

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 is displayed in white text on an orange rectangular background. The letters 'A', 'B', and 'C' are bold and sans-serif, with a stylized white swoosh element above the 'C'.

ABC

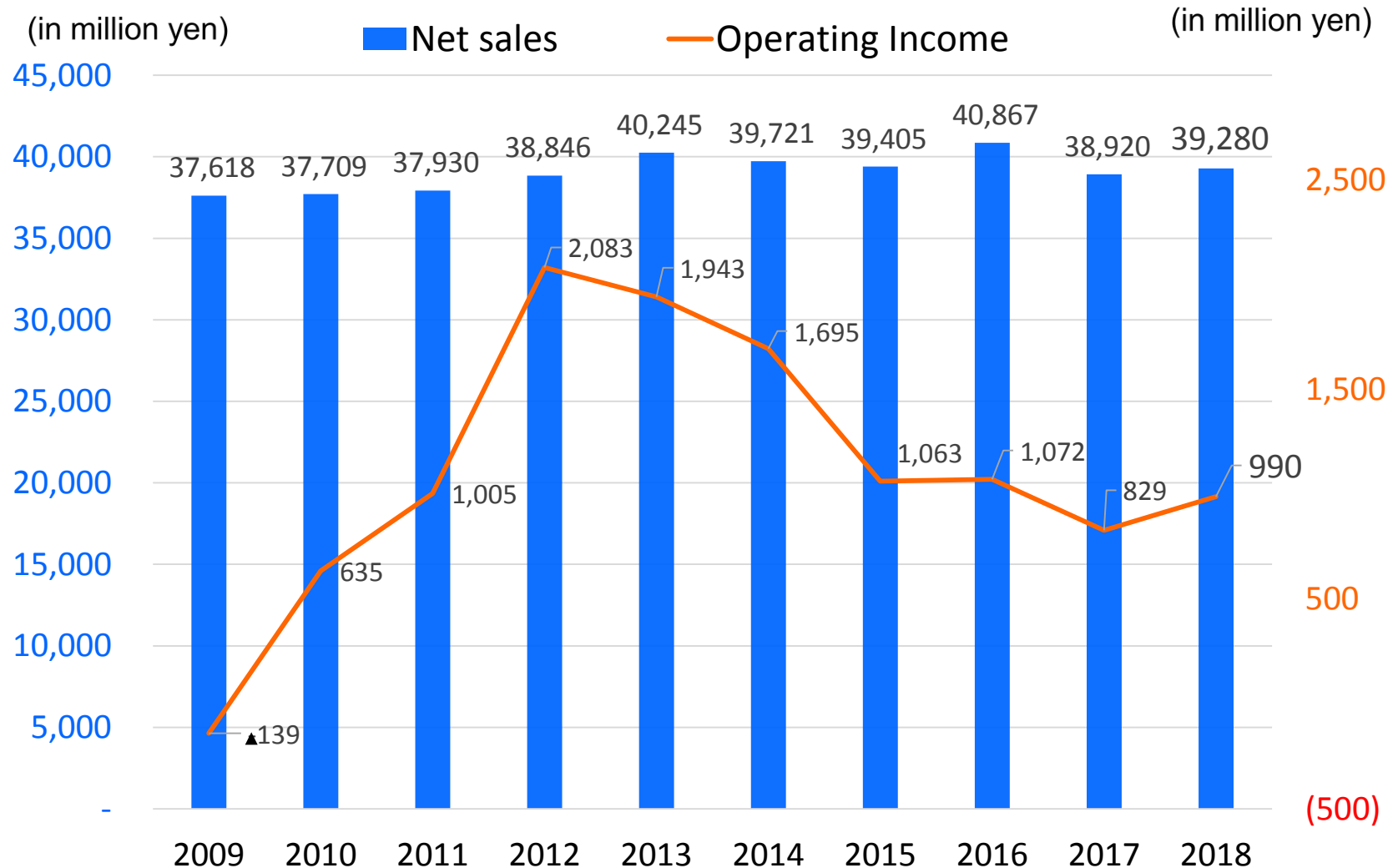
Securities Code: 9405

Consolidated Results and Expenses (1H)

(in million yen)

| | | FY2018 1H | FY2017 1H | YoY | % Change |
|---|--|-----------|-----------|-----|----------|
| Net sales | | 39,280 | 38,920 | 360 | 0.9% |
| Operating income | | 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)



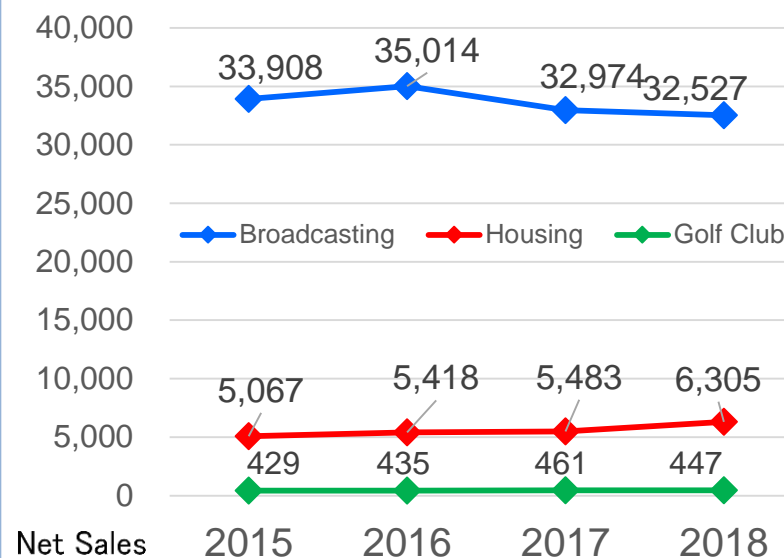
Results by Segment

(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>

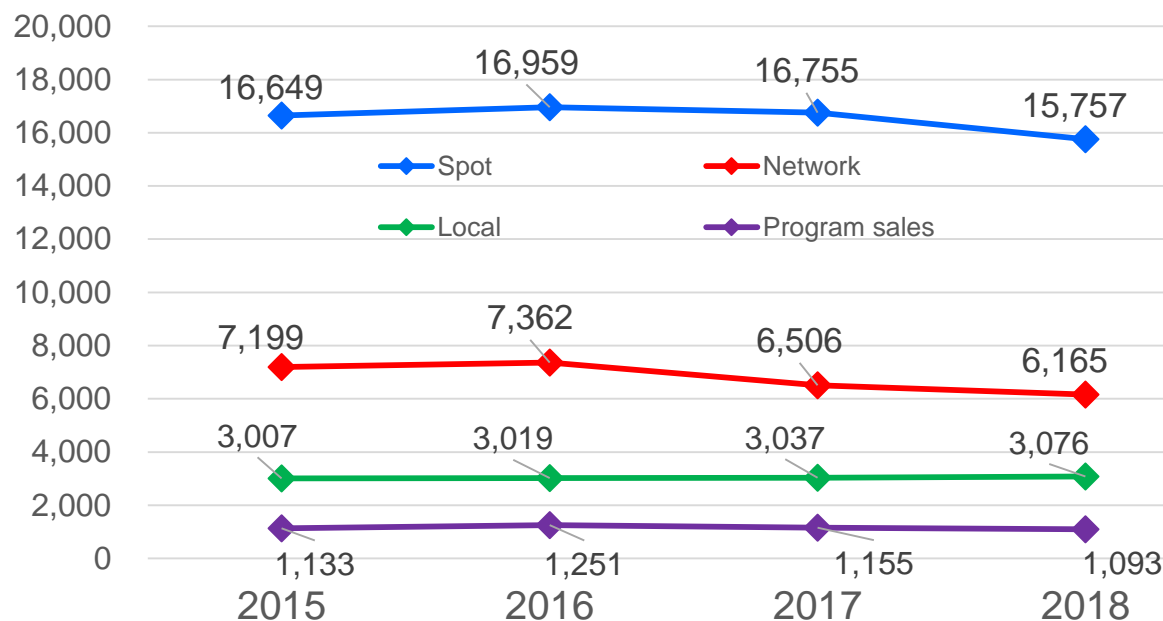
| 1H | ABC TV FY 2018 |
|--|-------------------|
| Cost of Sales | 17,616 |
| Selling, General and Administrative Expenses | 10,338 |
| Total Operating Expenses | 27,954 |

Terrestrial Television Broadcasting Business Revenue (1H)

(in million yen)

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

Breakdown



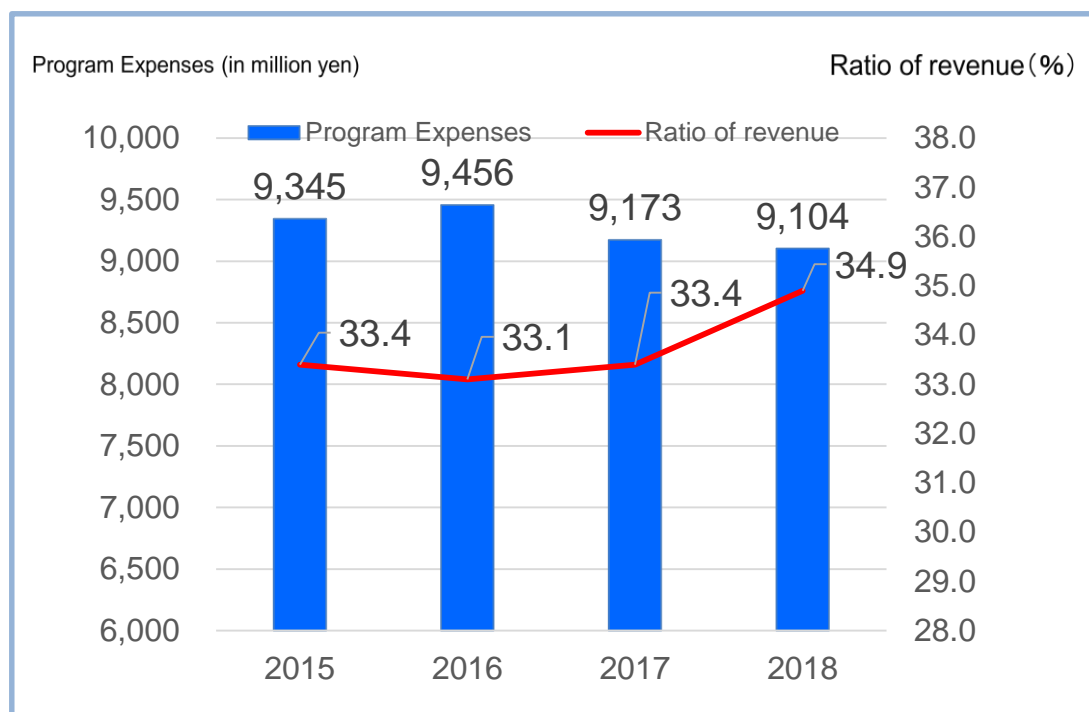
*FY 2018 network time advertising revenue excludes contract production revenue.

Terrestrial Television Broadcasting Business Expenses (1H)

(in million yen)

| | FY 2018 1H | FY 2017 1H | YoY | % Change |
|-------------------------|---------------|---------------|-----|-------------|
| ABC TV Program Expenses | 9,104 | 9,173 | -69 | -0.8% |

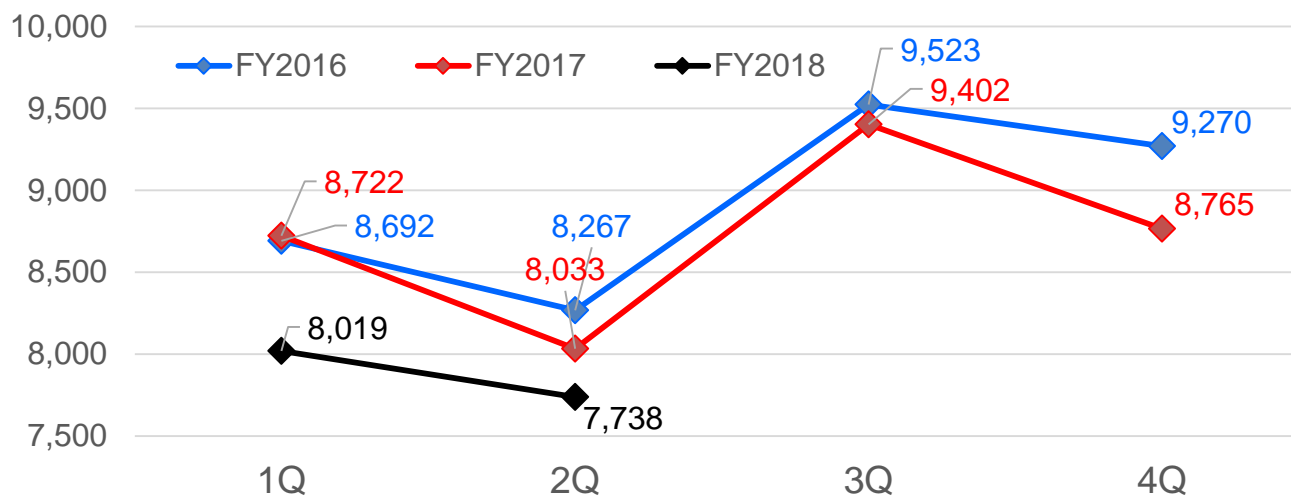
*FY2018 program expenses include outsourcing expenses to group companies and contract program production expenses from ABC Radio.



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% |

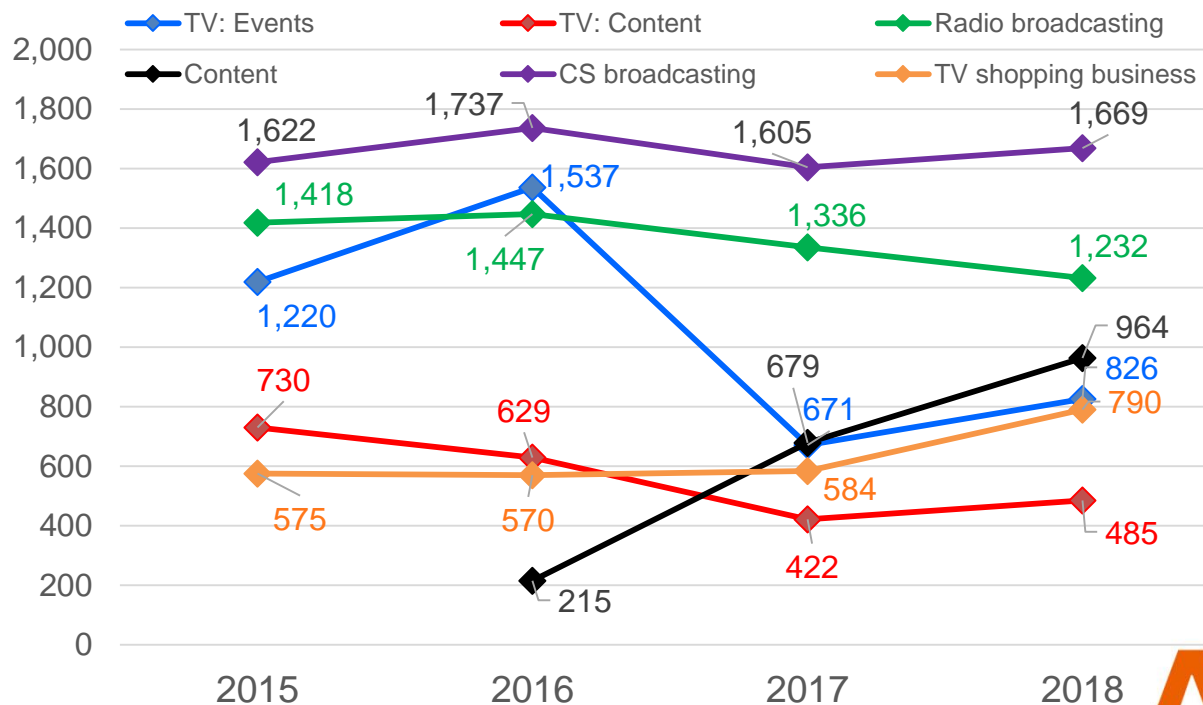
***Year-on-year comparisons**

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.

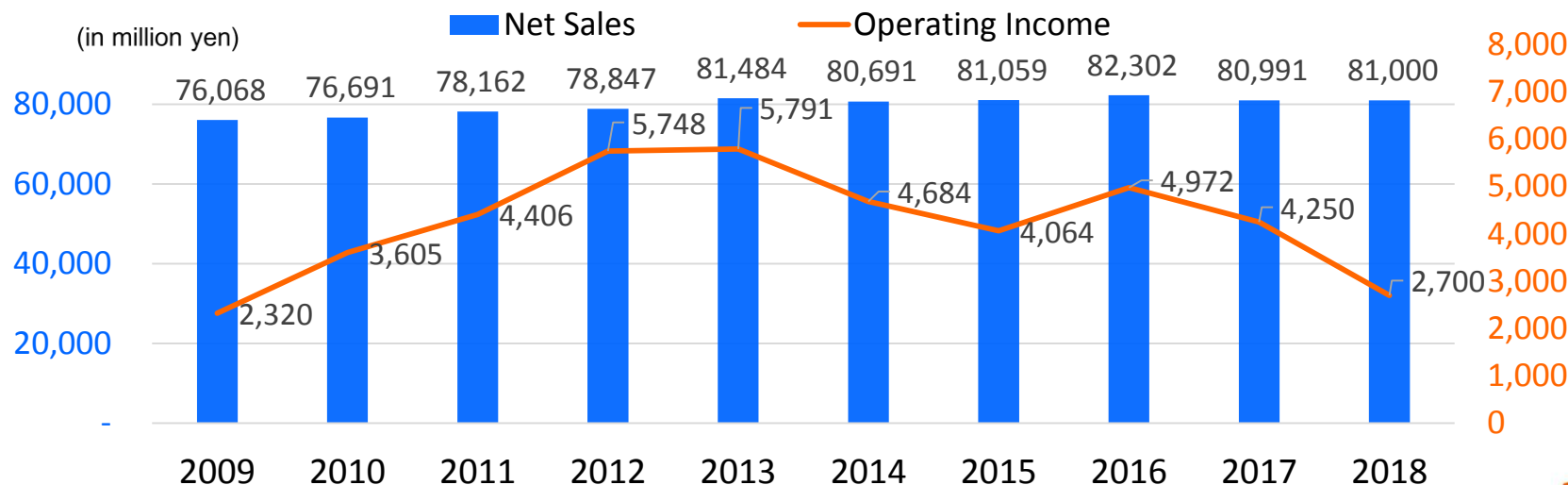
©ABC2018



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)

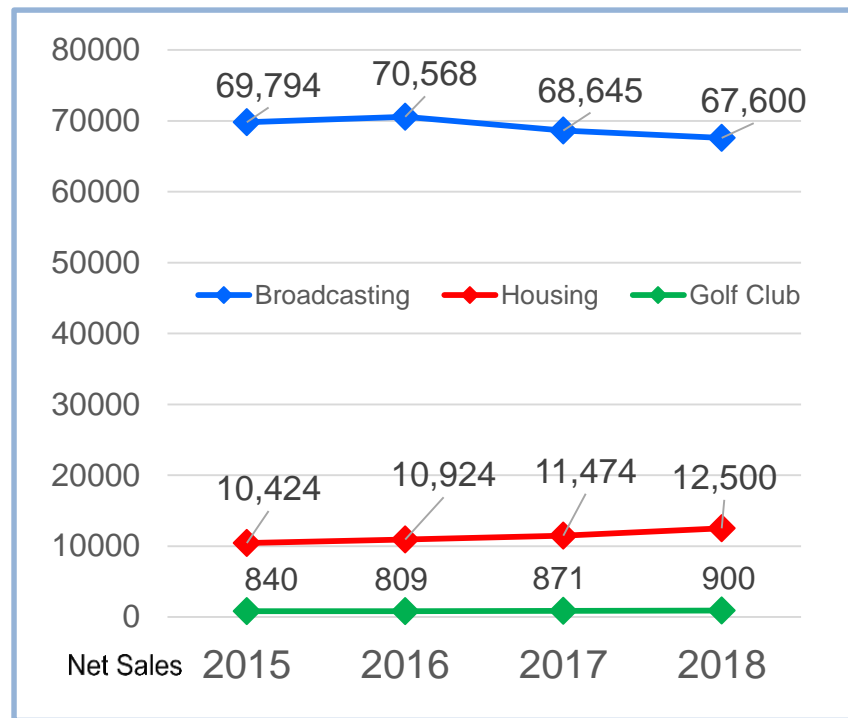
| Broadcasting | FY2018 | FY2017 |
|------------------|--------|--------|
| Net Sales | 67,600 | 68,645 |
| Operating Income | 1,980 | 3,116 |

| 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 |

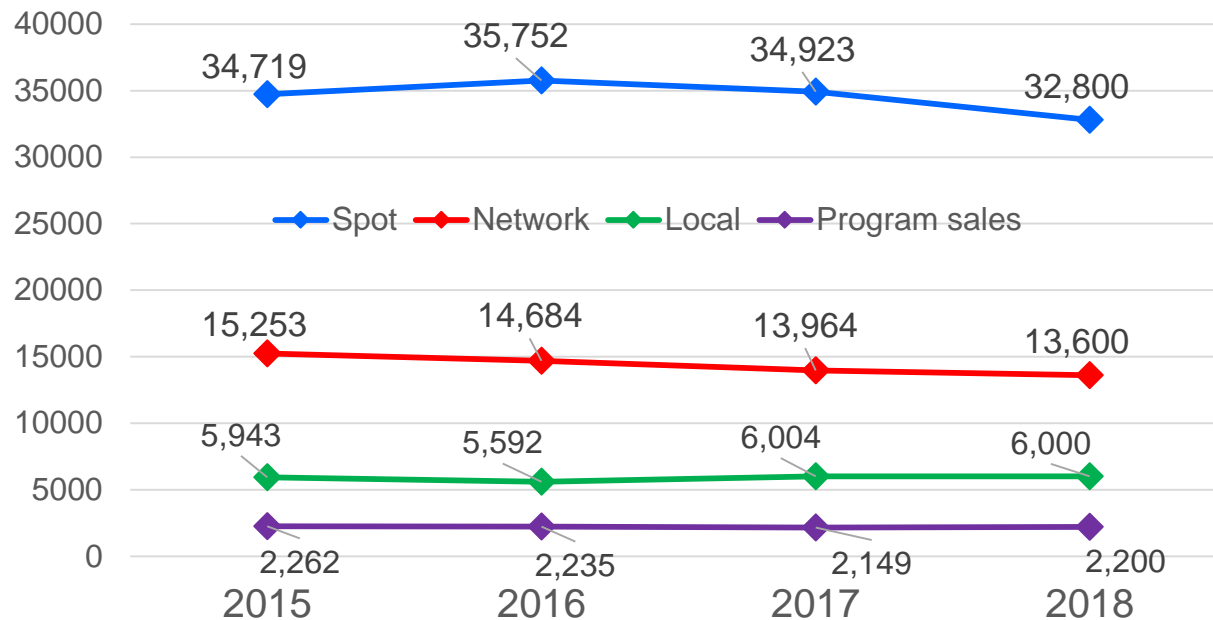
Forecast for Revenue of Television Broadcasting Business (Terrestrial, Full-year)

<Revenue>

(in million yen)

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

Breakdown



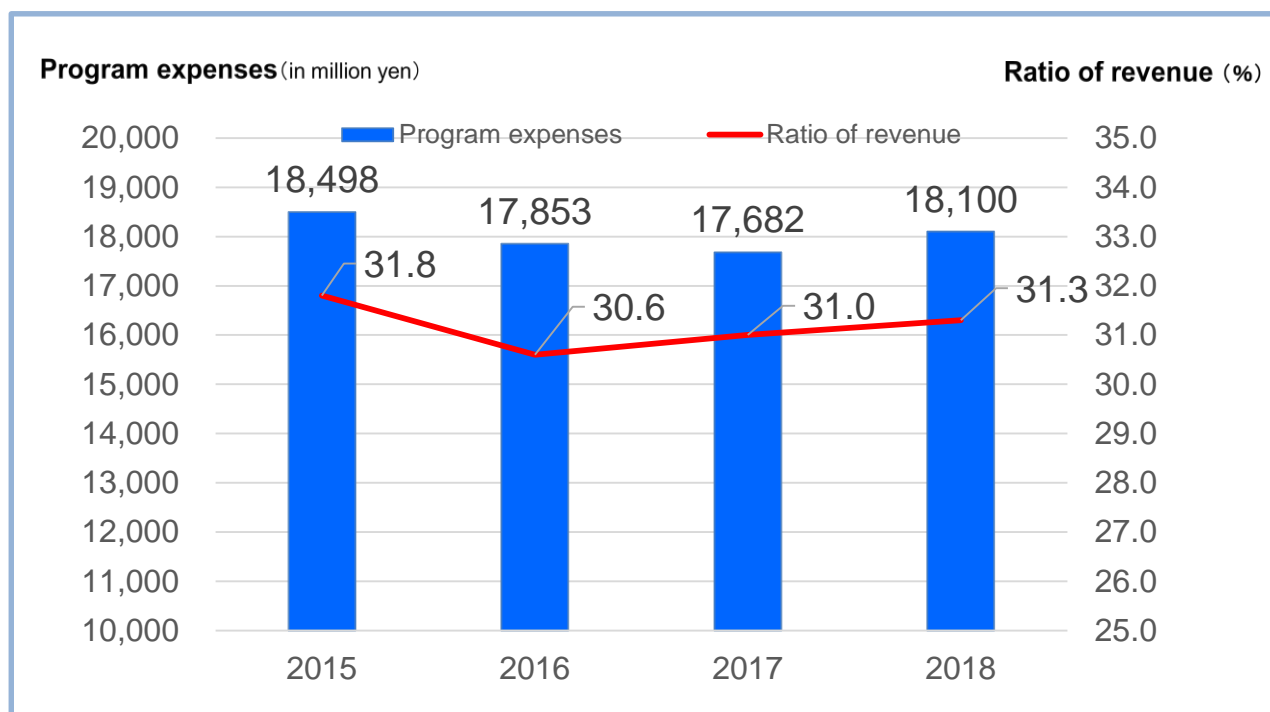
*FY 2018 network time advertising revenue excludes contract production revenue.

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

(in million yen)

| | FY2018 (forecast) | FY2017 | YoY | % Change |
|--------------------------------|----------------------|---------------|------------|-------------|
| ABC TV Program Expenses | 18,100 | 17,682 | 417 | 2.4% |

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

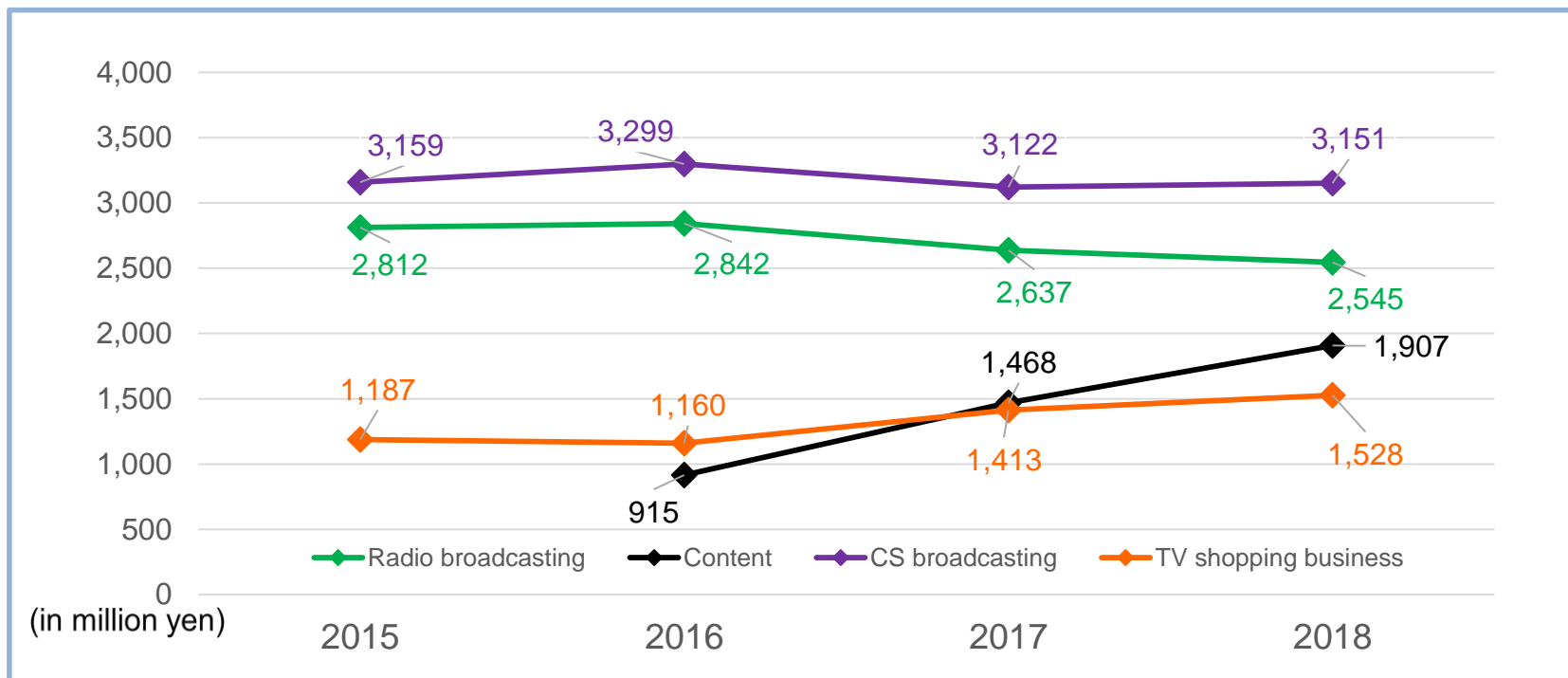


Forecast for Revenue of Broadcasting Business (Non-TV Terrestrial, Full-year)

(in million yen)

| | | 2015 | 2016 | 2017 | 2018 |
|-----------------------|------------------------------|-------|-------|-------|-------|
| ABC Radio | Broadcasting revenue | 2,812 | 2,842 | 2,637 | 2,545 |
| ABC FRONTIER HOLDINGS | Content related revenue | — | *914 | 1,488 | 1,907 |
| Sky-A | CS broadcasting revenue | 3,159 | 3,299 | 3,122 | 3,151 |
| AMC | TV shopping business revenue | 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 | ABC・MBS 10.9(+0.1) | ABC 7.1(-0.7) |
| 3 | MBS 7.4 | NHK 10.4 | * * * * * * | MBS 6.0 |
| 4 | ABC 7.1(-0.2) | ABC 10.2(-0.1) | 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 | ABC 11.2(-0.1) | ABC 7.2(-0.9) |
| 3 | * * * * * * | NHK 10.7 | MBS 10.9 | MBS 5.9 |
| 4 | ABC 7.2(-0.3) | ABC 10.6(-0.1) | 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 |

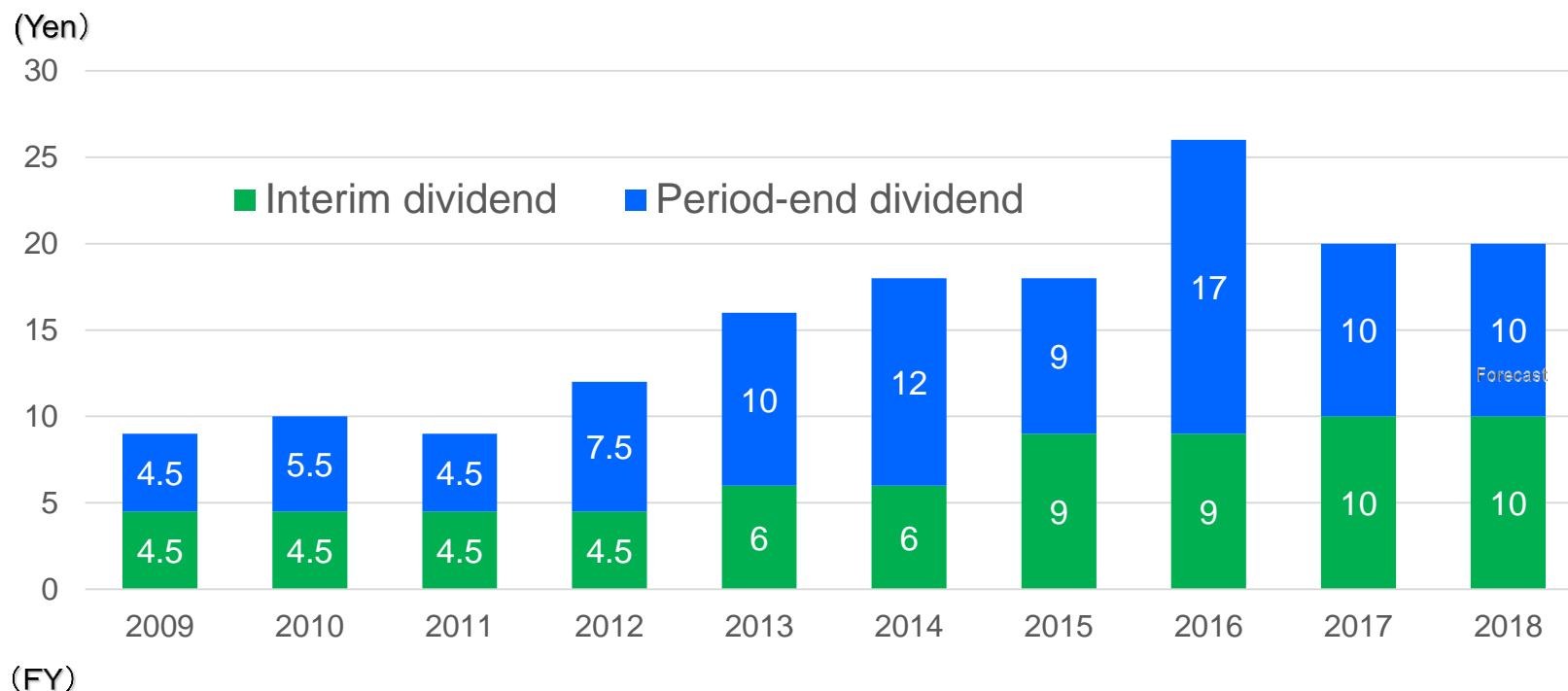
(Amounts less than 0.1 billion yen are rounded to the nearest whole unit)

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.

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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.