

Flash Report [Japanese GAAP] (Consolidated Basis)**Results for the three months ended June 30, 2015****Company name: Fuji Media Holdings, Inc.**Stock listing: Tokyo Stock Exchange Code number: 4676 URL: <http://www.fujimediahd.co.jp/en>

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Scheduled date of filing quarterly securities report: August 12, 2015

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: No

(Figures less than ¥1 million have been omitted.)

1. Consolidated Financial Results**(1) Business Performance**

Three Months ended June 30

Percentages indicate year-on-year increases/(decreases).

	Net sales		Operating income		Recurring profit		Net income attributable to owners of the parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
2015	148,859	(1.6)	4,476	(32.9)	6,612	(23.3)	4,232	(16.1)
2014	151,307	1.1	6,667	(15.7)	8,617	(9.3)	5,045	64.0

(Note) Comprehensive income: Three months ended June 30, 2015: ¥7,591 million, (23.4)%;

Three months ended June 30, 2014: ¥9,915 million, (1.4)%

	Net income per share	Diluted net income per share
	Yen	Yen
2015	18.30	—
2014	21.79	—

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of Yen	Millions of Yen	%
June 30, 2015	1,124,351	646,850	56.5
March 31, 2015	1,065,958	638,883	59.4

(Reference) Total shareholders' equity: June 30, 2015: ¥635,674 million, March 31, 2015: ¥633,568 million

2. Dividends

Year ended March 31, 2015/ Year ending March 31, 2016

	Dividends per share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2015	—	20.00	—	20.00	40.00
2016	—				
2016 (Forecast)		20.00	—	20.00	40.00

(Note) Revision to dividends forecast: None

3. Forecasts of Consolidated Financial Results for Fiscal Year ending March 31, 2016

Percentages indicate year-on-year increases/(decreases).

	Net sales		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period	324,000	5.7	8,000	(16.0)	10,500	(39.4)
Fiscal year	670,000	4.1	30,200	17.8	35,200	0.3

	Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Yen
Interim period	6,200	(49.0)	26.81
Fiscal year	22,300	12.0	96.43

(Note) Revision to earnings forecast: None

Notes:

1. Significant changes in subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the subject period: None

Additions: None

Deletions: None

2. Adoption of special accounting treatment in preparing the quarterly consolidated financial statements: None

3. Changes in accounting policies, changes in accounting estimates, and modifications and restatements:

- 1) Changes in accounting policies based on revision of accounting standards: Yes

- 2) Changes in accounting policies other than 1) above: None

- 3) Changes in accounting estimates: None

- 4) Modifications and restatements: None

(Note) Please refer to "2. MATTERS REGARDING SUMMARY INFORMATION (NOTES): Changes in Accounting Policies, Changes in Accounting Estimates, and Modifications and Restatements: *Changes in Accounting Policies*" on page 8.

4. Number of issued shares (Common stock)

	Three months ended June 30, 2015	Year ended March 31, 2015
1) Number of issued shares (including treasury stock) at end of the period	236,429,800	236,429,800
2) Number of treasury stock at end of the period	5,165,548	5,165,548
		Three months ended June 30, 2014
3) Average number of issued shares during the period	231,264,252	231,514,883

Indication of quarterly review procedure implementation status

This flash report is not subject to quarterly review procedures under the Financial Instruments and Exchange Act. The quarterly review procedures of financial statements in accordance with the Financial Instruments and Exchange Act have not been completed at the time of disclosure of this flash report.

Explanation of appropriate use of forecasts of financial results; other important items

The forward-looking statements made in this document, including the aforementioned forecasts, are based on all information available to the management at the time of this document's release and certain assumptions considered rational. Actual results may differ materially from the forecasts due to various factors in the future. Regarding the assumptions forming the forecast of financial results, please refer to "1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR UNDER REVIEW: (3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections" on page 7.

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1. QUALITATIVE INFORMATION ON CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF THE FISCAL YEAR UNDER REVIEW

(1) Explanation of Business Results

The Japanese government's *Monthly Economic Report* on the Japanese economy for the first quarter of the fiscal year ending March 31, 2016 (April 1, 2015 to June 30, 2015) states, "The economy is on a moderate recovery track, and with the continuing improvement trend of the employment and income situation, along with the effect of a decline in crude oil prices and various government measures, the moderate recovery trend is expected to continue." Although the business outlook of various corporations generally remains unchanged, signs of improvement can be seen in some areas.

Amid this economic environment, the Fuji Media Holdings Group posted consolidated net sales for the first quarter of the fiscal year under review of ¥148,859 million, down 1.6% from the same period of the previous fiscal year. Sales increased in the Production, Life Information and Urban Development segments, but decreased in the Broadcasting, Video and Music, Advertising and Other segments.

In terms of earnings, operating income amounted to ¥4,476 million, down 32.9% year-on-year, as gains in the Production and Life Information segments were offset by declines in the mainstay Broadcasting, Urban Development and Other segments, and operating losses in the Video and Music and Advertising segments. Recurring profit decreased 23.3% year-on-year to ¥6,612 million, and net income attributable to owners of the parent decreased 16.1% year-on-year to ¥4,232 million.

Results by operating segment are as follows.

Three months ended June 30

	Net sales			Operating income (loss)		
	2014	2015	Change	2014	2015	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Broadcasting	86,162	78,608	(8.8)	5,900	4,293	(27.2)
Production	11,184	11,616	3.9	370	535	44.7
Video and Music	12,249	11,459	(6.4)	(387)	(643)	—
Life Information	32,400	33,341	2.9	(860)	121	—
Advertising	10,291	8,927	(13.2)	102	(40)	—
Urban Development	8,627	14,255	65.2	1,069	130	(87.8)
Other	6,432	6,326	(1.7)	223	13	(93.9)
Eliminations	(16,041)	(15,677)	—	249	64	—
Total	151,307	148,859	(1.6)	6,667	4,476	(32.9)

Broadcasting

Fuji Television Network, Inc. recorded a decrease in time advertising sales, as a result of the rebound from major sports programs in the previous fiscal year, as well as sluggish viewer ratings. Spot advertising sales decreased overall due to weak sales in May and June, despite the year-on-year increase in April. In non-broadcasting revenues, although revenue in the digital business increased with the contribution of "FOD" of the fee-based streaming business, revenue from other businesses declined due to factors such as the reactionary decline from major films in the previous fiscal year in the movie business. As a result, net sales declined overall, and operating income decreased as well.

Fuji Satellite Broadcasting, Inc. (BS Fuji) recorded gains in net sales overall due primarily to strong broadcasting revenues, as well as an increase in revenue from other businesses. In terms of earnings, operating income fell as a result of higher production expenses for new programs and special programs.

Nippon Broadcasting System, Inc. posted decreases in both revenue and earnings, with a decline in broadcasting revenue, despite an increase in revenue from the event business.

As a result, for the Broadcasting segment overall, net sales decreased 8.8% from the same period of the previous fiscal year to ¥78,608 million, and segment operating income decreased 27.2% to ¥4,293 million.

Net Sales by Broadcasting Operations

Three months ended June 30

	2014	2015	Change
	Millions of yen	Millions of yen	%
Fuji Television Network, Inc.			
Broadcasting businesses	67,938	63,003	(7.3)
Broadcasting	59,995	54,964	(8.4)
Network time	27,463	24,053	(12.4)
Local time	3,526	3,351	(5.0)
Spot	29,005	27,559	(5.0)
Other broadcasting business	7,942	8,038	1.2
Program sales	4,486	4,480	(0.1)
Other	3,456	3,558	2.9
Other businesses	11,657	8,853	(24.1)
Subtotal	79,596	71,856	(9.7)
Fuji Satellite Broadcasting, Inc. (BS Fuji)	3,590	3,874	7.9
Nippon Broadcasting System, Inc.	3,572	3,462	(3.1)
Elimination in the segment	(598)	(584)	—
Total	86,162	78,608	(8.8)

Production

Net sales in the Production segment overall increased 3.9% from the same period of the previous fiscal year to ¥11,616 million due to strong orders for programs and robust program sales. In terms of earnings, segment operating income increased 44.7% to ¥535 million with the contribution of higher revenue.

Video and Music

Pony Canyon, Inc. posted a decline in sales overall as a result of a sharp decrease in revenues in both the music and video divisions. In terms of earnings, Pony Canyon recorded an operating loss due to a rise in procurement cost for video titles.

Fujipacific Music Inc. recorded declines in both revenue and earnings due to a decline in royalty revenue.

As a result, net sales in the Video and Music segment overall fell 6.4% from the same period of the previous fiscal year to ¥11,459 million, with segment operating loss amounting to ¥643 million.

Life Information

Dinos Cecile Co., Ltd. turned profitable with an overall increase in sales. The Dinos business was boosted by positive performance in television shopping and an increase in fashion catalogue mail-order sales despite a decrease in home living catalogue mail-order sales, and overall sales increased. The Cecile business showed a recovery in its mainstay ladies' outerwear and ladies' innerwear categories due to the publication of separate catalogues, thus posting higher revenue.

Sankei Living Shimbun Inc. recorded an operating loss, due mainly to a decline in advertising income from *Living Shimbun* and *City Living*.

As a result, net sales in the Life Information segment overall increased 2.9% from the same period of the previous fiscal year to ¥33,341 million, with segment operating income of ¥121 million.

Advertising

Quaras Inc. posted an operating loss as strong out-of-home advertising income was offset by a substantial decline in spot advertising revenue in its mainstay television advertising and declines in radio and newspaper advertising revenue.

As a result, net sales in the Advertising segment overall decreased 13.2% from the same period of the previous fiscal year to ¥8,927 million, with segment operating loss of ¥40 million.

Urban Development

The Sankei Building Co., Ltd. posted declines in both revenue and earnings, due to a reactionary decrease from real estate sales to investors in the previous fiscal year, despite steady performance in its mainstay office building business and residential housing sales. Meanwhile, GRANVISTA Hotels & Resorts Co., Ltd., which newly became our consolidated subsidiary in the fiscal year under review, contributed to sales and operating income.

As a result, net sales in the Urban Development segment overall rose 65.2% from the same period of the previous fiscal year to ¥14,255 million, and segment operating income decreased 87.8% to ¥130 million.

Other

Fujimic, Inc. recorded a revenue increase from growth in orders for systems but operating income decreased due to higher operating expenses. Fusosha Publishing, Inc. posted a decrease in net sales overall affected by lower revenue in the book division, thus recording an operating loss.

As a result, net sales in the Other segment overall declined 1.7% from the same period of the previous fiscal year to ¥6,326 million, and operating income decreased 93.9% to ¥13 million.

Equity-Method Affiliates

The ten Fuji TV network affiliates, along with WOWOW Inc. and ITOCHU Fuji Partners, Inc., contributed to equity in earnings of affiliates.

(2) Explanation of the Financial Position

Total assets at the end of the first quarter of the fiscal year under review (June 30, 2015) amounted to ¥1,124,351 million, an increase of ¥58,392 million (5.5%) from the end of the previous fiscal year (March 31, 2015).

Total current assets amounted to ¥372,358 million, an increase of ¥7,022 million (1.9%) from

the end of the previous fiscal year. This was due mainly to increases of ¥16,501 million in cash and deposits; ¥5,269 million in inventories; and ¥2,397 million in income taxes receivable included in the “Other” line item of current assets; against decreases of ¥10,706 million in notes and accounts receivable-trade; and ¥7,380 million in marketable securities.

Total noncurrent assets amounted to ¥751,936 million, an increase of ¥51,314 million (7.3%) from the end of the previous fiscal year. This was due mainly to increases of ¥36,640 million in land; and ¥7,209 million in buildings and structures.

Total liabilities amounted to ¥477,500 million, an increase of ¥50,426 million (11.8%) from the end of the previous fiscal year. This was due mainly to increases of ¥32,022 million in long-term loans payable; and ¥26,120 million in short-term loans payable; against a decrease of ¥5,242 million in notes and accounts payable-trade.

Net assets at the end of the first quarter of the fiscal year under review amounted to ¥646,850 million, an increase of ¥7,966 million (1.2%) from the end of the previous fiscal year. This was due mainly to increases of ¥5,860 million in non-controlling interests; and ¥2,979 million in valuation difference on available-for-sale securities; against a decrease of ¥1,638 million in retained earnings. The decrease of ¥1,638 million in retained earnings was mainly the result of decreases of ¥4,683 million due to dividend payments; and ¥1,027 million due to a change in the scope of consolidation; against the recording of ¥4,232 million in net income attributable to owners of the parent.

(3) Explanation of Consolidated Financial Results Forecasts and Other Future Projections

Consolidated results during the first quarter of the fiscal year under review comprised decreases in both revenue and earnings in the Broadcasting, Video and Music and Advertising segments, with increases in both revenue and earnings in the Production and Life Information segments. Despite fluctuations by segment, overall consolidated performance was mainly in line with the plan. Accordingly, Fuji Media Holdings is making no changes to its full-year consolidated forecasts for the fiscal year ending March 31, 2016, from those announced on May 14, 2015.

2. MATTERS REGARDING SUMMARY INFORMATION (NOTES)

Changes in Accounting Policies, Changes in Accounting Estimates, and Modifications and Restatements

Changes in Accounting Policies

Effective from the first quarter of the fiscal year under review, the Company has adopted the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013, “Business Combinations Standard”), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013, “Consolidated Financial Statements Standard”), the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013, “Business Divestitures Standard”) and other pronouncements. Accordingly, the accounting methods have been changed such that the difference arising from a change in the Company’s ownership interest in a subsidiary over which the Company continues to have control is recorded as capital surplus and that acquisition-related costs are recorded as expenses for the consolidated fiscal year in which they are incurred. Furthermore, for business combinations to be carried out at and after the beginning of the first quarter of the fiscal year under review, the method has been changed to reflect an adjustment to the provisional amount arising from the finalization of the tentative accounting treatment relating to the allocation of acquisition cost in the quarterly consolidated financial statements for the quarter in which the date of business combination falls. In addition, the Company has changed the presentation of net income and other related items, and the presentation of “minority interests” to “non-controlling interests.” To reflect these changes in presentation, reclassification has been made in the quarterly consolidated financial statements for the first quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

The Business Combinations Standard and others were adopted in accordance with transitional treatments stipulated in Paragraph 58-2 (4) of the Business Combinations Standard, Paragraph 44-5 (4) of the Consolidated Financial Statements Standard and Paragraph 57-4 (4) of the Business Divestitures Standard, and they have been prospectively adopted from the beginning of the first quarter of the fiscal year under review.

As a result, operating income, ordinary income and income before income taxes for the first quarter of the fiscal year under review decreased ¥817 million, respectively.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

	Millions of yen	
	March 31, 2015	June 30, 2015
ASSETS		
Current assets:		
Cash and deposits	36,851	53,352
Notes and accounts receivable-trade	122,553	111,846
Marketable securities	103,153	95,772
Inventories	64,434	69,704
Other	39,395	42,639
Allowance for doubtful accounts	(1,052)	(957)
Total current assets	365,335	372,358
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures	128,643	135,852
Land	178,327	214,968
Other	20,967	24,217
Total property, plant and equipment	327,938	375,037
Intangible assets		
Goodwill	1,213	1,801
Other	38,188	37,691
Total intangible assets	39,402	39,492
Investments and other assets		
Investment securities	297,754	299,256
Other	37,597	40,289
Allowance for doubtful accounts	(2,069)	(2,139)
Total investments and other assets	333,282	337,406
Total noncurrent assets	700,622	751,936
Deferred assets	—	56
Total assets	1,065,958	1,124,351

	Millions of yen	
	March 31, 2015	June 30, 2015
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	55,894	50,652
Short-term loans payable	26,056	52,176
Provision for sales returns	858	804
Provision for directors' bonuses	380	79
Provision for point card certificates	989	921
Provision for loss on reconstruction	77	—
Provision for loss on business of subsidiaries and affiliates	504	504
Provision for business restructuring expenses	—	65
Other	88,571	74,788
Total current liabilities	173,332	179,993
Noncurrent liabilities:		
Bonds payable	40,000	40,000
Long-term loans payable	58,576	90,598
Provision for directors' retirement benefits	1,723	1,608
Provision for loss on interest repayment	6	6
Provision for environmental measures	18	22
Provision for loss on reconstruction	78	78
Provision for business restructuring expenses	—	29
Net defined benefit liability	57,421	60,609
Other	95,916	104,553
Total noncurrent liabilities	253,741	297,507
Total liabilities	427,074	477,500
NET ASSETS		
Shareholders' equity:		
Capital stock	146,200	146,200
Capital surplus	173,664	173,664
Retained earnings	260,440	258,801
Treasury stock	(9,767)	(9,767)
Total shareholders' equity	570,537	568,899
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	71,012	73,992
Deferred gains or losses on hedges	208	109
Revaluation reserve for land	816	816
Foreign currency translation adjustment	184	598
Remeasurements of defined benefit plans	(9,191)	(8,740)
Total accumulated other comprehensive income	63,030	66,775
Non-controlling interests	5,315	11,175
Total net assets	638,883	646,850
Total liabilities and net assets	1,065,958	1,124,351

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

Consolidated Statements of Income

Three months ended June 30

	Millions of yen	
	2014	2015
Net sales	151,307	148,859
Cost of sales	99,915	99,969
Gross profit	51,392	48,889
Selling, general and administrative expenses	44,724	44,413
Operating income	6,667	4,476
Non-operating income:		
Dividends income	1,171	1,117
Equity in earnings of affiliates	745	1,050
Other	624	771
Total	2,541	2,938
Non-operating expenses:		
Interests	375	465
Other	217	337
Total	592	803
Recurring profit	8,617	6,612
Extraordinary gain:		
Gain on sales of investment securities	41	1
Gain on redemption of investment securities	—	0
Other	54	0
Total	96	2
Extraordinary loss:		
Loss on retirement of noncurrent assets	25	30
Loss on valuation of investment securities	1,096	16
Loss on liquidation of subsidiaries and affiliates	—	18
Other	174	3
Total	1,296	67
Income before income taxes	7,417	6,546
Income taxes-current	2,259	1,419
Income taxes-deferred	67	817
Total	2,327	2,236
Net income	5,089	4,310
Net income attributable to non-controlling interests	44	78
Net income attributable to owners of the parent	5,045	4,232

Consolidated Statements of Comprehensive Income

Three months ended June 30

	Millions of yen	
	2014	2015
Net income	5,089	4,310
Other comprehensive income:		
Valuation difference on available-for-sale securities	4,546	2,606
Deferred gains or losses on hedges	(42)	(50)
Foreign currency translation adjustment	(262)	(47)
Remeasurements of defined benefit plans	414	460
Share of other comprehensive income of affiliates accounted for using equity method	170	312
Total other comprehensive income	4,826	3,281
Comprehensive income	9,915	7,591
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	9,861	7,514
Comprehensive income attributable to non-controlling interests	54	76

(3) Notes to Consolidated Financial Statements**(Note on Assumptions for Going Concern)**

Not applicable

(Notes in the Event of Major Change in Shareholders' Equity)

Not applicable

(4) Segment Information**I. Three months ended June 30, 2014****1. Information on Net Sales and Profit or Loss by Reported Segment**

Millions of Yen

	Reported segment							Other (Note 1)	Total	Adjust- ment (Note 2)	Consolidated statement of income (Note 3)
	Broad- casting	Produc- tion	Video and Music	Life Informa- tion	Advertis- ing	Urban Develop- ment	Total				
Net sales:											
Net sales to third parties	82,311	4,099	12,014	32,246	9,477	8,439	148,589	2,717	151,307	—	151,307
Inter-segment net sales and transfers	3,850	7,084	234	154	814	188	12,326	3,715	16,041	(16,041)	—
Total net sales	86,162	11,184	12,249	32,400	10,291	8,627	160,916	6,432	167,349	(16,041)	151,307
Segment operating income (loss)	5,900	370	(387)	(860)	102	1,069	6,194	223	6,418	249	6,667

Notes: 1. The "Other" category is a business segment not included in reported segments. It includes such operations as publishing, temporary agency services, movables leasing and software development.

2. The segment operating income adjustment of ¥249 million mainly comprises ¥1,261 million in eliminations of inter-segment business, together with minus ¥1,012 million in Group-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.

3. Segment operating income is adjusted to the operating income figure on the Consolidated Statements of Income.

II. Three months ended June 30, 2015

1. Information on Net Sales and Profit or Loss by Reported Segment

Millions of Yen

	Reported segment							Other (Note 1)	Total	Adjust- ment (Note 2)	Consolidated statement of income (Note 3)
	Broad- casting	Produc- tion	Video and Music	Life Informa- tion	Advertis- ing	Urban Develop- ment	Total				
Net sales:											
Net sales to third parties	74,949	4,483	11,341	33,182	8,253	14,065	146,276	2,582	148,859	—	148,859
Inter-segment net sales and transfers	3,659	7,133	117	158	674	190	11,934	3,743	15,677	(15,677)	—
Total net sales	78,608	11,616	11,459	33,341	8,927	14,255	158,210	6,326	164,536	(15,677)	148,859
Segment operating income (loss)	4,293	535	(643)	121	(40)	130	4,398	13	4,411	64	4,476

- Notes: 1. The "Other" category is a business segment not included in reported segments. It includes such operations as publishing, temporary agency services, movables leasing and software development.
2. The segment operating income adjustment of ¥64 million mainly comprises ¥1,267 million in eliminations of inter-segment business, together with minus ¥1,203 million in Group-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.
3. Segment operating income is adjusted to the operating income figure on the Consolidated Statements of Income.

2. Information on Changes to Reported Segments, etc.

As stated in Changes in Accounting Policies, effective from the first quarter of the fiscal year under review, the Company has applied "Business Combinations Standard," "Consolidated Financial Statements Standard," "Business Divestitures Standard" and other pronouncements. Accordingly, the accounting methods have been changed such that the difference arising from a change in the Company's ownership interest in a subsidiary over which the Company continues to have control is recorded as capital surplus and that acquisition-related costs are recorded as expenses for the consolidated fiscal year in which they are incurred. As a result, segment operating income in the Urban Development decreased ¥817 million.

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