit	12,472	13,293
Other comprehensive income		
Valuation difference on available-for-sale securities	2,799	7,599
Deferred gain (loss) on hedges	241	(72)
Foreign currency translation adjustments	(97)	(20)
Remeasurements of defined benefit plans	390	367
Share of other comprehensive income of entities accounted for using equity method	56	133
Total other comprehensive income	3,390	8,006
Comprehensive income	15,862	21,300
Components:		
Comprehensive income attributable to owners of the parent	15,394	21,079
Comprehensive income attributable to non-controlling interests	468	220

Segment Information

Information about Sales and Segment Income by Reportable Segment

Nine Months ended December 31, 2016 (April 1, 2016 to December 31, 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	187,822	7,688	26,542	222,053	-	222,053
Inter-segment sales and transfers	1,791	320	6,511	8,623	(8,623)	-
Total	189,614	8,009	33,053	230,677	(8,623)	222,053
Segment income	14,733	453	1,682	16,868	(74)	16,794

- Notes: 1. Segment income adjustments totaling minus 74 million yen includes elimination of inter-segment transactions of minus 94 million yen, 1,459 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,439 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.

Nine Months ended December 31, 2017 (April 1, 2017 to December 31, 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	187,205	9,109	32,013	228,327	-	228,327
Inter-segment sales and transfers	2,031	199	6,878	9,109	(9,109)	-
Total	189,236	9,309	38,891	237,437	(9,109)	228,327
Segment income	13,210	706	2,222	16,139	(15)	16,124

- Notes: 1. Segment income adjustments totaling minus 15 million yen includes elimination of inter-segment transactions of minus 66 million yen, 1,557 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,506 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.