

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, 2019

TV Asahi Holdings Corporation

Consolidated Earnings Report for the Nine Months ended December 31, 2018 (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, 2019

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, 2018(April 1, 2018–December 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	%
Nine months ended December 31, 2018	226,604	(0.8)	13,963	(13.4)	16,332	(11.7)	11,067	(15.4)
Nine months ended December 31, 2017	228,327	2.8	16,124	(4.0)	18,490	2.5	13,074	8.9

Note: Comprehensive income: Nine months ended December 31, 2018 ¥ 12,397million (minus 41.8%)
 Nine months ended December 31, 2017 ¥ 21,300million (34.3%)

	Earnings per share	Diluted earnings per share
	¥	¥
Nine months ended December 31, 2018	103.27	-
Nine months ended December 31, 2017	121.96	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
December 31, 2018	439,760	347,711	78.2
March 31, 2018	435,488	340,161	77.4

Note: *Owners' equity: December 31, 2018: ¥ 343,849million; March 31, 2018: ¥ 336,998million

*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, 2018	—	20.00	—	30.00	50.00
FYE March 31, 2019	—	20.00	—		
Forecast for FYE March 31, 2019				30.00	50.00

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

Year-end dividend for the fiscal year ended March 31, 2018 is 30 yen per share. This includes a special dividend of 10 yen per share. Forecast of the year-end dividend for the fiscal year ending March 31, 2019 is 30 yen per share. This includes a commemorative dividend of 10 yen per share.

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	%	¥
FYE March 31, 2019	300,000	(0.8)	16,000	(14.1)	17,500	(20.6)	11,500	(27.4)	107.31

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: None
 - 4) Retrospective restatement: None
- (4) Shares outstanding (ordinary shares)

	December 31, 2018	March 31, 2018
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	1,365,435	1,365,390
	Nine months ended December 31, 2018	Nine months ended December 31, 2017
3) Average number of shares outstanding during the term	107,163,569	107,204,924

* 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 Wednesday, February 6, 2019.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2018 Amount	(millions of yen) As of December 31, 2018 Amount
Assets		
Current assets		
Cash and deposits	32,263	24,811
Trade notes and accounts receivable	78,692	77,003
Marketable securities	43,703	47,101
Inventories	10,128	12,828
Other current assets	9,896	14,242
Less allowance for doubtful accounts	(75)	(75)
Total current assets	174,608	175,911
Fixed assets		
Tangible assets		
Other tangible assets, net	95,845	98,010
Total tangible assets	95,845	98,010
Intangible assets		
Other intangible assets	6,888	6,113
Total intangible assets	6,888	6,113
Investments and other assets		
Investment securities	136,035	138,096
Other investments and other assets	22,288	21,811
Less allowance for doubtful accounts	(177)	(183)
Total investments and other assets	158,146	159,724
Total fixed assets	260,880	263,848
Total assets	435,488	439,760

	As of March 31, 2018 Amount	(millions of yen) As of December 31, 2018 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	7,731	8,579
Other current liabilities	52,902	49,162
Total current liabilities	60,634	57,741
Non-current liabilities		
Net defined benefit liabilities	17,735	17,596
Other non-current liabilities	16,958	16,710
Total non-current liabilities	34,693	34,306
Total liabilities	95,327	92,048
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	70,226	70,226
Retained earnings	204,941	210,635
Treasury stock	(2,850)	(2,850)
Total stockholders' equity	308,959	314,653
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32,200	32,963
Deferred gain (loss) on hedges	695	782
Foreign currency translation adjustments	(40)	(48)
Remeasurements of defined benefit plans	(4,817)	(4,502)
Total accumulated other comprehensive income	28,038	29,195
Non-controlling interests	3,163	3,862
Total net assets	340,161	347,711
Total liabilities and net assets	435,488	439,760

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income		
	(millions of yen)	
	Nine Months ended December 31, 2017	Nine Months ended December 31, 2018
	Amount	Amount
Net sales	228,327	226,604
Cost of sales	163,082	164,253
Gross profit	65,245	62,350
SGA expenses	49,120	48,386
Operating income	16,124	13,963
Non-operating revenue		
Dividend income	1,312	1,095
Share of profit of entities accounted for using equity method	896	1017
Other non-operating revenue	351	332
Total non-operating revenue	2,560	2,445
Non-operating expenses		
Loss on disposal of non-current assets	172	56
Other non-operating expenses	22	20
Total non-operating expenses	195	76
Ordinary Income	18,490	16,332
Extraordinary gains		
Gain on sales of investment securities	306	548
Gain on bargain purchase	1,507	-
Total extraordinary gains	1,813	548
Extraordinary losses		
Loss on valuation of investment securities	47	-
Loss on step acquisitions	569	-
Total extraordinary losses	617	-
Income before income taxes	19,686	16,880
Income taxes	6,392	5,640
Profit	13,293	11,239
Profit attributable to non-controlling interests	219	172
Profit attributable to owners of the parent	13,074	11,067

Consolidated Statements of Comprehensive Income

		(millions of yen)
	Nine Months ended December 31, 2017	Nine Months ended December 31, 2018
	Amount	Amount
Profit	13,293	11,239
Other comprehensive income		
Valuation difference on available-for-sale securities	7,599	775
Deferred gain (loss) on hedges	(72)	84
Foreign currency translation adjustments	(20)	(4)
Remeasurements of defined benefit plans	367	315
Share of other comprehensive income of entities accounted for using equity method	133	(12)
Total other comprehensive income	8,006	1,157
Comprehensive income	21,300	12,397
Components:		
Comprehensive income attributable to owners of the parent	21,079	12,224
Comprehensive income attributable to non-controlling interests	220	172

Segment Information

Information about Sales and Segment Income by Reportable Segment

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.

Nine Months ended December 31, 2018 (April 1, 2018 to December 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	185,032	7,540	34,031	226,604	-	226,604
Inter-segment sales and transfers	2,363	178	6,784	9,326	(9,326)	-
Total	187,395	7,719	40,815	235,930	(9,326)	226,604
Segment income	9,657	622	3,684	13,963	(0)	13,963

- Notes: 1. Segment income adjustments totaling minus 0 million yen includes elimination of inter-segment transactions of minus 60 million yen, 1,572 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 1,512 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.