

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

# Asahi Broadcasting Group Holdings Corporation Earnings Reference for the Second Quarter of FISCAL 2018

(The fiscal year ending March 31, 2019)

November 9, 2018

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 building image and the securities code box.

**ABC**

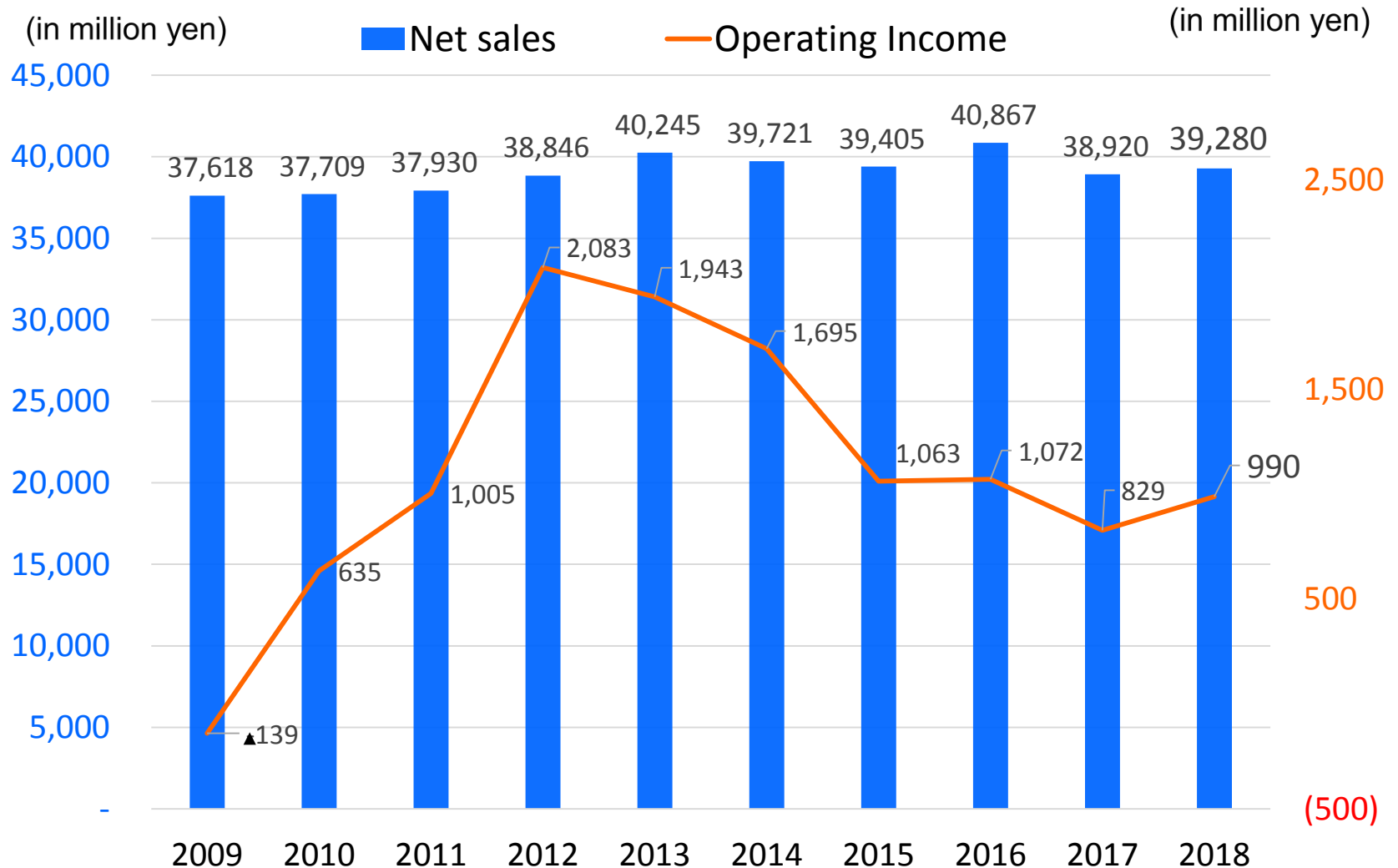
Securities Code: **9405**

# Consolidated Results and Expenses (1H)

(in million yen)

		FY2018 1H	FY2017 1H	YoY	% Change
Net sales		39,280	38,920	360	0.9%
Operating expenses		38,290	38,090	199	0.5%
Breakdown	Cost of sales	26,616	26,484	132	0.5%
	Selling, general and administrative expenses	11,673	11,606	67	0.6%
Operating income		990	829	160	19.4%
Ordinary income		1,194	1,021	173	17.0%
Profit attributable to owners of parent		1,508	614	894	145.5%

# Consolidated Net Sales and Operating Income in the Past 10 Years (1H)



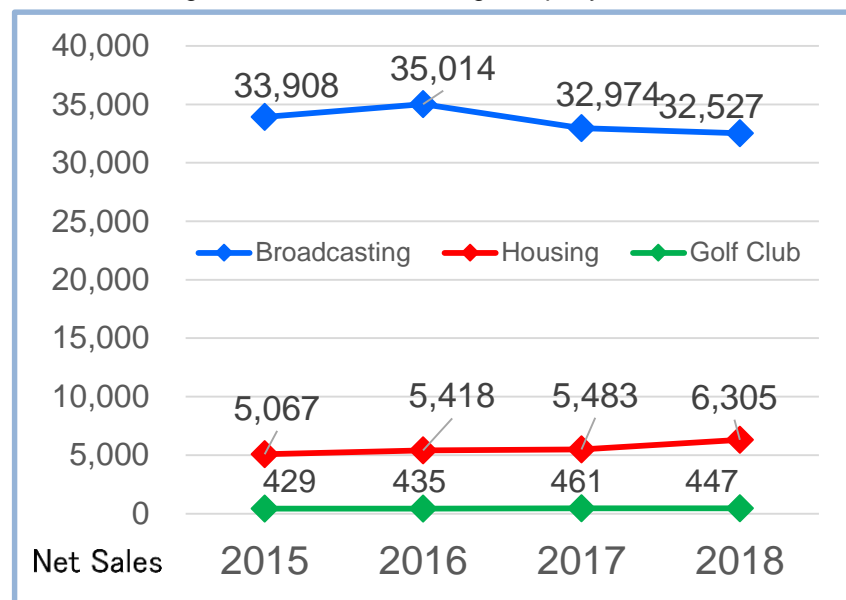
# Results by Segment

(in million yen)

Broadcasting	FY2018 1H	FY2017 1H
Net Sales	32,527	32,974
Operating Income	657	412
Housing	FY2018 1H	FY2017 1H
Net Sales	6,305	5,483
Operating Income	446	397
Golf Club	FY2018 1H	FY2017 1H
Net Sales	447	461
Operating Income	2	18

Adjustments	FY2018 1H	FY2017 1H
Operating Income	-115	—

\*Percentage change from the previous fiscal year is not mentioned due to reviewing the allocation of business management expenses etc. according to transition to a holding company structure.



# ABC TV Results and Expenses

(in million yen)

## <Results>

1H	ABC TV FY 2018
Net Sales	27,887
Operating Income	- 67
Ordinary Income	- 45
Profit	668

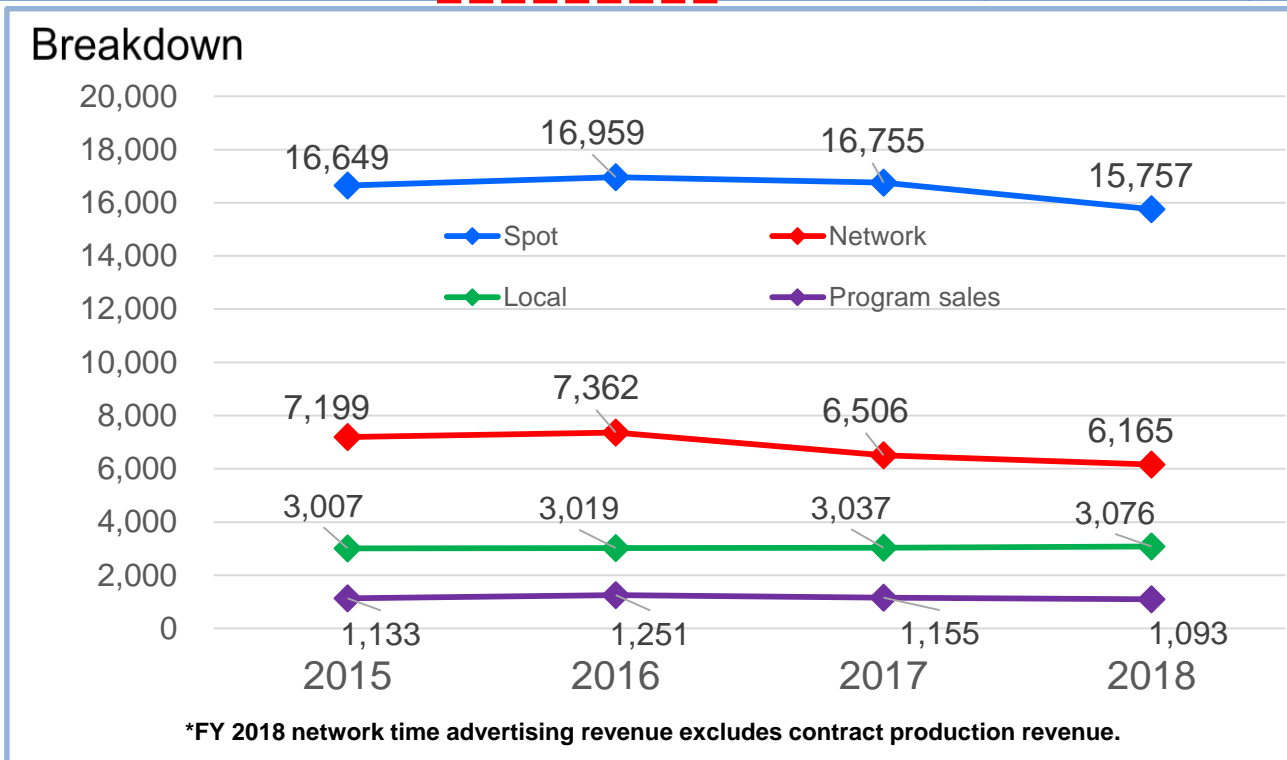
## <Expenses>

1H	ABC TV FY 2018
Cost of Sales	17,616
Selling, General and Administrative Expenses	10,338
Total Operating Expenses	27,954

# Terrestrial Television Broadcasting Business Revenue (1H)

(in million yen)

	FY 2018 1H	FY 2017 1H	YoY	% Change
<b>Television broadcasting business revenue</b>	26,092	27,455	-1,363	-5.0%

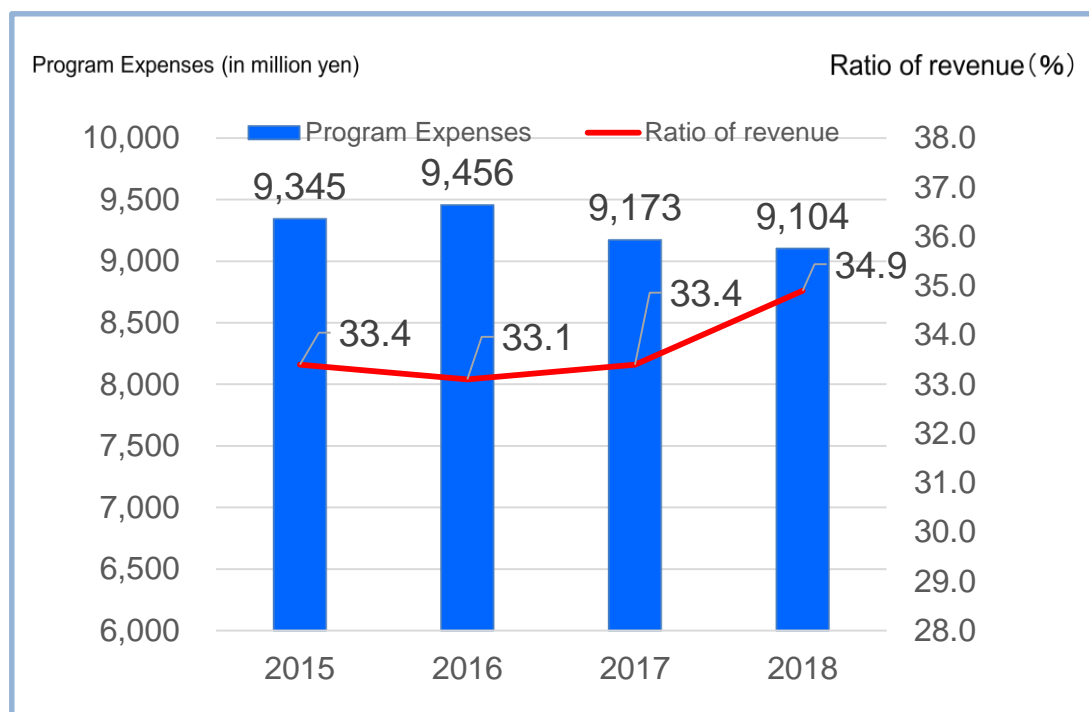


# Terrestrial Television Broadcasting Business Expenses (1H)

(in million yen)

	FY 2018 1H	FY 2017 1H	YoY	% Change
<b>ABC TV Program Expenses</b>	9,104	9,173	-69	-0.8%

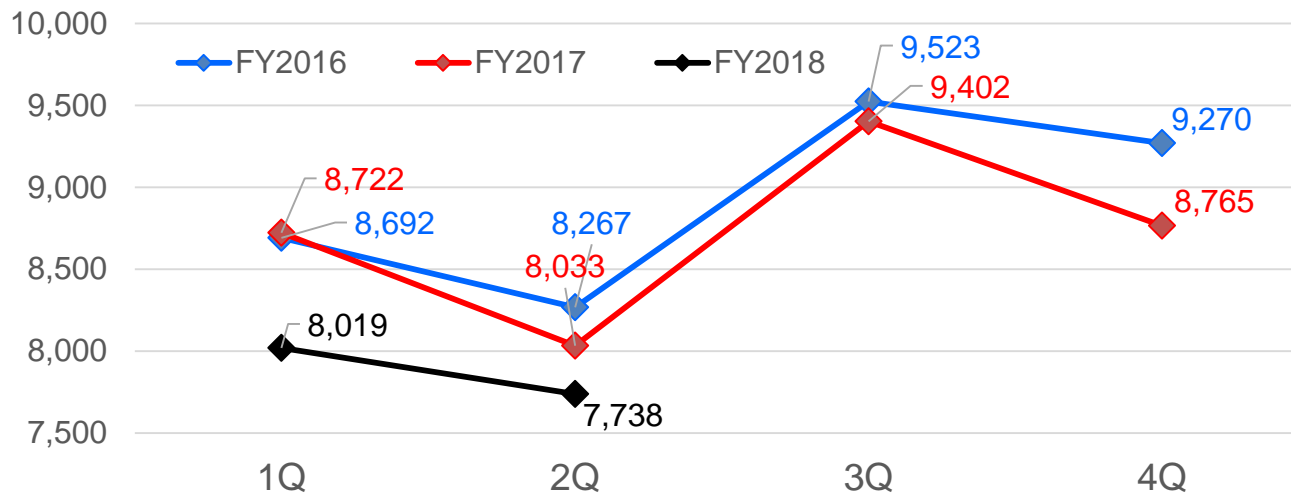
\*FY2018 program expenses include outsourcing expenses to group companies and contract program production expenses from ABC Radio.



# Terrestrial Television Spot Sales Revenue

(in million yen)

	1Q	2Q	3Q	4Q	Full-year
FY2016	8,692	8,267	9,523	9,270	35,752
FY2017	8,722	8,033	9,402	8,765	34,923
FY2018	8,019	7,738			15,757





# Terrestrial Television Spot Sales Revenue (By Top 20 industry sector)

Industry sector	FY2018 1H		FY2017 1H	
	YoY	Composition rate	YoY	Composition rate
Foods	99.3%	11.7%	106.0%	11.1%
Transportation/Leisure/Restaurants & Fast foods/Services	106.4%	10.9%	116.1%	9.7%
Alcoholic and other beverages	110.0%	8.9%	88.8%	7.6%
Information/Telecommunication	73.6%	8.0%	91.8%	10.2%
Cosmetics/Toiletries	97.6%	7.7%	93.2%	7.4%
Automobile	90.1%	7.7%	108.8%	8.0%
Pharmaceutical/Medical products	92.6%	7.5%	97.3%	7.6%
Finance	107.8%	6.7%	88.4%	5.9%
Hobby(Movie/Game/Music etc.)	107.9%	6.2%	92.0%	5.4%
Consumer electronics/Computer	75.1%	4.8%	108.0%	6.0%
Housing/Real estate/Construction	90.4%	4.1%	138.9%	4.3%
Fashion(Apparel/Jewelry etc.)	86.2%	2.5%	100.2%	2.7%
Publishing	104.6%	2.2%	110.7%	2.0%
Government/Political organization	90.0%	2.0%	83.5%	2.1%
Energy/Machine/Material	80.2%	1.8%	72.0%	2.1%
Retail/Distribution	119.5%	1.8%	57.7%	1.4%
Various organizations(Law office etc.)	93.6%	1.7%	93.5%	1.7%
Mail order sales	61.5%	1.4%	122.9%	2.1%
Logistics services/Events	89.0%	1.2%	101.8%	1.3%
Homeware	79.3%	1.2%	117.7%	1.4%
Other	20.1%	0.0%	58.0%	0.1%
Total		100.0%		100.0%

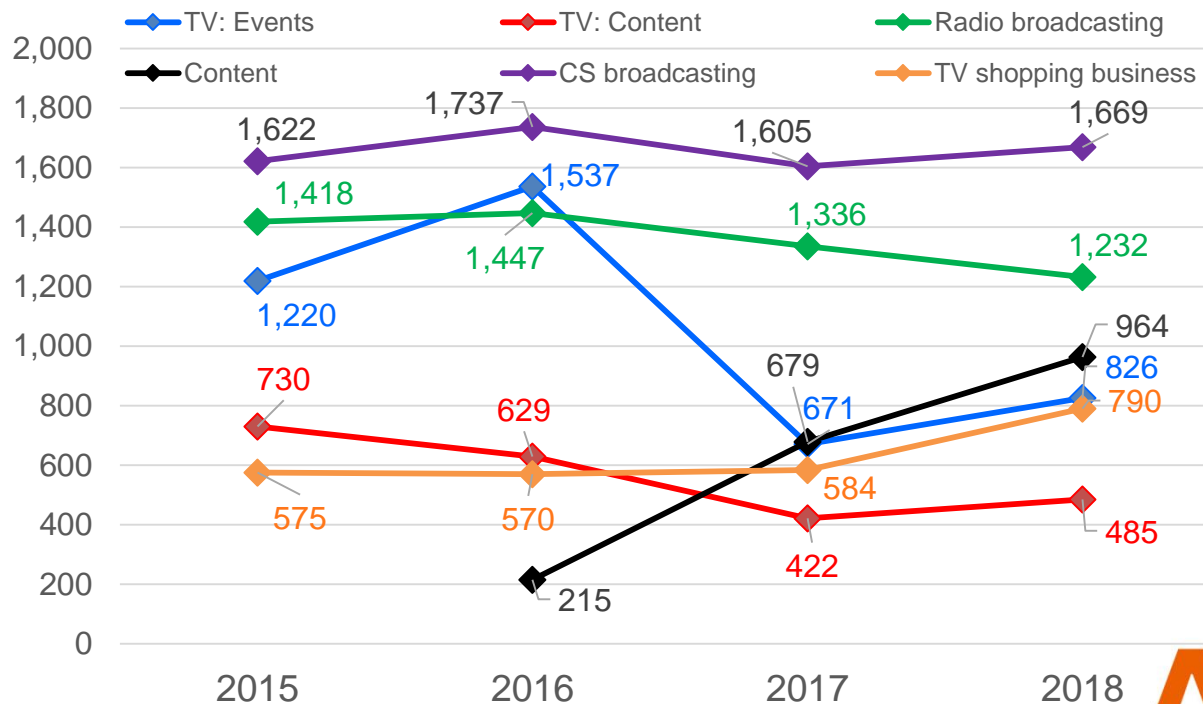
**\*Year-on-year comparisons**

# Broadcasting Business Revenue (Non-Terrestrial TV Broadcasting, 1H)

(in million yen)

		2015	2016	2017	2018
ABC TV	Events revenue	1,220	1,537	671	826
ABC TV	Content related revenue	730	629	422	485
ABC Radio	Broadcasting revenue	1,418	1,447	1,336	1,232
ABC FRONTIER HOLDINGS	Content related revenue	—	*215	679	964
Sky-A	CS broadcasting revenue	1,622	1,737	1,605	1,669
AMC	TV shopping business revenue	575	570	584	790

\*ABC FRONTIER HOLDINGS began operations in July 2016, so the FY2016 figures are for July to September 2016.



Note: Events revenue before FY2017 includes radio-related events.

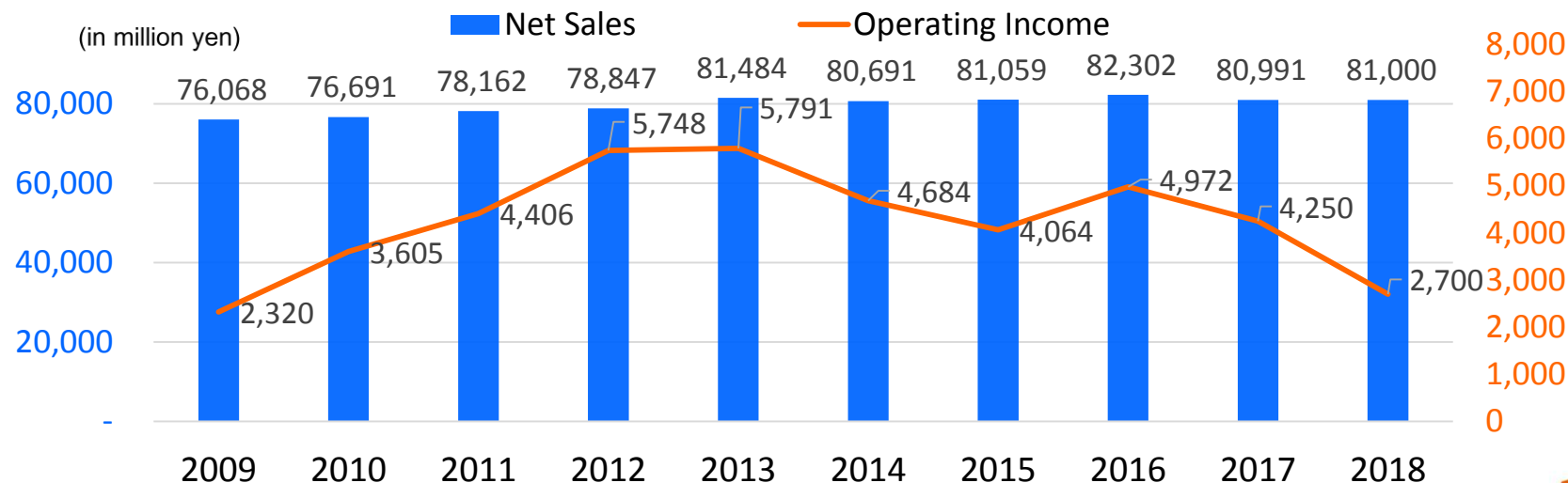
©ABC2018



# Forecast for Consolidated Results (Full-year)

(in million yen)

	FY2018	FY2017	YoY	% Change
Net sales	81,000	80,991	9	0.0%
Operating Income	2,700	4,250	-1,550	-36.5%
Ordinary Income	3,000	4,539	-1,539	-33.9%
Profit attributable to owners of parent	2,700	2,691	9	0.3%



# Forecast for Results by Segment (Full-year)

(in million yen)

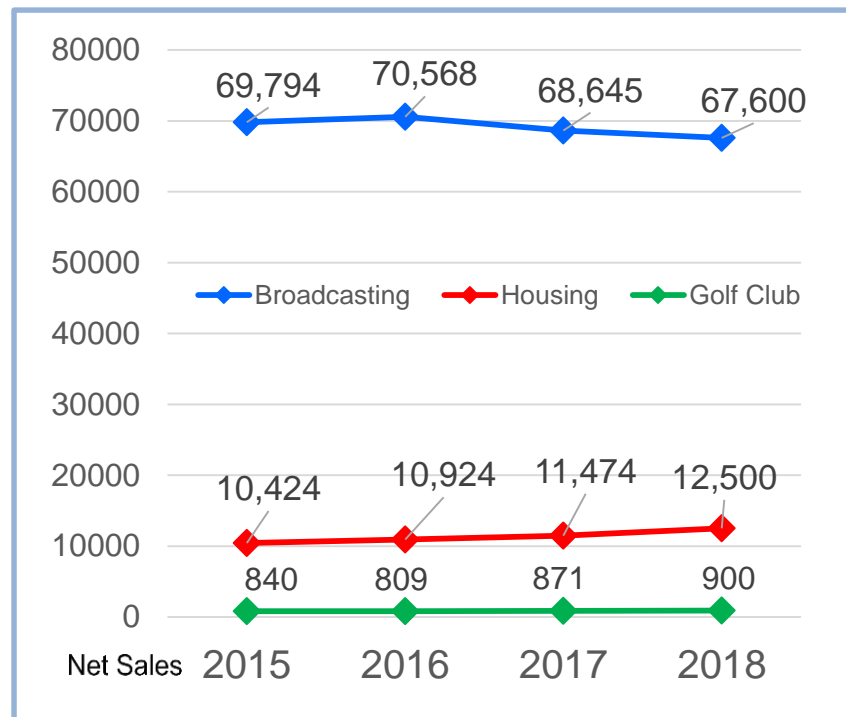
Broadcasting	FY2018	FY2017
Net Sales	67,600	68,645
Operating Income	1,980	3,116

Adjustments	FY2018	FY2017
Operating Income	-250	—

\*Percentage change from the previous fiscal year is not mentioned due to reviewing the allocation of business management expenses etc. according to transition to a holding company structure.

Housing	FY2018	FY2017
Net Sales	12,500	11,474
Operating Income	950	1,083

Golf Club	FY2018	FY2017
Net Sales	900	871
Operating Income	20	49



# ABC TV Forecast for Results and Expenses

(in million yen)

## <Results>

Full-year	ABC TV FY2018
Net sales	57,800
Operating Income	620
Ordinary Income	650

## <Expenses>

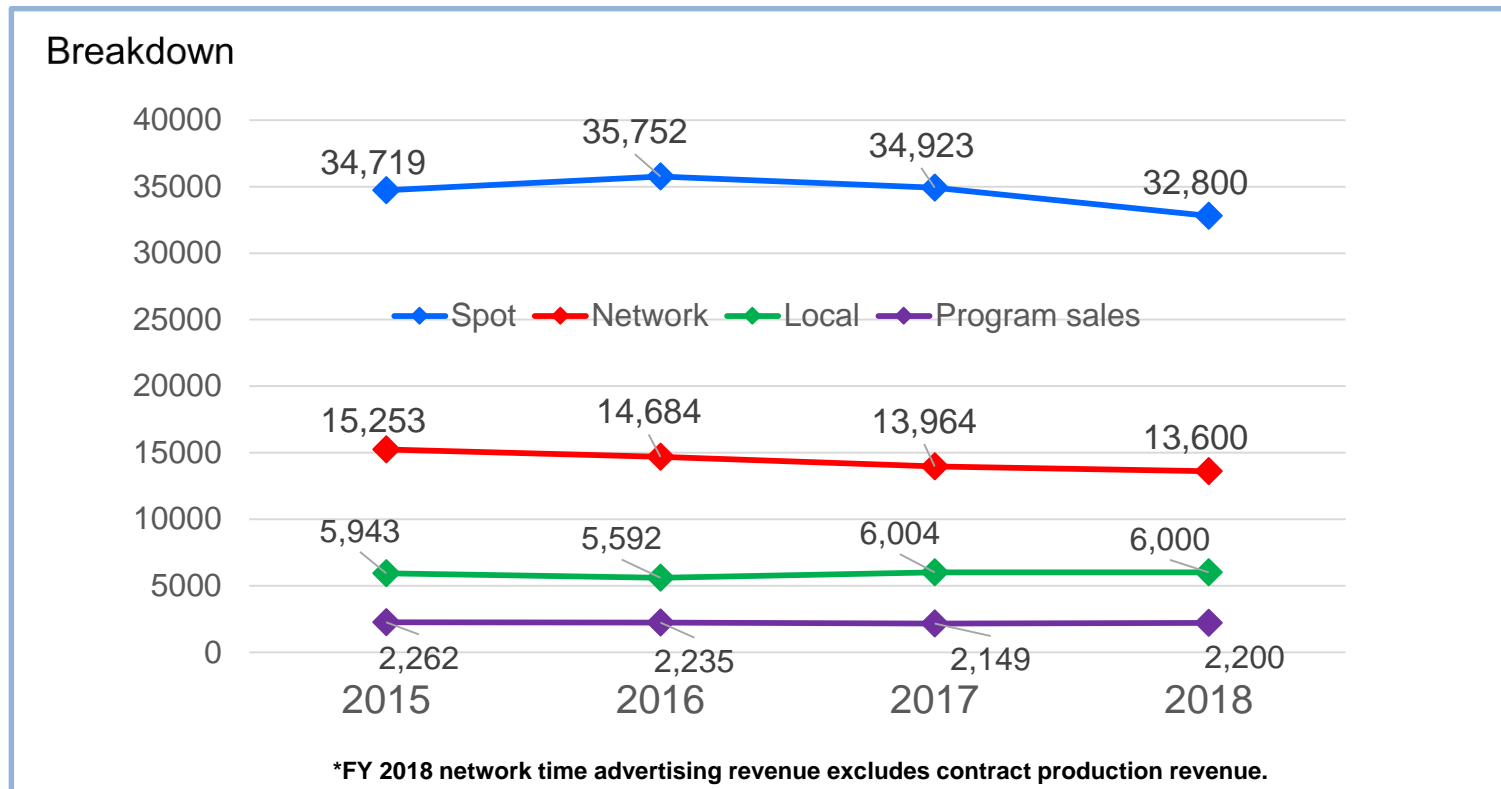
Full-year	ABC TV FY2018
Operating Expenses	57,180

# Forecast for Revenue of Television Broadcasting Business (Terrestrial, Full-year)

<Revenue>

(in million yen)

	FY2018 (forecast)	FY2017	YoY	% Change
<b>Television broadcasting business revenue</b>	54,600	57,041	-2,441	-4.3%

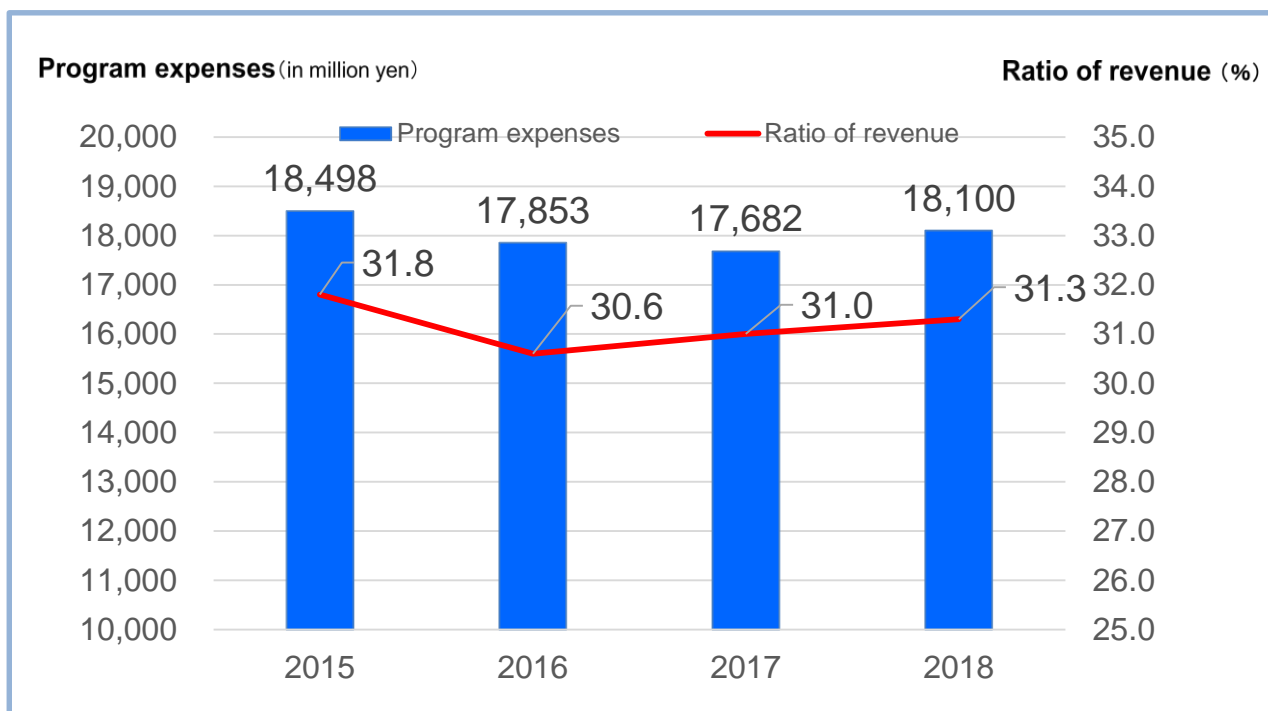


# Forecast for Expenses of Television Broadcasting Business (Terrestrial, Full-year)

(in million yen)

	FY2018 (forecast)	FY2017	YoY	% Change
<b>ABC TV Program Expenses</b>	18,100	17,682	417	2.4%

\*FY2018 program expenses include outsourcing expenses to group companies and contract program production expenses from ABC Radio.

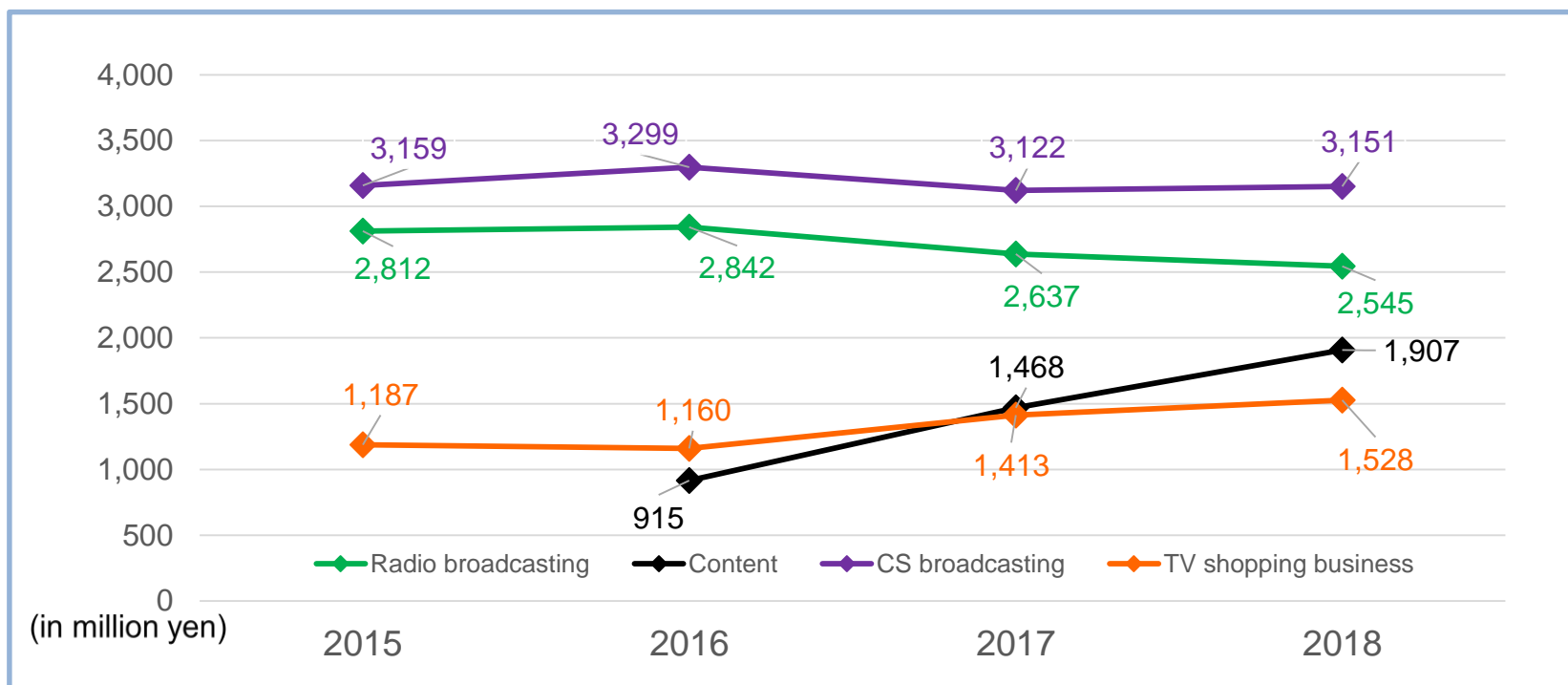


# Forecast for Revenue of Broadcasting Business (Non-TV Terrestrial, Full-year)

(in million yen)

		2015	2016	2017	2018
<b>ABC Radio</b>	<b>Broadcasting revenue</b>	2,812	2,842	2,637	2,545
<b>ABC FRONTIER HOLDINGS</b>	<b>Content related revenue</b>	—	*914	1,488	1,907
<b>Sky-A</b>	<b>CS broadcasting revenue</b>	3,159	3,299	3,122	3,151
<b>AMC</b>	<b>TV shopping business revenue</b>	1,187	1,160	1,413	1,528

\*ABC FRONTIER HOLDINGS began operations in July 2016, so the FY2016 figures are for July 2016 to March 2017.





# Television Viewer Ratings for Apr-Sep 2018 (Kansai region)

(Source: Video Research) (%)

	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 8.2	YTV 11.9	YTV 11.8	YTV 7.8
2	KTV 7.6	MBS 10.9	<b>ABC・MBS</b> <b>10.9(+0.1)</b>	<b>ABC</b> <b>7.1(-0.7)</b>
3	MBS 7.4	NHK 10.4	* * * * * *	MBS 6.0
4	<b>ABC</b> <b>7.1(-0.2)</b>	<b>ABC</b> <b>10.2(-0.1)</b>	KTV 9.9	KTV 5.5
5	NHK 6.2	KTV 9.9	NHK 9.2	NHK 3.3

# Television Viewer Ratings for Jan-Sep 2018 (Kansai region)

(Source: Video Research) (%)

	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 8.2	YTV 12.0	YTV 11.8	YTV 7.6
2	MBS·KTV 7.5	MBS 10.8	<b>ABC</b> <b>11.2(-0.1)</b>	<b>ABC</b> <b>7.2(-0.9)</b>
3	* * * * * *	NHK 10.7	MBS 10.9	MBS 5.9
4	<b>ABC</b> <b>7.2(-0.3)</b>	<b>ABC</b> <b>10.6(-0.1)</b>	KTV 9.7	KTV 5.3
5	NHK 6.2	KTV 9.8	NHK 9.5	NHK 3.3

# Capital Investments / Depreciation and Amortization

	FY2018 1H		FY2017	
	Consolidated	ABC TV	Consolidated	Non-consolidated
Capital Investments	¥1.9 billion	¥1.3 billion	¥3.9 billion	¥2.6 billion
Depreciation and Amortization	¥1.5 billion	¥0.7 billion	¥2.8 billion	¥2.2 billion

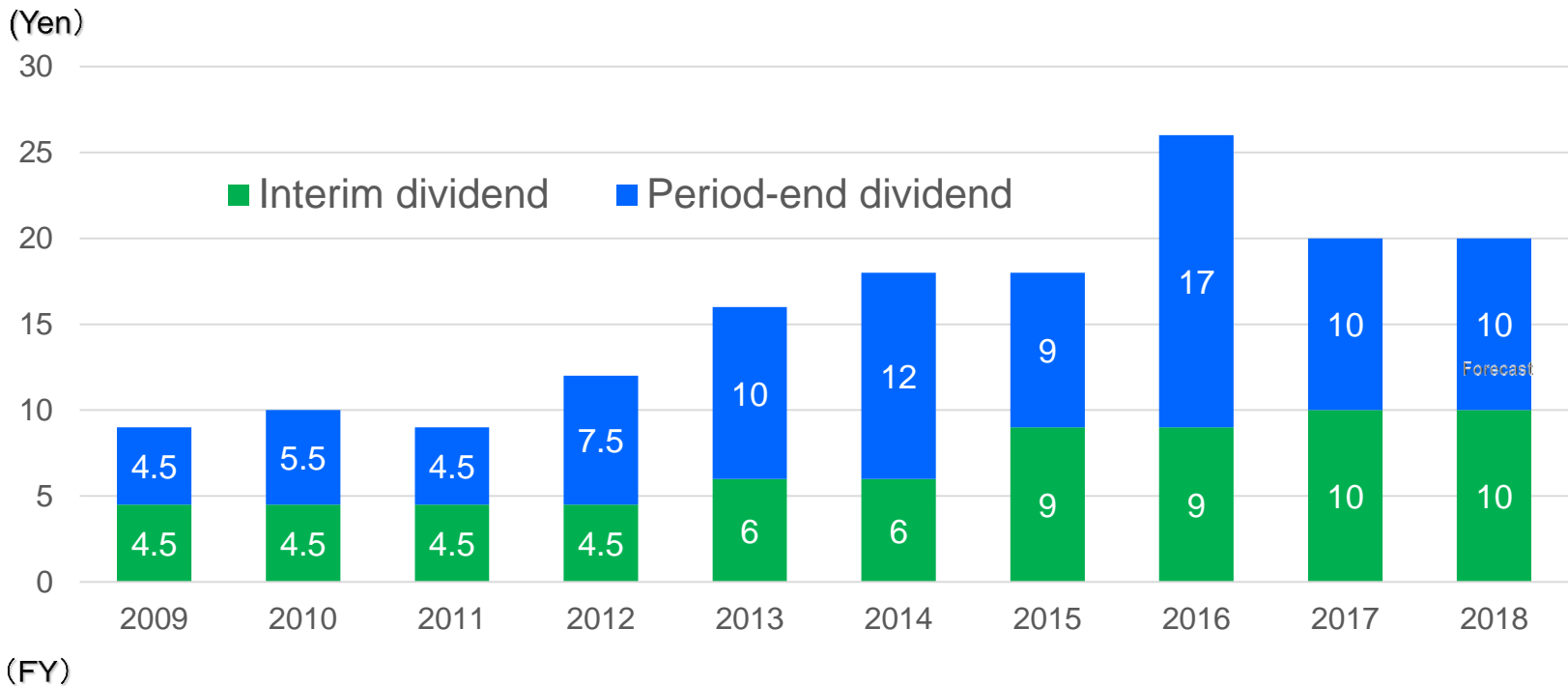
(Amounts less than 0.1 billion yen are rounded to the nearest whole unit)

# Dividends

(in yen)

	FY2018	FY2017	FY2016
Interim dividend	10.0	10.0	9.0
Period-end dividend	10.0 (forecast)	10.0	17.0
Total	20.0 (forecast)	20.0	26.0

# Dividends



## <Profit distribution policy>

The Company places one of its highest management priorities on shareholder return. With respect to profit distribution, we strive to continuously provide steady dividends and maintain a dividend payout ratio (consolidated) that does not fall below 30% as well as strengthen and maintain our financial structure from the standpoint of a responsible broadcaster. We will do so while making appropriate investments for our future growth.

# Contact / Disclaimer

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## Corporate Information Website



<https://corp.asahi.co.jp/en/>

For all shareholders, more detailed information such as consolidated financial reports and annual securities reports can be found on the website.