



**CONSOLIDATED FINANCIAL REPORT**  
**FOR THE THIRD QUARTER (CUMULATIVE) OF FISCAL 2013**  
 (The Fiscal Year Ending March 31, 2014 under Japanese GAAP)

January 31, 2014

Company Name: Asahi Broadcasting Corporation      Stock Exchange Listing: Tokyo Stock Exchange  
 Securities Code: 9405      URL <http://asahi.co.jp/english/>  
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 Preparation of Quarterly Supplementary Explanatory Materials: No  
 Quarterly Results Briefing Held: No

(Figures are rounded down to the nearest million yen unless otherwise stated.)

1. Consolidated Financial Results for the Third Quarter of Fiscal 2013 (April 1, 2013 to December 31, 2013)

(1) Consolidated Operating Results (Cumulative)

(Percentage figures show the year-on-year increase (decrease) for each corresponding period.)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Third Quarter of Fiscal 2013	61,055	3.2	3,897	(10.6)	4,055	(8.9)	2,192	7.6
Third Quarter of Fiscal 2012	59,145	1.6	4,357	35.2	4,452	29.4	2,037	73.5

Note: Comprehensive Income: Third quarter of fiscal 2013      ¥3,007 million (43.1%)  
 Third quarter of fiscal 2012      ¥2,101 million (62.0%)

	Net Income per Share	Net Income per Share (Diluted)
	¥	¥
Third Quarter of Fiscal 2013	53.70	—
Third Quarter of Fiscal 2012	49.89	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ million	¥ million	%
December 31, 2013	94,880	62,531	62.0
March 31, 2013	93,986	60,145	60.1

(Reference) Shareholders' Equity: December 31, 2013      ¥58,782 million  
 March 31, 2013      ¥56,495 million



\* Explanatory Notes

- (1) Changes in the number of important subsidiaries during the period: None  
(changes in specified subsidiaries resulting in a change in the scope of consolidation)  
Newly included: — Excluded: —
- (2) The application of special accounting treatment for the preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, accounting estimates and restatements
- 1) Changes in accounting policies in connection with revision to accounting standards, etc.: None
- 2) Changes in accounting policies other than 1): None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(4) Number of shares issued and outstanding (common stock):

1) Number of shares issued and outstanding as of the period-end (including treasury stock)	December 31, 2013	41,833,000 shares	March 31, 2013	41,833,000 shares
2) Number of treasury stock as of the period-end	December 31, 2013	996,087 shares	March 31, 2013	996,087 shares
3) Average number of shares issued and outstanding for the period	December 31, 2013	40,836,913 shares	December 31, 2012	40,836,913 shares

\* Disclosure concerning the implementation status of quarterly review procedures

This financial report is exempt from the quarterly review procedure provisions stipulated under the Financial Instruments and Exchange Act of Japan. As of the date of disclosure, review procedures in connection with consolidated financial statements were in progress.

\* Explanation concerning the appropriate use of forecasts and other special instructions

Results forecasts and other forward-looking statements contained in this report are based on the assumptions, beliefs, and uncertainties in light of information available to the Company's management as of the publication date and do not represent promises by the Company or its management that these performance figures will be attained. Actual results may differ materially from forecasts due to a variety of factors. Please refer to "1. Analysis of Quarterly Operating Results and Financial Position (3) Explanation of Forward-Looking Statements, including the Outlook for Consolidated Performance" on page 4 of the attached supplementary materials for information regarding the underlying assumptions for financial results forecasts, as well as explanatory and other notes concerning the use of financial results forecasts.

(Reference) Non-Consolidated Financial Results Forecasts for Fiscal 2013 (April 1, 2013 to March 31, 2014)

(Percentage figures show the year-on-year increase (decrease).)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Full Fiscal Year	65,800	1.6	4,000	(6.0)	4,200	(4.5)	2,500	9.3

	Net Income per Share
Full Fiscal Year	¥ 61.22

Note: Revisions in performance forecasts during the period: Yes

\* Explanation concerning the appropriate use of forecasts and other special instructions

Results forecasts and other forward-looking statements contained in this report are based on the assumptions, beliefs, and uncertainties in light of information available to the Company's management as of the publication date and do not represent promises by the Company or its management that these performance figures will be attained. Actual results may differ materially from forecasts due to a variety of factors.

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## **1. Analysis of Quarterly Operating Results and Financial Position**

### **(1) Analysis of Operating Results**

Through the third quarter of fiscal 2013 (the fiscal year ending March 31, 2014), which extended from April 1, 2013 to December 31, 2013, the Japanese economy recovered gently, as the yen weakened and share prices climbed due to the economic and financial measures of the Japanese government, and consumer spending grew after the improvements of the profits and employment environments of mainly large companies, etc. In the advertising industry, the performance recovered, as the amount of advertisements for TV ad spots in the Osaka district increased slightly from the same period of the previous year.

Under these circumstances, in the broadcasting field where the Asahi Broadcasting Group (the Group) conducts its core business, spot TV commercial operating revenues and event income increased from the same period of the previous year, but costs augmented. Namely, operating revenue increased while profits decreased. In the housing business, the openings of a new housing exhibition and a new exhibition of housing-related facilities contributed to increases in both revenue and profit. In the golf business, the upswing in playing numbers and robust sales of golf course memberships contributed to increases in both revenue and profit. As a consequence of these factors, through the end of the third quarter, the Group's accumulated consolidated operating revenue rose ¥1,909 million, or 3.2%, over the same period of the previous fiscal year and amounted to ¥61,055 million.

From the cost standpoint, cost of operating revenue increased ¥2,160 million (5.8%) compared with the same period of the previous fiscal year, to ¥39,725 million. Selling, general and administrative expenses increased ¥208 million (1.2%) compared with the same period of the previous fiscal year, to ¥17,432 million. As a result of the above, operating income for the period decreased ¥460 million, or 10.6%, to ¥3,897 million, while ordinary income totaled ¥4,055 million, a decline of ¥397 million, or 8.9%. Net income after the deduction of income taxes was ¥2,192 million, an increase of ¥155 million, or 7.6%. Performance by business segment was as follows.

#### *Broadcasting Business*

During the period under review, operating revenue in the broadcasting business totaled ¥52,920 million, up ¥1,304 million, or 2.5%, over the same period of the previous fiscal year. In addition to the increases in network time and core spot TV commercial operating revenues, the principal factor accounting for this gain in revenue was a significant increase in event income. On the other hand, there were increases in the TV program expenses and TV agency commissions associated with the rises in network time and spot commercial revenues, and event costs augmented while event income grew, and so operating expenses increased 3.8% from the same period of the previous fiscal year. As a result, operating income amounted to ¥2,828 million, a decline of ¥562 million, or 16.6%, from the same period of the previous fiscal year.

#### *Housing Business*

In the housing business, operating revenue amounted to ¥7,384 million, an increase of ¥530 million, or 7.7%, compared with the corresponding period in the previous fiscal year. In the core housing exhibition site operating activities, the openings of a new housing exhibition in the Tokyo metropolitan area (Totsuka Housing Park) and a new exhibition of housing-related facilities (HDC (Housing Design Center) Osaka) contributed to revenue growth. However, operating expenses rose 8.2%, and operating income amounted to ¥956 million, an increase of ¥41 million, or 4.6%, from the same period of the previous fiscal year.

### *Golf Business*

Operating revenue in the golf business rose ¥74 million, or 11.0%, compared with the corresponding period in the previous fiscal year, to ¥750 million. The principal factors accounting for this increase were the upswing in playing numbers and robust sales of golf course memberships. On the other hand, operating expenses rose 2.6% in hand with the expansion in operating revenue, and operating income amounted to ¥112 million, an increase of ¥60 million, or 116.0%, from the same period of the previous fiscal year.

## **(2) Analysis of Financial Position**

### *(Assets)*

Consolidated current assets as of the end of the third quarter were ¥32,727 million, ¥1,657 million lower than at the end of the previous fiscal year (March 31, 2013). Noncurrent assets amounted to ¥62,152 million, ¥2,551 million higher than at the end of the previous fiscal year. Total assets increased ¥894 million, to ¥94,880 million. The increase in noncurrent assets resulted mainly from purchase of investment securities and appreciation in the market values of investment securities held.

### *(Liabilities)*

Consolidated current liabilities stood at ¥10,372 million, ¥829 million lower than at the end of the previous fiscal year, and noncurrent liabilities came to ¥21,975 million, ¥662 million below the level in the previous fiscal year-end. Total liabilities decreased ¥1,492 million, to ¥32,348 million. The principal reasons for the decline in liabilities were payment of payables and payment of lease fees.

### *(Net Assets)*

Consolidated total net assets came to ¥62,531 million, ¥2,386 million higher than at the end of the previous fiscal year. Although net income reported for the period under review was ¥2,192 million, the Group paid a total of ¥551 million in cash dividends from retained earnings to shareholders. Also, the valuation difference on available-for-sale securities increased, reflecting appreciation in the market values of investment securities held.

**(3) Explanation of Forward-Looking Statements, including the Outlook for Consolidated Performance**

As for our core broadcasting business, operating revenue grew because large music events, etc. were held in the third quarter, and then operating and ordinary incomes exceeded the previous estimates significantly. Also for the housing business, operating revenue, operating and ordinary incomes were larger than the previous estimates, as housing exhibition sites were opened and so on. Accordingly, operating revenue, operating and ordinary incomes for the full-year consolidated results have been revised upwardly, while only net income has not been revised.

**2. Supplementary Information (Note Items)**

(1) Changes in the Number of Important Subsidiaries during the Period

Not applicable

(2) The Application of Special Accounting Treatment for the Preparation of the Quarterly Consolidated Financial Statements

Not applicable

(3) Changes in Accounting Policies, Accounting Estimates, and Restatements

Not applicable



### 3. Consolidated Quarterly Financial Statements

#### (1) Consolidated Quarterly Balance Sheets

Millions of Yen

	March 31, 2013	December 31, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	9,862	8,043
Notes and accounts receivable–trade	12,439	12,780
Securities	9,138	9,498
Inventories	941	569
Other	2,037	1,876
Allowance for doubtful accounts	(34)	(40)
<b>Total current assets</b>	<b>34,385</b>	<b>32,727</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	21,248	20,726
Land	10,252	10,253
Other, net	7,424	7,161
<b>Total property, plant and equipment</b>	<b>38,925</b>	<b>38,142</b>
Intangible assets		
Software	332	239
Other	219	183
<b>Total intangible assets</b>	<b>552</b>	<b>423</b>
Investments and other assets		
Investment securities	13,546	17,055
Other	6,822	6,775
Allowance for doubtful accounts	(246)	(243)
<b>Total investments and other assets</b>	<b>20,122</b>	<b>23,587</b>
<b>Total noncurrent assets</b>	<b>59,600</b>	<b>62,152</b>
<b>Total assets</b>	<b>93,986</b>	<b>94,880</b>

Millions of Yen

	March 31, 2013	December 31, 2013
<b>Liabilities</b>		
Current liabilities		
Accounts payable–other	6,306	5,234
Income taxes payable	661	551
Provision	173	637
Other	4,061	3,949
Total current liabilities	11,202	10,372
Noncurrent liabilities		
Provision for retirement benefits	11,068	10,887
Provision	14	14
Other	11,555	11,073
Total noncurrent liabilities	22,638	21,975
Total liabilities	33,841	32,348
<b>Net assets</b>		
Shareholders' equity		
Capital stock	5,299	5,299
Capital surplus	3,610	3,610
Retained earnings	46,814	48,456
Treasury stock	(500)	(500)
Total shareholders' equity	55,223	56,865
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,271	1,916
Total accumulated other comprehensive income	1,271	1,916
Minority interests	3,649	3,749
Total net assets	60,145	62,531
Total liabilities and net assets	93,986	94,880

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

Consolidated Quarterly Statements of Income

For the Third Quarter of Fiscal 2013 (Cumulative)

Millions of yen

	Third Quarter of Fiscal 2012 April 1, 2012 to December 31, 2012	Third Quarter of Fiscal 2013 April 1, 2013 to December 31, 2013
Operating revenue	59,145	61,055
Cost of operating revenue	37,564	39,725
Gross profit	21,580	21,329
Selling, general and administrative expenses	17,223	17,432
Operating income	4,357	3,897
Non-operating income		
Interest income	25	44
Dividends income	116	158
Other	97	83
Total non-operating income	239	285
Non-operating expenses		
Interest expenses	102	72
Loss on disposal of noncurrent assets	26	48
Other	15	7
Total non-operating expenses	144	128
Ordinary income	4,452	4,055
Extraordinary income		
Gain on sales of investment securities	—	4
Total extraordinary income	—	4
Extraordinary loss		
Loss on valuation of investment securities	386	—
Loss on sales of investment securities	—	9
Total extraordinary loss	386	9
Income before income taxes and minority interests	4,065	4,049
Income taxes	1,810	1,690
Income before minority interests	2,254	2,359
Minority interests in income	217	166
Net income	2,037	2,192

Consolidated Quarterly Statements of Comprehensive Income  
For the Third Quarter of Fiscal 2013 (Cumulative)

Millions of Yen

	Third Quarter of Fiscal 2012 April 1, 2012 to December 31, 2012	Third Quarter of Fiscal 2013 April 1, 2013 to December 31, 2013
Income before minority interests	2,254	2,359
Other comprehensive income		
Valuation difference on available-for-sale securities	(152)	648
Total other comprehensive income	(152)	648
Comprehensive income	2,101	3,007
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	1,884	2,837
Comprehensive income attributable to minority interests	217	170

### (3) Explanatory Notes concerning Quarterly Consolidated Financial Statements

(Going Concern Assumptions)

Not applicable

(Any Major Change in the Amount of Consolidated Shareholders' Equity)

Not applicable

(Segment and Other Information)

Information on the Operating Revenue and Income or Loss for Each Reportable Segment

Third Quarter of Fiscal 2012 (April 1, 2012 to December 31, 2012) (Cumulative)

Millions of Yen

	Reportable Segment				Adjustments (Note 1)	Amounts Recorded on Consolidated Financial Statements (Note 2)
	Broadcasting	Housing	Golf Club	Total		
Operating revenue						
Operating revenue from external customers	51,615	6,853	676	59,145	—	59,145
Intrasegment operating revenue and transfers	290	14	41	346	(346)	—
Total	51,905	6,868	718	59,492	(346)	59,145
Segment profit	3,390	915	52	4,357	—	4,357

Notes:

1. Adjustment to segment operating revenue of -¥346 million represents the amount of intrasegment transaction elimination.
2. Segment profit refers to operating income recorded on the consolidated statement of income.

Information on the Operating Revenue and Income or Loss for Each Reportable Segment  
 Third Quarter of Fiscal 2013 (April 1, 2013 to December 31, 2013) (Cumulative)

Millions of Yen

	Reportable Segment				Adjustments (Note 1)	Amounts Recorded on Consolidated Financial Statements (Note 2)
	Broadcasting	Housing	Golf Club	Total		
Operating revenue						
Operating revenue from external customers	52,920	7,384	750	61,055	—	61,055
Intrasegment operating revenue and transfers	284	16	44	345	(345)	—
Total	53,205	7,400	795	61,401	(345)	61,055
Segment profit	2,828	956	112	3,897	—	3,897

Notes:

1. Adjustment to segment operating revenue of -¥345 million represents the amount of intrasegment transaction elimination.
2. Segment profit refers to operating income recorded on the consolidated statement of income.

#### 4. (Reference) Summary of Non-Consolidated Quarterly Financial Statements

Third Quarter of Fiscal 2013 (April 1, 2013 to December 31, 2013)

##### (1) Non-Consolidated Statements of Income

(Percentage figures show the year-on-year increase (decrease) for each corresponding period.)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Third quarter of fiscal 2013	49,651	2.6	2,877	(9.5)	3,145	(6.2)	1,924	16.3
Third quarter of fiscal 2012	48,396	1.5	3,179	49.9	3,354	49.4	1,655	133.7

##### (2) Non-Consolidated Balance Sheets

	Total Assets	Total Net Assets
	Millions of Yen	Millions of Yen
December 31, 2013	75,752	54,560
March 31, 2013	75,361	52,548

##### (3) Breakdown of Non-Consolidated Operating Revenue

	Third Quarter of Fiscal 2012 April 1, 2012 to December 31, 2012	Third Quarter of Fiscal 2013 April 1, 2013 to December 31, 2013	Increase / (Decrease)	% Change
	Millions of Yen	Millions of Yen	Millions of Yen	%
Television broadcasting business revenue				
Time	15,456	15,513	57	0.4
Spot	26,452	26,759	307	1.2
Program sales	1,639	1,717	77	4.8
Subtotal	43,547	43,989	442	1.0
Radio broadcasting business revenue	2,119	2,140	20	1.0
Other	2,729	3,521	792	29.0
Total	48,396	49,651	1,255	2.6

Note: Summary highlights of quarterly financial statements (non-consolidated) are not subject to review in legally mandated disclosure.