

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.

May 9, 2018

TV Asahi Holdings Corporation Consolidated Earnings Report for the Fiscal Year ended March 31, 2018 (Japanese GAAP)

Stock listing: Tokyo Stock Exchange (First Section) Securities code: 9409
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Scheduled dates

General Shareholders' Meeting June 28, 2018
Filing of statutory financial report (*yuka-shoken hokokusho*): June 28, 2018
Dividend payout: June 29, 2018

Supplementary materials to financial results available: Yes
Fiscal year-end earnings presentation held: Yes

(Amounts rounded down to the nearest ¥ million)

1. Consolidated Performance for the Fiscal Year ended March 31, 2018 (April 1, 2017–March 31, 2018)

(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	%
FYE March 31, 2018	302,511	2.2	18,634	7.8	22,053	0.5	15,848	(0.6)
FYE March 31, 2017	295,879	5.4	17,278	4.3	21,947	18.6	15,949	31.1

Note: Comprehensive income: FYE March 31, 2018 ¥22,157million (8.8%)
FYE March 31, 2017 ¥20,369million (254.4%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of the parent / Owners' equity*	Ordinary Income / Total assets	Operating income / Net sales
	¥	¥	%	%	%
FYE March 31, 2018	147.85	-	4.8	5.1	6.2
FYE March 31, 2017	148.66	-	5.1	5.3	5.8

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

Note: Share of profit of entities accounted for using equity method: FYE March 31, 2018: ¥1,844 million;
FYE March 31, 2017: ¥3,521 million

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
March 31, 2018	435,542	340,161	77.4	3,144.71
March 31, 2017	426,070	322,793	75.0	2,979.63

Note: Owners' equity: March 31, 2018: ¥336,998million; March 31, 2017: ¥319,533million

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	¥ million	¥ million	¥ million	¥ million
FYE March 31, 2018	18,149	4,134	(6,506)	49,961
FYE March 31, 2017	23,464	(11,635)	(7,441)	34,202

2. Dividends

	Dividend per share					Total dividend payout	Payout ratio (consolidated)	Dividend payout / Net assets (consolidated)
	End-Q1	End-Q2	End-Q3	Year-end	Annual total			
	¥	¥	¥	¥	¥	¥ million	%	%
FYE March 31, 2017	—	20.00	—	20.00	40.00	4,298	26.9	1.4
FYE March 31, 2018	—	20.00	—	30.00	50.00	5,372	33.8	1.6
Forecast for FYE March 31, 2019	—	20.00	—	30.00	50.00		46.6	

3. Forecast for the Fiscal Year ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(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, 2018	149,000	(0.7)	5,500	(35.2)	6,500	(33.4)	4,000	(39.2)	37.33
FYE March 31, 2019	304,000	0.5	16,000	(14.1)	17,500	(20.6)	11,500	(27.4)	107.31

4. Other Information

- (1) Changes in consolidation status of major subsidiaries during the term: None
- (2) 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
- (3) Shares outstanding (ordinary shares)

	March 31, 2018	March 31, 2017
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	1,365,390	1,289,624
	March 31, 2018	March 31, 2017
3) Average number of shares outstanding during the term	107,197,165	107,289,060

*** This document is not subject to audit procedures.**

*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 financial results on its website on Wednesday, May 9, 2018.
- TV Asahi Holdings Corporation has scheduled an earnings presentation aimed at analysts for Monday, May 14, 2018, and intends to publish the presentation handout materials on its website immediately after the event.

1. Business Performance and Financial Condition

(1) Business Performance

During the fiscal year under review (ended March 31, 2018), the Japanese economy continued to show a gradual recovery trend due to factors including improvement in corporate earnings and the employment situation.

The broadcast advertising industry faced difficult circumstances, with Tokyo area spot advertising volume falling below the prior-year level.

In this economic environment, the TV Asahi Group (TV Asahi Holdings Corporation (“the Company”) and its consolidated subsidiaries) made a concerted effort to generate earnings in the TV Broadcasting Business, Music Publication Business, and Other Businesses. Net sales for the fiscal year ended March 31, 2018 reached ¥302.511 billion (up 2.2% year on year), and cost of sales and selling, general and administrative (SG&A) expenses totaled ¥283.877 billion (up 1.9%). As a result, operating income was ¥18.634 billion (up 7.8%). Ordinary income was ¥22.053 billion (up 0.5%), and profit attributable to owners of the parent was ¥15.848 billion (down 0.6%).

Performance by segment

1. TV Broadcasting Business

Average viewer ratings by day part for the TV Broadcasting Business for the fiscal year ended March 31, 2018 were as follows: 7.4% on an all-day basis (6 a.m. – midnight), 9.9% for golden time (7 p.m. – 10 p.m.), 10.0% for prime time (7 p.m. – 11 p.m.), and 5.4% for prime 2 (11 p.m. – 1 a.m.). The Company captured the second highest average viewer ratings in all time slots, maintaining its position among the top broadcasting groups.

During the fiscal year ended March 31, 2018, the Company succeeded in further strengthening all-day viewer ratings by broadcasting special programming at the beginning and end of the fiscal year and during the New Year’s holiday period as well as special sports programs, maintaining the strong results of the previous fiscal year for morning news and informational programs, and achieving improvement in daytime viewer ratings as a result of timetable reorganization for *Serial Drama Theater* at noontime and *Sunday LIVE!!* on Sunday morning.

Many of our drama series ranked among the top programs of commercial broadcasting companies, including the popular series *Doctor X – Surgeon Daimon Michiko* (average viewer rating of 20.9%), which captured the top annual viewer rating in 2017, *Aibou (PARTNERS)* (season average viewer rating of 15.2%; average viewer rating of over 15% for twelve consecutive seasons), and *Kasoken no Onna (Woman of the Crime Lab)* (season average of 12.7%), as well as *BG: Shinpen Keigonin (Personal Bodyguard)* (average viewer rating of 15.2%), and *Grill Room Investigation* (average of

14.1%). *Serial Drama Theater*, first aired in April of last year, was well received, with the first series *Yasuragi no Sato* (average of 5.8%), the second series *Totto-chan !* (average of 6.0%), and the third series *Koshiji Fubuki Monogatari* (average of 6.2%) each capturing substantially higher viewer ratings than in the same time slots last year.

With regard to news and informational programs, average annual viewer ratings further improved in weekday morning slots, with *Shinichi Hatori's MORNING SHOW* exceeding its ratings from the previous fiscal year and capturing the top ratings in its time slot among programs of commercial broadcasting companies for a second consecutive year and *Good! Morning* achieving its highest ratings ever in all time slots.

Five sports programs ranked among the *PyeongChang 2018 Olympic Games'* top ten live broadcast programs of commercial broadcasting companies, including *Speed Skating Women's Team Pursuit and Men's 500 Meters* (22.5%). In addition, major live sports broadcasts such as *2018 FIFA World Cup Russia Final Asian Qualifiers* (prime time two-match average of 21.9%), *World Figure Skating World Team Trophy 2017 Men's Free Skating* (16.0%), and *Professional Baseball Japan Series* (live broadcast time slot average of 17.3%) captured high viewer ratings.

In the results for variety programs, regular programs such as *Ikegami Akira's News Sou Datta no ka!!* and *Cream Quiz Miracle 9* delivered steady results.

Programs aired during the three-day New Year's holiday period captured high ratings, with *Partners New Year Special* topping the list of popular programs that included *Tunnels no Sports Oh wa Oreda! (Tunnel's I'm the King of Sports!)* and the movie *Kimi no Na wa (Your Name)*. TV Asahi programs maintained the top average viewer ratings for the three-day period in the prime time slot for the tenth consecutive year and in the golden time slot for the fourth consecutive year. They also captured the top average viewer ratings in the golden time and prime time slots for the first week of January 2018, which includes the three New Year's days, topping the ratings for the first week of the year for the first time ever.

In such a situation, the Company carried out aggressive marketing activities targeted at boosting sales and profits.

In regard to time advertising sales revenue, a movement among advertisers to place importance on flexibility and efficiency in advertising activities has resulted in a tendency to reduce fixed costs. In those circumstances, in advertising sales for regular program time slots, we secured sales for new

programs such as *Saturday Station*, *Serial Drama Theater*, and *Sunday LIVE!!* On the other hand, although we sought revenue growth from programs such as *PyeongChang 2018 Olympic Games*, revenue from one-off broadcasting events decreased in the absence of revenue from *Rio de Janeiro 2016 Olympic Games*, which aired in the previous fiscal year. As a result of the above, time advertising sales revenue for the fiscal year ended March 31, 2018 totaled ¥87.988 billion (down 2.6% year on year).

Spot advertising sales decreased due to weak market conditions, such as a year-on-year decrease in Tokyo area spot advertising volume. Although revenues increased year on year in 10 out of 21 client industry sectors, including food services and other services, automobiles and related products, and energy, materials, and machinery, revenues from information and communications, hobby and sporting goods, and other categories failed to grow. Reflecting the above factors, spot advertising sales revenue in the fiscal year under review totaled ¥104.768 billion (down 0.4%).

BS/CS revenue totaled ¥26.018 billion (up 4.8%), program sales revenue totaled ¥13.166 billion (down 0.5%), and other revenue was ¥20.824 billion (up 10.0%).

As a result of the above, the TV Broadcasting Business generated net sales of ¥252.765 billion (up 0.1%), while incurring operating expenses of ¥237.215 billion (down 0.2%), resulting in operating income of ¥15.550 billion (up 4.2%).

2. Music Publication Business

The Music Publication Business generated net sales of ¥11.042 billion (up 10.6% year on year). The increase reflects factors including the production of a *Ketsumeishi* nationwide concert tour.

Operating expenses were ¥10.230 billion (up 9.3%), resulting in operating income of ¥0.811 billion (up 28.9%).

3. Other Businesses

We strategically expanded our internet-related businesses. AbemaTV, a joint venture with CyberAgent, Inc., delivered strong performance, achieving a cumulative total of 28 million application downloads. We produced and distributed on au Video pass original content such as the second season of *Doctor Y – Gekai Kaji Hideki*, a spinoff of *Doctor X – Surgeon Daimon Michiko*, the popular terrestrial broadcast drama program, and distributed *Doctor X*, from Series 1 to the latest episodes, to more than 200 countries and territories via Amazon Prime Video. In addition, the number of users of *TV Asahi Catch-up*, a free-of-charge ad-supported TV streaming service, increased together with an increase in the number of distributed programs, and advertising revenue is

steadily increasing as well. Furthermore, the *NJPW World* video distribution business is experiencing a rapid increase in the number of accesses from overseas and is growing as a global content platform.

In the special events business, the fourth *TV Asahi-Roppongi Hills Summer Festival SUMMER STATION*, held during a period of 44 days beginning on July 15, drew a total of 5.85 million visitors, higher than the previous year's figure. Other well-received events included the *PAUL McCARTNEY ONE ON ONE JAPAN TOUR 2017* and the regular music events *TV Asahi Dream Festival 2017* and *METROPOLITAN ROCK FESTIVAL 2017*, held in Tokyo and Osaka, as well as *Unkei*, a special exhibition to commemorate reconstruction of the Central Golden Hall of Kofukuji Temple, which drew 600,000 visitors. A high operation rate led to strong operating results from EX THEATER Roppongi, which held various entertainment programs such as *Kimitachi ga KING'S TREASURE*, a song and dance competition by Johnny's Jr. featuring Mr. KING that was held during the summer festival.

In the shopping business, the *Jun Sanpo* TV shopping program achieved a revenue increase against a backdrop of high viewer ratings.

The Company's investment in motion pictures produced regular releases linked to television series that delivered stable box-office revenue, such as *Doraemon*, whose 37th episode set a new series box-office record of ¥4.430 billion, and *Crayon Shin chan*.

As a result of the above activities, during the fiscal year under review, the Other Businesses segment recorded net sales of ¥50.945 billion (up 11.9% year on year), while operating expenses rose to ¥48.676 billion (up 11.3%). As a result, operating income was ¥2.269 billion (up 27.2%).

(2) Financial Condition

Current assets totaled ¥177.189 billion at the end of the fiscal year (March 31, 2018), a decrease of ¥5.294 billion from the end of the previous fiscal year (March 31, 2017). The decrease is mainly attributable to a ¥5.496 billion decrease in marketable securities.

Fixed assets totaled ¥258.352 billion at March 31, 2018, an increase of ¥14.766 billion from March 31, 2017. The increase is mainly attributable to a ¥16.821 billion increase in investment securities. As a result of the above, total assets increased by ¥9.471 billion from March 31, 2017 to ¥435.542 billion at March 31, 2018.

Current liabilities totaled ¥60.634 billion at March 31, 2018, a decrease of ¥8.603 billion from March 31, 2017. The decrease is mainly attributable to decreases of ¥3.445 billion in trade notes and accounts payable and ¥2.898 billion in accrued expenses.

Non-current liabilities totaled ¥34.746 billion at March 31, 2018, an increase of ¥0.707 billion from March 31, 2017.

As a result of the above, total liabilities decreased by ¥7.896 billion from March 31, 2017 to ¥95.380 billion at March 31, 2018.

Net assets as of March 31, 2018 totaled ¥340.161 billion, an increase of ¥17.368 billion from March 31, 2017. As a result, the owners' equity ratio was 77.4% at March 31, 2018.

(3) Cash flows

Cash and cash equivalents increased by ¥15.759 billion from March 31, 2017 to ¥49.961 billion at March 31, 2018.

Cash flows from operating activities

Operating activities provided net cash of ¥18.149 billion in the fiscal year ended March 31, 2018, ¥5.314 billion less than in the previous fiscal year. The decrease is attributable to factors including decreases of ¥4.576 billion in trade notes and accounts payable and ¥4.057 billion in inventories, despite a ¥4.602 billion increase in trade notes and accounts receivable.

Cash flows from investing activities

Investing activities provided net cash of ¥4.134 billion in the fiscal year ended March 31, 2018, ¥15.770 billion more than in the previous fiscal year. The increase is attributable to factors including an increase of ¥9.697 billion in proceeds from withdrawal of time deposits and a decrease of ¥3.694 billion in payments into time deposits.

Cash flows from financing activities

Financing activities used net cash of ¥6.506 billion in the fiscal year ended March 31, 2018, ¥0.935 billion less than in the previous fiscal year.

(4) Future outlook

For the fiscal year ending March 31, 2019, the Company expects the television advertising market to be stable, and therefore anticipates an increase in net sales. On the other hand, the Company anticipates decreases in operating income, ordinary income, and profit attributable to owners of the parent due to expected increases in program production costs and other operating expenses and the

non-recurrence of negative goodwill in equity in earnings of affiliates recorded in the fiscal year ended March 31, 2018 in connection with the conversion of affiliated broadcasting stations into equity method affiliates.

As a result, the Company forecasts full-year consolidated net sales of ¥304.0 billion, operating income of ¥16.0 billion, ordinary income of ¥17.5 billion, and profit attributable to owners of the parent of ¥11.5 billion.

(5) Basic Policy on the Distribution of Profits and Dividends for the Fiscal Year Ended March 31, 2018 and for the Fiscal Year Ending March 31, 2019

The Company regards the distribution of profits to shareholders as an important management policy. The Company's basic dividend policy is to maintain stable ordinary dividend payments with a focus on continuous growth while also securing the retained earnings needed to strengthen the foundations over the long term, which is essential to a certified broadcasting holding company with terrestrial, BS, and CS broadcasters as wholly owned subsidiaries. In addition to ordinary dividend distributions, the Company also plans to reward shareholders through the distribution of commemorative dividends to mark key events and special dividends as warranted by financial performance in any particular fiscal period.

For the fiscal year ended March 31, 2018, the Company intends to pay a year-end dividend of ¥30 per share (including a special dividend of ¥10 per share). Together with the previously distributed interim dividend of ¥20 per share, this will result in an annual dividend of ¥50 per share.

For the fiscal year ending March 31, 2019, the Company plans to pay an interim dividend of ¥20 per share and a year-end dividend of ¥30 per share (including a 60th anniversary commemorative dividend of ¥10 per share). This will result in a planned ¥50 annual dividend per share and consolidated dividend payout ratio of 46.6%.

2. Basic Policy on the Selection of Accounting Standards

The TV Asahi Group prepares its consolidated financial statements in accordance with Japanese accounting standards. The Group will continue to respond appropriately while watching the latest developments relating to the introduction of International Financial Reporting Standards (IFRS).

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2017 Amount	(millions of yen) As of March 31, 2018 Amount
Assets		
Current assets		
Cash and deposits	27,470	32,263
Trade notes and accounts receivable	81,280	78,692
Marketable securities	49,199	43,703
Inventories	7,771	10,128
Other current assets	16,874	12,478
Less allowance for doubtful accounts	(112)	(75)
Total current assets	182,483	177,189
Fixed assets		
Tangible assets		
Buildings and structures, net	31,193	29,978
Machinery and vehicles, net	14,254	13,628
Land	41,641	42,281
Leased assets, net	6,576	5,756
Other tangible assets, net	3,636	4,199
Total tangible assets	97,302	95,845
Intangible assets		
Other intangible assets	7,758	6,888
Total intangible assets	7,758	6,888
Investments and other assets		
Investment securities	119,214	136,035
Deferred tax assets	11,529	11,881
Other investments and other assets	7,937	7,879
Less allowance for doubtful accounts	(155)	(177)
Total investments and other assets	138,525	155,618
Total fixed assets	243,586	258,352
Total assets	426,070	435,542

	As of March 31, 2017 Amount	(millions of yen) As of March 31, 2018 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	11,177	7,731
Other payables	20,821	17,922
Accrued expenses	28,151	26,527
Other current liabilities	9,088	8,452
Total current liabilities	69,237	60,634
Non-current liabilities		
Deferred tax liabilities	11,230	14,024
Net defined benefit liabilities	17,788	17,735
Other non-current liabilities	5,021	2,986
Total non-current liabilities	34,039	34,746
Total liabilities	103,277	95,380
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	70,220	70,226
Retained earnings	193,391	204,941
Treasury stock	(2,690)	(2,850)
Total stockholders' equity	297,563	308,959
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,794	32,200
Deferred gain (loss) on hedges	1,533	695
Foreign currency translation adjustments	(22)	(40)
Remeasurements of defined benefit plans	(5,334)	(4,817)
Total accumulated other comprehensive income	21,970	28,038
Non-controlling interests	3,259	3,163
Total net assets	322,793	340,161
Total liabilities and net assets	426,070	435,542

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income		
	(millions of yen)	
	Year ended March 31, 2017	Year ended March 31, 2018
	Amount	Amount
Net sales	295,879	302,511
Cost of sales	211,996	217,789
Gross profit	83,882	84,722
SGA expenses	66,604	66,088
Operating income	17,278	18,634
Non-operating revenue		
Dividend income	1,079	1,349
Share of profit of entities accounted for using equity method	3,521	1,844
Other non-operating revenue	440	507
Total non-operating revenue	5,041	3,701
Non-operating expenses		
Loss on disposal of noncurrent assets	276	207
Other non-operating expenses	95	75
Total non-operating expenses	371	282
Ordinary Income	21,947	22,053
Extraordinary gains		
Gain on sales of investment securities	585	337
Gain on step acquisitions	47	-
Gain on bargain purchase	491	1,507
Compensation income	532	-
Total extraordinary gains	1,656	1,845
Extraordinary losses		
Loss on valuation of investment securities	157	47
Loss on step acquisitions	-	569
Total extraordinary losses	157	617
Income before income taxes	23,446	23,281
Income taxes		
Current	7,933	7,542
Deferred	(813)	(350)
Total income taxes	7,120	7,192
Profit	16,326	16,089
Profit attributable to non-controlling interests	377	240
Profit attributable to owners of the parent	15,949	15,848

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Year ended March 31, 2017	Year ended March 31, 2018
	Amount	Amount
Profit	16,326	16,089
Other comprehensive income		
Valuation difference on available-for-sale securities	4,198	6,349
Deferred gain (loss) on hedges	(321)	(835)
Foreign currency translation adjustments	(20)	(19)
Remeasurements of defined benefit plans	121	517
Share of other comprehensive income of entities accounted for using equity method	64	57
Total other comprehensive income	4,043	6,068
Comprehensive income	20,369	22,157
Components:		
Comprehensive income attributable to owners of the parent	19,991	21,916
Comprehensive income attributable to non-controlling interests	378	241

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(millions of yen)

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total stockholders' equity
Balance at end of previous term	36,642	70,168	181,694	(2,577)	285,927
Cumulative effects of changes in accounting policies			45		45
Restated balance	36,642	70,168	181,739	(2,577)	285,973
Changes during term					
Cash dividends			(4,298)		(4,298)
Profit attributable to owners of the parent			15,949		15,949
Purchase of treasury stock				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		51			51
Increase due to a change in the scope of applying equity method-treasury stock				(113)	(113)
Net changes other than stockholder's equity					
Total changes during term	-	51	11,651	(113)	11,589
Balance at end of term	36,642	70,220	193,391	(2,690)	297,563

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at end of previous term	21,531	1,855	(1)	(5,456)	17,928	5,060	308,917
Cumulative effects of changes in accounting policies							45
Restated balance	21,531	1,855	(1)	(5,456)	17,928	5,060	308,963
Changes during term							
Cash dividends							(4,298)
Profit attributable to owners of the parent							15,949
Purchase of treasury stock							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							51
Increase due to a change in the scope of applying equity method-treasury stock							(113)
Net changes other than stockholder's equity	4,263	(322)	(20)	121	4,041	(1,801)	2,240
Total changes during term	4,263	(322)	(20)	121	4,041	(1,801)	13,829
Balance at end of term	25,794	1,533	(22)	(5,334)	21,970	3,259	322,793

Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(millions of yen)

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total stockholders' equity
Balance at end of previous term	36,642	70,220	193,391	(2,690)	297,563
Cumulative effects of changes in accounting policies					-
Restated balance	36,642	70,220	193,391	(2,690)	297,563
Changes during term					
Cash dividends			(4,298)		(4,298)
Profit attributable to owners of the parent			15,848		15,848
Change in ownership interest of parent due to transactions with non-controlling interests		6			6
Change in treasury stock arising from change in equity in entities accounted for using equity method				(102)	(102)
Increase due to a change in the scope of applying equity method-treasury stock				(57)	(57)
Net changes other than stockholder's equity					
Total changes during term	-	6	11,550	(159)	11,396
Balance at end of term	36,642	70,226	204,941	(2,850)	308,959

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at end of previous term	25,794	1,533	(22)	(5,334)	21,970	3,259	322,793
Cumulative effects of changes in accounting policies							-
Restated balance	25,794	1,533	(22)	(5,334)	21,970	3,259	322,793
Changes during term							
Cash dividends							(4,298)
Profit attributable to owners of the parent							15,848
Change in ownership interest of parent due to transactions with non-controlling interests							6
Change in treasury stock arising from change in equity in entities accounted for using equity method							(102)
Increase due to a change in the scope of applying equity method-treasury stock							(57)
Net changes other than stockholder's equity	6,406	(837)	(18)	517	6,067	(96)	5,971
Total changes during term	6,406	(837)	(18)	517	6,067	(96)	17,368
Balance at end of term	32,200	695	(40)	(4,817)	28,038	3,163	340,161

(4) Consolidated Statements of Cash flows

	(millions of yen)	
	Year ended March	Year ended March
	31, 2017	31, 2018
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	23,446	23,281
Depreciation and amortization	9,541	9,752
Amortization of goodwill	349	282
Loss on disposal of noncurrent assets	276	207
(Gain) loss on sales of investment securities	(585)	(337)
Loss on valuation of investment securities	157	47
Increase (decrease) in allowance for doubtful accounts	10	(18)
Increase (decrease) in net defined benefit liabilities	1,163	506
Dividend income	(1,079)	(1,349)
Share of (profit) loss of entities accounted for using equity method	(3,521)	(1,844)
(Gain) Loss on step acquisitions	(47)	569
Gain on bargain purchase	(491)	(1,507)
Compensation income	(532)	-
(Increase) decrease in trade notes and accounts receivables	(1,327)	3,274
(Increase) decrease in inventories	1,733	(2,324)
Increase (decrease) in trade notes and accounts payables	685	(3,891)
Other cash flows from operating activities	567	(72)
Subtotal	30,346	26,575
Interest and dividend received	1,432	2,069
Income taxes refunded	790	763
Income taxes paid	(9,105)	(11,259)
Net cash provided by operating activities	23,464	18,149
Cash flows from investing activities		
Payments into time deposits	(14,763)	(11,068)
Proceeds from withdrawal of time deposits	13,735	23,433
Purchase of marketable securities	(115,806)	(138,200)
Proceeds from redemption of marketable securities	126,800	143,700
Purchase of trust beneficiary right	(24,353)	(4,398)
Proceeds from redemption of trust beneficiary right	22,046	6,082
Purchase of tangible assets	(9,972)	(7,586)
Purchase of intangible assets	(1,380)	(1,242)
Purchase of investment securities	(9,970)	(8,104)
Proceeds from sales of investment securities	1,032	485
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	1,530
Other cash flows from investing activities	996	(496)
Net cash used in investing activities	(11,635)	4,134
Cash flows from financing activities		
Dividends paid to stockholders	(4,298)	(4,298)
Dividends paid to non-controlling interests	(18)	(13)
Other cash flows from financing activities	(3,124)	(2,194)
Net cash used in financing activities	(7,441)	(6,506)
Effect of exchange rate changes on cash and cash equivalents	(19)	(18)
Net increase (decrease) in cash and cash equivalents	4,367	15,759
Cash and cash equivalents at beginning of term	29,835	34,202
Cash and cash equivalents at end of term	34,202	49,961

Segment Information

Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

	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	250,111	9,600	36,167	295,879	-	295,879
Inter-segment sales and transfers	2,434	385	9,340	12,159	(12,159)	-
Total	252,545	9,985	45,507	308,039	(12,159)	295,879
Segment income	14,929	629	1,784	17,343	(65)	17,278
Segment assets	270,823	13,243	51,251	335,318	90,752	426,070
Other items						
Depreciation/amortization	7,717	96	1,727	9,541	-	9,541
Investment in affiliates	7,794	-	6,048	13,843	-	13,843
Increase in tangible/intangible assets	12,407	43	2,782	15,233	-	15,233

Notes: 1. Details of adjustments are as follows:

- 1) Segment income adjustments totaling minus 65 million yen includes elimination of inter-segment transactions of minus 152 million yen, 1,995 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,907 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
 - 2) Segment assets adjustment of 90,752 million yen consists of corporate assets of 150,435 million yen and elimination of inter-segment claims and liabilities of minus 59,682 million yen.
2. Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.

Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

	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	250,206	10,775	41,530	302,511	-	302,511
Inter-segment sales and transfers	2,559	266	9,415	12,242	(12,242)	-
Total	252,765	11,042	50,945	314,753	(12,242)	302,511
Segment income	15,550	811	2,269	18,632	2	18,634
Segment assets	266,143	9,607	57,681	333,431	102,111	435,542
Other items						
Depreciation/amortization	7,980	97	1,674	9,752	-	9,752
Investment in affiliates	10,828	-	13,129	23,958	-	23,958
Increase in tangible/intangible assets	5,685	27	1,100	6,813	-	6,813

Notes: 1. Details of adjustments are as follows:

- 1) Segment income adjustments totaling 2 million yen includes elimination of inter-segment transactions of minus 99 million yen, 2,049 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,948 million yen. Corporate expenses are chiefly those expenses related to the Company's management of the Group's business.
 - 2) Segment assets adjustment of 102,111 million yen consists of corporate assets of 140,306 million yen and elimination of inter-segment claims and liabilities of minus 38,195 million yen.
2. Segment income is adjusted to align it with operating income reported on the consolidated statements of income for the corresponding period.