

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 31, 2019

TV Asahi Holdings Corporation Consolidated Earnings Report for the Three Months ended June 30, 2019 (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	
Information contact: Naoji Kobayashi, Treasurer	Tel: +81-3-6406-1115

Scheduled dates

Filing of statutory quarterly financial report (*shihanki hokokusho*): August 13, 2019

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, 2019 (April 1, 2019–June 30, 2019)

(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, 2019	71,649	(0.4)	2,592	0.3	4,183	7.2	2,521	1.4
Three months ended June 30, 2018	71,948	(3.7)	2,585	(55.8)	3,903	(44.0)	2,486	(48.6)

Note: Comprehensive income: Three months ended June 30, 2019 ¥ 5,516million (minus 17.4%)
Three months ended June 30, 2018 ¥ 6,674million (minus 4.1%)

	Earnings per share	Diluted earnings per share
	¥	¥
Three months ended June 30, 2019	23.53	-
Three months ended June 30, 2018	23.20	-

(2) Consolidated Financial Position

	Total assets	Net assets	Owners' equity ratio
	¥ million	¥ million	%
June 30, 2019	453,922	356,406	77.6
March 31, 2019	452,000	353,757	77.4

Note: *Owners' equity: June 30, 2019: ¥ 352,107million; March 31, 2019: ¥ 349,830million

*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, 2019	—	20.00	—	30.00	50.00
FYE March 31, 2020	—				
Forecast for FYE March 31, 2020		20.00	—	20.00	40.00

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

Year-end dividend for the fiscal year ended 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, 2020 (April 1, 2019 – March 31, 2020)

(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, 2020	303,000	0.4	13,000	(19.6)	15,000	(21.5)	10,000	(22.4)	93.32

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)

	June 30, 2019	March 31, 2019
1) Number of shares issued (including treasury stock)	108,529,000	108,529,000
2) Number of shares held in treasury	1,367,273	1,367,273
	Three months ended June 30, 2019	Three months ended June 30, 2018
3) Average number of shares outstanding during the term	107,161,727	107,163,576

* 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, July 31, 2019.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2019 Amount	(millions of yen) As of June 30, 2019 Amount
Assets		
Current assets		
Cash and deposits	29,908	26,315
Trade notes and accounts receivable	78,534	75,192
Marketable securities	44,400	44,102
Inventories	10,571	11,230
Other current assets	12,422	16,463
Less allowance for doubtful accounts	(73)	(70)
Total current assets	175,762	173,234
Fixed assets		
Tangible assets		
Other tangible assets, net	100,642	99,906
Total tangible assets	100,642	99,906
Intangible assets		
Other intangible assets	6,373	6,443
Total intangible assets	6,373	6,443
Investments and other assets		
Investment securities	148,176	153,223
Other investments and other assets	21,223	21,293
Less allowance for doubtful accounts	(178)	(178)
Total investments and other assets	169,220	174,338
Total fixed assets	276,237	280,688
Total assets	452,000	453,922

	As of March 31, 2019 Amount	(millions of yen) As of June 30, 2019 Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	9,149	9,024
Other current liabilities	53,188	51,419
Total current liabilities	62,337	60,444
Non-current liabilities		
Net defined benefit liabilities	17,596	17,596
Other non-current liabilities	18,309	19,474
Total non-current liabilities	35,905	37,071
Total liabilities	98,243	97,515
Net assets		
Stockholders' equity		
Common stock	36,642	36,642
Additional paid-in capital	70,226	70,226
Retained earnings	212,447	211,745
Treasury stock	(2,854)	(2,854)
Total stockholders' equity	316,462	315,760
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	37,484	40,504
Deferred gain (loss) on hedges	580	420
Foreign currency translation adjustments	(57)	(57)
Remeasurements of defined benefit plans	(4,640)	(4,521)
Total accumulated other comprehensive income	33,367	36,346
Non-controlling interests	3,926	4,299
Total net assets	353,757	356,406
Total liabilities and net assets	452,000	453,922

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

(millions of yen)

	Three Months ended June 30, 2018	Three Months ended June 30, 2019
	Amount	Amount
Net sales	71,948	71,649
Cost of sales	53,432	53,460
Gross profit	18,516	18,189
SGA expenses	15,931	15,597
Operating income	2,585	2,592
Non-operating revenue		
Dividend income	608	778
Share of profit of entities accounted for using equity method	566	665
Other non-operating revenue	162	184
Total non-operating revenue	1,337	1,628
Non-operating expenses		
Loss on disposal of non-current assets	3	17
Foreign exchange losses	-	12
Other non-operating expenses	15	7
Total non-operating expenses	18	37
Ordinary Income	3,903	4,183
Extraordinary losses		
Loss on valuation of investment securities	-	171
Total extraordinary losses	-	171
Income before income taxes	3,903	4,011
Income taxes	1,380	1,473
Profit	2,522	2,538
Profit attributable to non-controlling interests	36	16
Profit attributable to owners of the parent	2,486	2,521

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Three Months ended June 30, 2018	Three Months ended June 30, 2019
	Amount	Amount
Profit	2,522	2,538
Other comprehensive income		
Valuation difference on available-for-sale securities	3,797	3,063
Deferred gain (loss) on hedges	173	(160)
Foreign currency translation adjustments	(38)	(0)
Remeasurements of defined benefit plans	105	118
Share of other comprehensive income of entities accounted for using equity method	113	(43)
Total other comprehensive income	4,151	2,978
Comprehensive income	6,674	5,516
Components:		
Comprehensive income attributable to owners of the parent	6,638	5,500
Comprehensive income attributable to non-controlling interests	36	16

Segment Information

Information about Sales and Segment Income by Reportable Segment

Three Months ended June 30, 2018 (April 1, 2018 to June 30, 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	60,750	1,622	9,575	71,948	-	71,948
Inter-segment sales and transfers	650	59	2,097	2,808	(2,808)	-
Total	61,400	1,682	11,673	74,756	(2,808)	71,948
Segment income	1,820	74	760	2,655	(69)	2,585

- Notes: 1. Segment income adjustments totaling minus 69 million yen includes elimination of inter-segment transactions of minus 16 million yen, 538 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 591 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, 2019 (April 1, 2019 to June 30, 2019)

	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	57,818	3,970	9,860	71,649	-	71,649
Inter-segment sales and transfers	561	58	2,200	2,820	(2,820)	-
Total	58,380	4,028	12,060	74,469	(2,820)	71,649
Segment income	1,294	467	902	2,664	(72)	2,592

- Notes: 1. Segment income adjustments totaling minus 72 million yen includes elimination of inter-segment transactions of minus 19 million yen, 535 million yen income accruing from inter-company transactions with our subsidiaries, and corporate expenses of minus 588 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.