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Nippon Television Holdings, Inc.
(Tokyo Stock Exchange 9404)

Overview of “The Nippon TV Group Medium-Term Management Plan 2016-2018 Change 65”

Nippon Television Holdings, Inc. (“Nippon TV Group”) is pleased to announce its Medium-Term Management Plan covering fiscal years 2016 to 2018.

1. Nippon TV Group’s Long-Term Management Goal, which the Nippon TV Group will pursue through to fiscal year 2025

Nippon TV Group recognizes that, looking well into the future, it should continue to be a corporate group that “provides enriching experiences” by producing new media and content as well as influencing life and culture, while fulfilling its social responsibilities as a media organization. Nippon TV Group will strive to be continuously selected as the “First Choice Nippon TV” by having the entire Group’s employees in solidarity pursue the Group’s growth and take preemptive actions in response to ever-changing environments.

In the ten-year term, Nippon TV Group will diversify its business portfolio and promote overseas expansion, keeping its media content and life and health related businesses at the core. Nippon TV Group will produce and deliver content through all types of media, ensuring that each creation appropriately meets the needs of the media for which it was intended, in order to increase both non-advertising and advertising revenues. Nippon TV Group will strive to gain a solid presence as an internet company and a global company by developing an internet video distribution business and an overseas business.

2. Medium-Term Management Goals for 2016-2018

Nippon TV Group will aim to accomplish the following objectives through FY2018.

- (1) Become the strongest production group, which produces and delivers enriching content.
 - a. Become a more reliable media organization by delivering news through various media in a manner that is accurate, timely and easy to comprehend.
 - b. Obtain the “Quintuple Crown” title in the household zone and the core target^(※1) zone of terrestrial viewer ratings, and secure the largest share in terrestrial television advertisement revenues among Tokyo-based key broadcasters.
 - c. Accelerate the growth of its internet video distribution business by producing content

which the “Internet First”^(※2) demographic will support.

- d. Ensure that BS Nippon reaches the most viewers and achieves the highest revenues among the BS subsidiary companies of the key terrestrial broadcasters.
- e. Maximize profits by delivering its content through various media.
- f. Research state-of-the-art technologies and maximize their usage in anticipation of the changes in the media environment.

※1: Core target ratings: an indicator that Nippon TV Group formulated to isolate the demographic of men and women between ages 13 and 49 and to track their ratings.

※2: Internet First demographic: a demographic that consists mostly of young generations that have an affinity with the internet, with little contact to TV media and TV content.

(2) “Destroy and create” businesses to achieve continuous growth

- a. Reconfirm the business domains in which Nippon TV Group should be engaged and change the business models by making bold organizational reforms and mobilizing sufficient human resources.
- b. Set up a total of ¥50 billion investment line for new businesses, including strategic investments, and proceed with the diversification of the Group’s business portfolios.
- c. Ensure that the companies in the life and health related segment pursues synergistic benefits with other companies in the Nippon TV Group and develop new services.

(3) Gain a solid position in overseas markets

- a. Promote the businesses which are rooted in the respective regions, especially in Asia, which the Group expects to grow.
- b. Address the needs of each country and accelerate global expansion of its content and production.

(4) Make social contributions that emphasize regions and individuals

(5) Foster a working environment that nurtures the talents of all the employees in the Nippon TV Group and motivate them to take on greater challenges.

- a. Strengthen the Nippon TV Group’s human resources by developing and improving the talents of all employees, making sure their productivity is maximized.
- b. Recruit and develop a diversified group of employees, and create a corporate culture as well as a system that encourages all employees to take on challenges.

3. Medium-Term Financial Targets for 2016-2018

In fiscal year 2018, we aim to generate consolidated net sales of ¥460 billion, consolidated operating profit of ¥55 billion (12.0% operating margin) and recurring profit of ¥60 billion (13.0% recurring profit margin).

(Unit: 100 million yen)

	Forecast	Target	In / Decrease
	FY2015	FY2018	2015→2018
Consolidated Net Sales	4,100	4,600	500
Television Advertising Sales	2,613	2,685	72
Content Sales and Other	1,487	1,915	428
Consolidated Operating Profit	515	550	35
(Operating Profit Margin)	12.6%	12.0%	▲0.6%
Consolidated Recurring Profit	565	600	35
(Recurring Profit Margin)	13.8%	13.0%	▲0.8 %

Television Advertising Sales includes advertising sales from terrestrial, broadcasting satellite (BS), and communication satellite (CS) platforms.

4. Financial and Dividend Policies

(1) Key Management Indicators

Operating Profit Margin and Recurring Profit Margin

(2) Dividends

Nippon TV Group understands the importance of paying out continuous and stable dividends. We will use the company's consolidated financial results as a base to determine dividend payouts, while also taking into account other factors.

End