

Note: The following document is an English translation of the Japanese-language original.

Asahi Broadcasting Corporation **Earnings Reference for the Second Quarter** **(Cumulative) of FISCAL 2017**

(The fiscal year ending March 31, 2018)

November 10, 2017

The ABC logo consists of the letters 'ABC' in a white, bold, sans-serif font, set against a solid orange rectangular background. The logo is positioned in the lower right quadrant of the slide, overlapping the image of the building and the securities code box.

ABC

Securities Code: 9405

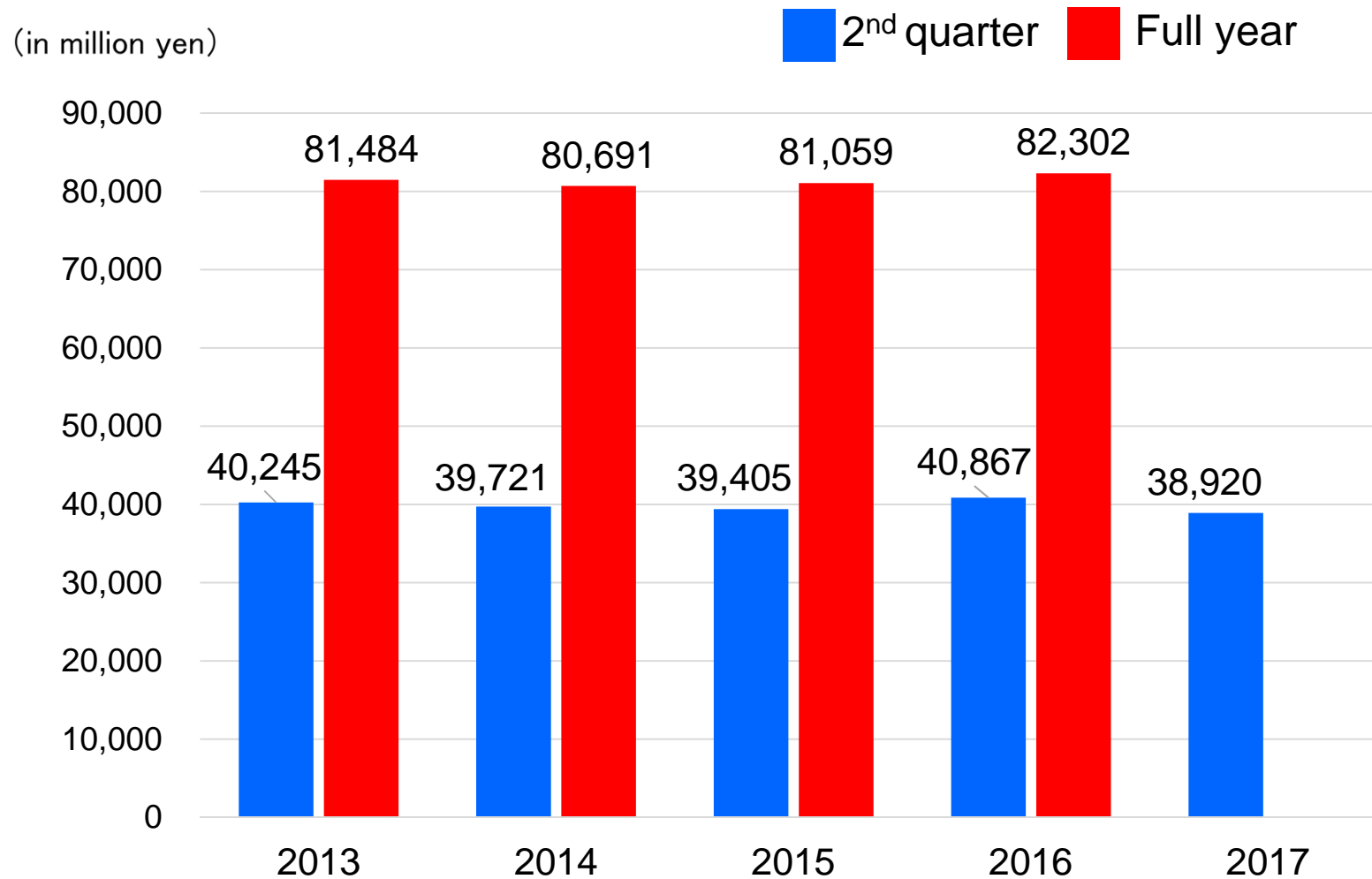
©ABC2017

Consolidated Earnings

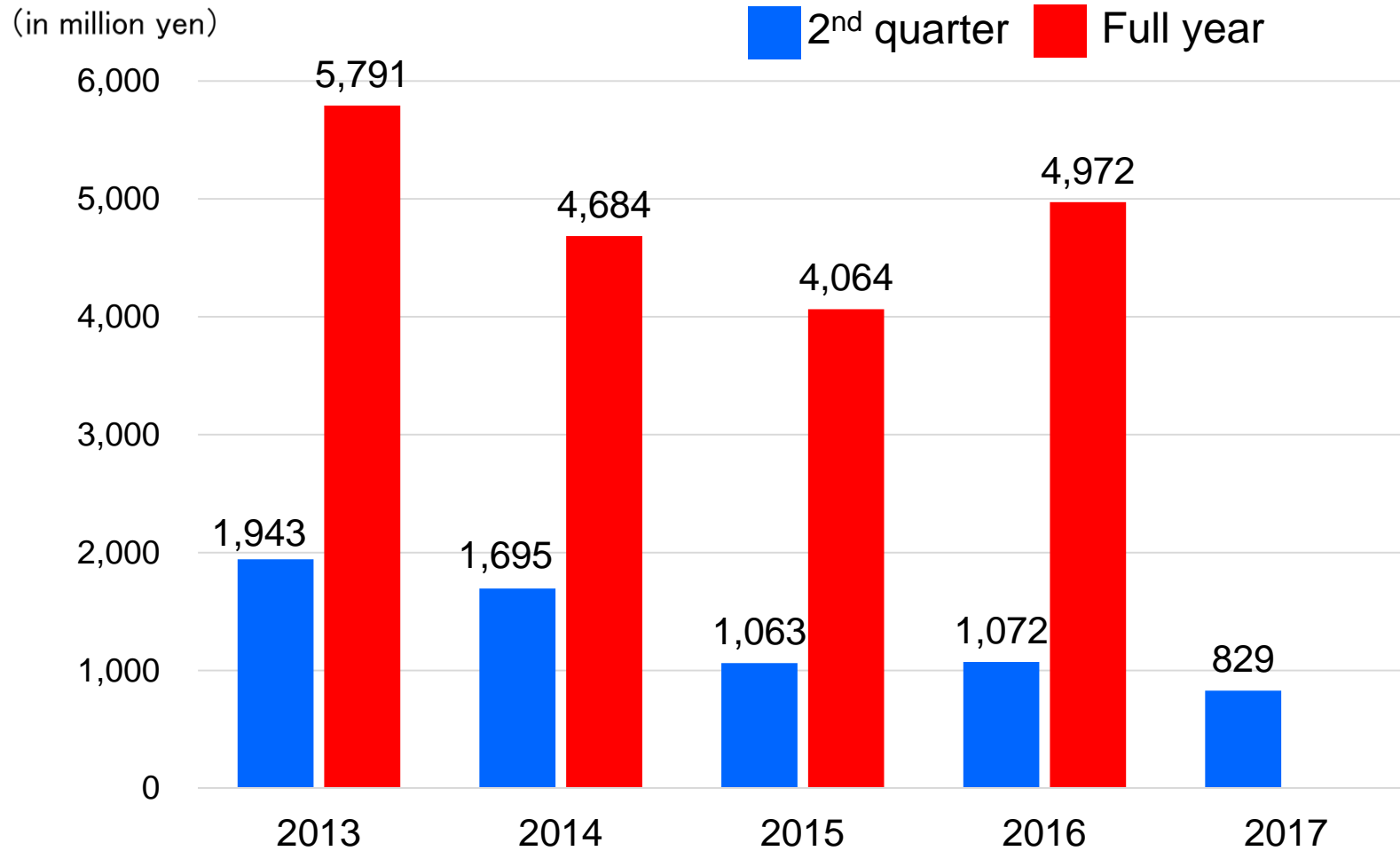
(in million yen)

	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Net sales	38,920	40,867	△1,947	△4.8%
Operating income	829	1,072	△243	△22.7%
Ordinary income	1,021	1,260	△239	△19.0%
Profit attributable to owners of parent	614	883	△269	△30.5%

Consolidated Net Sales in the Past 5 Years



Consolidated Operating Income in the Past 5 Years



Earnings by Segment

(in million yen)

Broadcasting	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Net sales	32,974	35,014	Δ2,040	Δ5.8%
Operating income	412	635	Δ223	Δ35.1%
Housing	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Net sales	5,483	5,418	65	1.2%
Operating income	397	461	Δ63	Δ13.9%
Golf Club	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Net sales	461	435	26	6.1%
Operating income	18	Δ24	43	-

ABC's Earnings (Non-consolidated)

(in million yen)

	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Net sales	30,138	32,450	△2,312	△7.1%
Operating income	390	893	△502	△56.2%
Ordinary income	679	1,202	△522	△43.5%
Profit	483	974	△491	△50.5%

Television Broadcasting Business Revenue

(Terrestrial broadcast)

<Revenue>

(in million yen)

	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Television broadcasting business revenue	27,455	28,592	△1,136	△4.0%

Breakdowns

Network time advertising revenue	6,506	7,362	△855	△11.6%
Local time advertising revenue	3,037	3,019	18	0.6%
Spot sales revenue	16,755	16,959	△204	△1.2%
Program sales revenue	1,155	1,251	△95	△7.6%

TV spot sales revenue (Terrestrial broadcast)

(in million yen)

	FY2017	FY2016	Growth	% change
1 st quarter	8,722	8,692	29	0.3%
2 nd quarter	8,033	8,267	△233	△2.8%
1st half	16,755	16,959	△204	△1.2%
3 rd quarter		9,523		
4 th quarter		9,270		
2nd half		18,793		
Full Fiscal Year		35,752		

TV spot sales revenue (Terrestrial broadcast: By industry sector)

Industry sector	2 nd quarter of Fiscal 2017		2 nd quarter of Fiscal 2016	
	YoY (※)	Shares	YoY (※)	Shares
Foods/Dairy products	106.0%	11.1%	99.2%	10.4%
Information/Telecommunication	91.8%	10.2%	141.5%	11.0%
Automobile	108.8%	8.0%	93.4%	7.3%
Pharmaceutical/Medical Products	97.3%	7.6%	120.3%	7.8%
Alcoholic and other beverages	88.8%	7.6%	88.5%	8.5%
Cosmetics/Toiletries	93.7%	7.5%	95.9%	7.8%
Consumer electronics/Computer	108.0%	6.0%	94.4%	5.4%
Finance	88.4%	5.9%	97.1%	6.5%
Travel/Leisure	121.2%	5.5%	93.7%	4.5%
Hobby (Movie/Game/Music etc.)	91.4%	5.4%	104.5%	5.8%
Housing/Real estate/Construction	138.9%	4.3%	105.7%	3.0%
Restaurant & Fast foods/Services	110.0%	4.1%	81.7%	3.7%
Fashion (Apparel/Jewelry etc.)	100.2%	2.7%	93.5%	2.7%
Energy/Machine/Material	74.7%	2.1%	1029.3%	2.8%
Mail order sales	122.9%	2.1%	109.0%	1.7%
Publishing	110.7%	2.0%	79.4%	1.8%
Education/Religion/Ceremonial occasions	100.7%	1.8%	102.2%	1.7%
Various organizations (Law office etc.)	93.5%	1.7%	84.1%	1.8%
Household articles	117.7%	1.4%	74.9%	1.2%
Distribution	46.9%	1.4%	88.2%	2.4%
Government/Political organization	41.0%	0.3%	87.9%	0.7%
Others	147.3%	1.3%	83.4%	1.5%
The sum total		100.0%		100.0%

※Compared with corresponding period of a year earlier.

Consolidated / Non-consolidated Expense

(in million yen)

Consolidated	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Cost of Sales	26,484	28,235	△1,751	△6.2%
Selling, General and Administrative Expenses	11,606	11,559	47	0.4%
Total Operating Expense	38,090	39,795	△1,704	△4.3%

Non-consolidated	2Q of Fiscal 2017	2Q of Fiscal 2016	Growth	% change
Cost of Sales	19,369	21,141	△1,771	△8.4%
Selling, General and Administrative Expenses	10,378	10,416	△38	△0.4%
Total Operating Expense	29,747	31,557	△1,810	△5.7%
TV Program Expense	9,173	9,456	△283	△3.0%

Consolidated Earnings Outlook

(in million yen)

	FY 2017	FY 2016 (actual)	Growth	%change
Net sales	80,500	82,302	△1,802	△2.2%
Operating income	4,100	4,972	△872	△17.5%
Ordinary income	4,300	5,261	△961	△18.3%
Profit attributable to owners of parent	2,600	3,416	△816	△23.9%

Earnings Outlook by Segment

(in million yen)

Broadcasting	FY 2017	FY 2016 (actual)	Total Growth	% change
Net sales	68,110	70,568	△2,458	△3.5%
Operating income	2,980	3,809	△829	△21.8%
Housing	FY 2017	FY 2016 (actual)	Total Growth	% change
Net sales	11,500	10,924	575	5.3%
Operating income	1,100	1,143	△43	△3.8%
Golf Club	FY 2017	FY 2016 (actual)	Total Growth	% change
Net sales	890	809	80	10.0%
Operating income	20	19	0	4.7%

ABC's Earnings Outlook (Non-consolidated)

(in million yen)

	FY 2017	FY 2016 (actual)	Growth	%change
Net sales	62,700	65,130	△2,430	△3.7%
Operating income	2,900	3,485	△585	△16.8%
Ordinary income	3,200	3,891	△691	△17.8%
Profit	2,200	2,867	△667	△23.3%

Television Broadcasting Business (Terrestrial) Revenue Outlook

<Revenue>

(in million yen)

	FY 2017	FY 2016 (actual)	Growth	% change
Television broadcasting business revenue	57,200	58,264	△1,064	△1.8%

Major breakdowns

Network time advertising revenue	13,600	14,684	△1,084	△7.4%
Local time advertising revenue	5,800	5,592	207	3.7%
Spot sales revenue	35,700	35,752	△52	△0.1%
Program sales revenue	2,100	2,235	△135	△6.1%

Consolidated / Non-consolidated Expense Outlook

(in million yen)

	FY 2017	FY 2016 (actual)	Growth	%change
Consolidated: Operating Expenses	76,400	77,329	△929	△1.2%
Non-consolidated: Operating Expenses	59,800	61,644	△1,844	△3.0%
Non-consolidated: TV Program Expenses	17,400	17,853	△453	△2.5%

Television Viewer Ratings of April-September 2017 (Kansai region)

	All-day (6:00-24:00)	Golden time (19:00-22:00)	Prime (19:00-23:00)	Prime 2 (23:00-25:00)
1	YTV 8.0	YTV 12.0	YTV 12.0	ABC 7.8
2	MBS 7.4	MBS 10.6	ABC 10.8	YTV 7.5
3	ABC 7.3	ABC 10.3	MBS 10.7	MBS 5.8
4	KTV 7.2	NHK 9.9	KTV 9.7	KTV 5.4
5	NHK 5.7	KTV 9.8	NHK 8.7	NHK 2.6

(%)

Television Viewer Ratings of January-September 2017 (Kansai region)

	All-day (6:00-24:00)	Golden time (19:00-22:00)	Prime (19:00-23:00)	Prime 2 (23:00-25:00)
1	YTV 8.1	YTV 12.2	YTV 12.1	ABC 8.1
2	MBS 7.6	MBS 10.9	ABC 11.3	YTV 7.5
3	ABC 7.5	ABC 10.7	MBS 11.0	MBS 5.9
4	KTV 7.2	NHK 10.3	KTV 9.7	KTV 5.3
5	NHK 5.8	KTV 9.8	NHK 8.9	NHK 2.7

(%)

Dividends

(in yen)

	FY 2017 (forecast)	FY 2016	FY 2015
Interim dividend	10.0	9.0	9.0
Period-end dividend	10.0	17.0	9.0
Total	20.0	26.0	18.0