

Financial Results

FY 2016 2nd Quarter

November 15, 2016

Nippon Television Holdings, Inc.

This presentation may include forward-looking statements. Actual results, however, could differ significantly as a result of various factors and circumstances. Forward-looking statements contained herein are not guarantees or commitments. Reproduction of this presentation is prohibited.

Highlights of Financial Results

- For first half of FY2016, sales increased, operating profit and recurring profit decreased, and net income increased.**
- Nippon Television Network Corporation (Nippon TV) sales continued to improve as a result of stellar viewer ratings. Profits decreased due to Olympics-related program production costs and business expenditures.**
- Full year financial forecast revised upward. Operating and recurring profits each by 2.5 billion yen and net income by 1.5 billion yen.**

Summary of Consolidated Financial Results

(Unit: Millions of Yen)

	FY2015 2Q	FY2016 2Q	% change
Net Sales	202,821	203,558	0.4
Operating Profit	23,440	22,331	(4.7)
Recurring Profit	26,451	25,256	(4.5)
Net Income attributable to owners of the parent	16,768	18,111	8.0

Nippon TV Non-Consolidated Results

(Unit: Millions of Yen)

	FY2015 2Q	FY2016 2Q	% change
Net Sales	150,533	151,635	0.7
Operating Profit	19,620	17,405	(11.3)
Recurring Profit	26,709	19,203	(28.1)
Net Income	19,258	14,447	(25.0)

TV Advertising Revenue - Terrestrial Broadcasting (Nippon TV)

(Unit: Millions of Yen)

	FY2015 2Q	FY2016 2Q	Increase / (Decrease)	% change
TV Advertising Revenue	118,196	123,153	4,956	4.2
Time	56,150	59,146	2,995	5.3
Spot	62,045	64,006	1,961	3.2

Time Sales and Spot Sales YoY Comparison

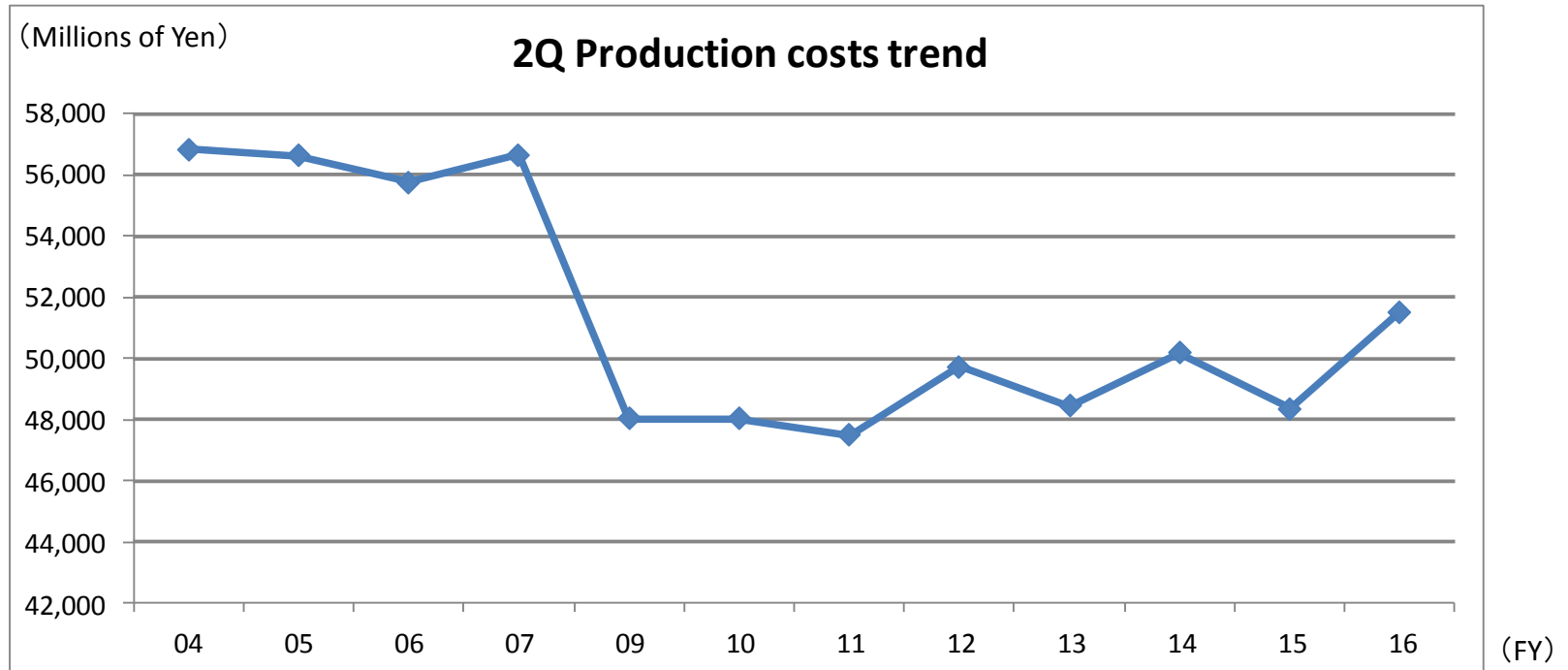
Time Sales	FY2015	FY2016
Apr	0.7%	4.5%
May	6.7%	1.2%
Jun	(12.9%)	3.5%
July	(0.1%)	11.1%
Aug	4.2%	10.9%
Sep	2.1%	0.6%

Spot Sales	FY2015	FY2016
Apr	7.3%	8.6%
May	1.9%	7.2%
Jun	0.2%	7.9%
July	9.6%	0.0%
Aug	9.8%	(7.7%)
Sep	6.0%	1.1%

Production Costs - Terrestrial Broadcasting (Nippon TV)

(Unit: Millions of Yen)

FY2015 2Q	FY2016 2Q	Increase / (Decrease)	% change
48,359	51,520	3,161	6.5



Main Events/Content Business

(Unit: Millions of Yen)

2Q		Sales	Costs	Balance
Movies	FY2015 2Q	7,162	6,448	714
	FY2016 2Q	3,776	3,558	218
Media Commerce (TV-Shopping)	FY2015 2Q	4,789	4,338	451
	FY2016 2Q	3,900	3,628	273
Events	FY2015 2Q	3,862	3,275	587
	FY2016 2Q	4,144	4,047	97
International Business	FY2015 2Q	555	292	263
	FY2016 2Q	900	407	493

Financial Highlights of Group Companies

FY2016 2Q	Net Sales		Operating Profit		Recurring Profit		Net Income	
In millions of yen, rounded down	Amount	%chg	Amount	%chg	Amount	%chg	Amount	%chg
BS Nippon Corp.	7,914	4.0	557	1.2	601	(0.7)	409	4.0
CS Nippon Corp.	2,433	(0.9)	480	9.3	485	8.1	333	9.3
NTV Technical Resources Inc.	5,373	1.5	81	885.6	92	354.2	78	577.2
NTV AX-ON	11,227	9.9	623	28.5	629	26.4	433	34.1
NTV EVENTS Inc.	1,655	19.8	28	(54.3)	30	(54.0)	17	(59.0)
Nippon Television Art Inc.	3,968	(0.7)	162	158.4	165	134.4	113	146.2
Nippon Television Music Corp.	5,565	(2.2)	770	(9.6)	809	(22.8)	565	(25.5)
VAP Inc.	6,952	(35.7)	601	2,962.8	697	415.5	610	-
TIPNESS Limited	18,954	4.4	1,959	(0.2)	1,811	0.5	1,254	7.3
NTV Service Inc.	1,532	(25.1)	49	(55.2)	54	(55.2)	25	(67.4)
Nippon Television Work 24 Corp.	2,029	6.3	50	(18.5)	53	(16.7)	32	(19.0)
Forecast Communications Inc	1,351	(4.9)	41	(35.2)	82	(30.0)	50	(29.0)
NTV IT Produce Corporation	853	25.4	49	110.6	44	120.5	27	35.4
NitteSeven	1,936	(29.7)	98	(39.1)	99	(44.9)	39	(58.7)
TATSUNOKO PRODUCTION Co., Ltd.	757	(10.3)	6	(72.2)	4	(81.6)	(24)	-
HJ Holdings LLC	7,817	33.0	(624)	-	(423)	-	(424)	-

VAP, TIPNESS, HJ Holdings

☆ VAP

Unit: Millions of Yen

FY2016 2Q	Net Sales	Operating Profit	Recurring Profit	Net Income
	6,952	601	697	610

Net sales were impacted by a decline in Mr. Children album sales.

Profits increased as a result of successful cost control measures and management improvements.

☆ TIPNESS

FY2016 2Q	Net Sales	Operating Profit	Recurring Profit	Net Income
	18,954	1,959	1,811	1,254

FASTGYM24 had 47 branches as of the end of September 2016.

Child members increased in large branches.

☆ HJ Holdings

FY2016 2Q	Net Sales	Operating Profit	Recurring Profit	Net Income
	7,817	(624)	(423)	(424)

1.452 million Hulu Japan Subscribers as of the end of September 2016.

CAPEX and Depreciation (Consolidated)

(Unit: Billions of Yen)

FY2016 2Q	CAPEX	Depreciation
Consolidated	15.5	5.2

Consolidated Forecast	CAPEX	Depreciation
FY2016	440 (377)	120 (125)
FY2017	211 (211)	139 (151)
FY2018	340 (305)	159 (156)

- Forecast numbers are based on internal estimates.
- Updated forecast reflected in figures above. Numbers in () are 1Q forecast figures.

FY2016 Forecast and Assumptions

FY2016 Forecast of Consolidated Financial Results

(Unit: Millions of Yen)

		Net Sales	Operating Profit	Recurring Profit	Net Income
FY	Previous Forecast	416,000	46,000	50,000	35,000
	Revised Forecast	416,000	48,500	52,500	36,500

Dividend Forecast

(Unit: Yen)

	2Q Dividend	Year-End Dividend	Total Annual Dividend
Current Dividend Forecast	10	24	34

Growth Assumptions

	2H		FY	
	As of May	As of Nov	As of May	As of Nov
TV Advertising Revenue	(1.2%)	(0.6%)	0.5%	1.7%
Time	(2.8%)	(2.1%)	(0.1%)	1.5%
Spot	0.2%	0.8%	1.0%	1.9%
Production Costs	(2.8%)	(1.7%)	3.2%	2.4%

FY2016 1H Viewer Ratings

04/04/2016 - 10/02/2016

*In order of digital channel, from left

	Nippon TV	EX (TV Asahi)	TBS	TX (TV Tokyo)	CX (Fuji TV)	Difference btw 2 nd Place (YoY)	HUT
All day	① 8.2	7.1	6.0	2.8	5.7	+1.1	41.0
	(-0.3)	(+0.3)	(+0.2)	(-0.1)	(-0.5)	(+1.7)	(+0.7)
Prime time	① 11.5	10.6	9.6	6.2	7.8	+1.2	58.7
	(-0.8)	(-0.4)	(±0.0)	(-0.2)	(-1.2)	(+1.6)	(-0.8)
Golden time	① 11.6	9.8	9.8	6.4	7.8	+1.8	60.9
	(-0.8)	(-0.6)	(+0.2)	(-0.2)	(-1.2)	(+2.0)	(-0.3)

* Household viewership (Kanto region): Video Research

FY2016 2H Viewer Ratings

10/03/2016 - 11/13/2016

*In order of digital channel, from left

	Nippon TV	EX (TV Asahi)	TBS	TX (TV Tokyo)	CX (Fuji TV)	Difference btw 2 nd Place (YoY)	HUT
All day	① 8.6	7.5	6.0	2.7	5.6	+1.1	40.1
	(+0.4)	(+0.3)	(+0.1)	(-0.3)	(-0.6)	(+1.0)	(-0.1)
Prime time	① 12.7	10.9	9.7	5.8	7.9	+1.8	58.1
	(+0.8)	(-0.3)	(-0.5)	(-0.6)	(-1.6)	(+0.7)	(-2.0)
Golden time	① 13.1	10.7	9.8	6.3	8.1	+2.4	60.5
	(+1.1)	(-0.5)	(-0.5)	(-0.5)	(-1.3)	(+0.8)	(-1.7)

* Household viewership (Kanto region): Video Research

October Cour Topics

No. 1 in All Day viewer rating for longest run in history

- 153 consecutive weeks since Dec 9, 2013

KARADA WEEK (Week of the Body)



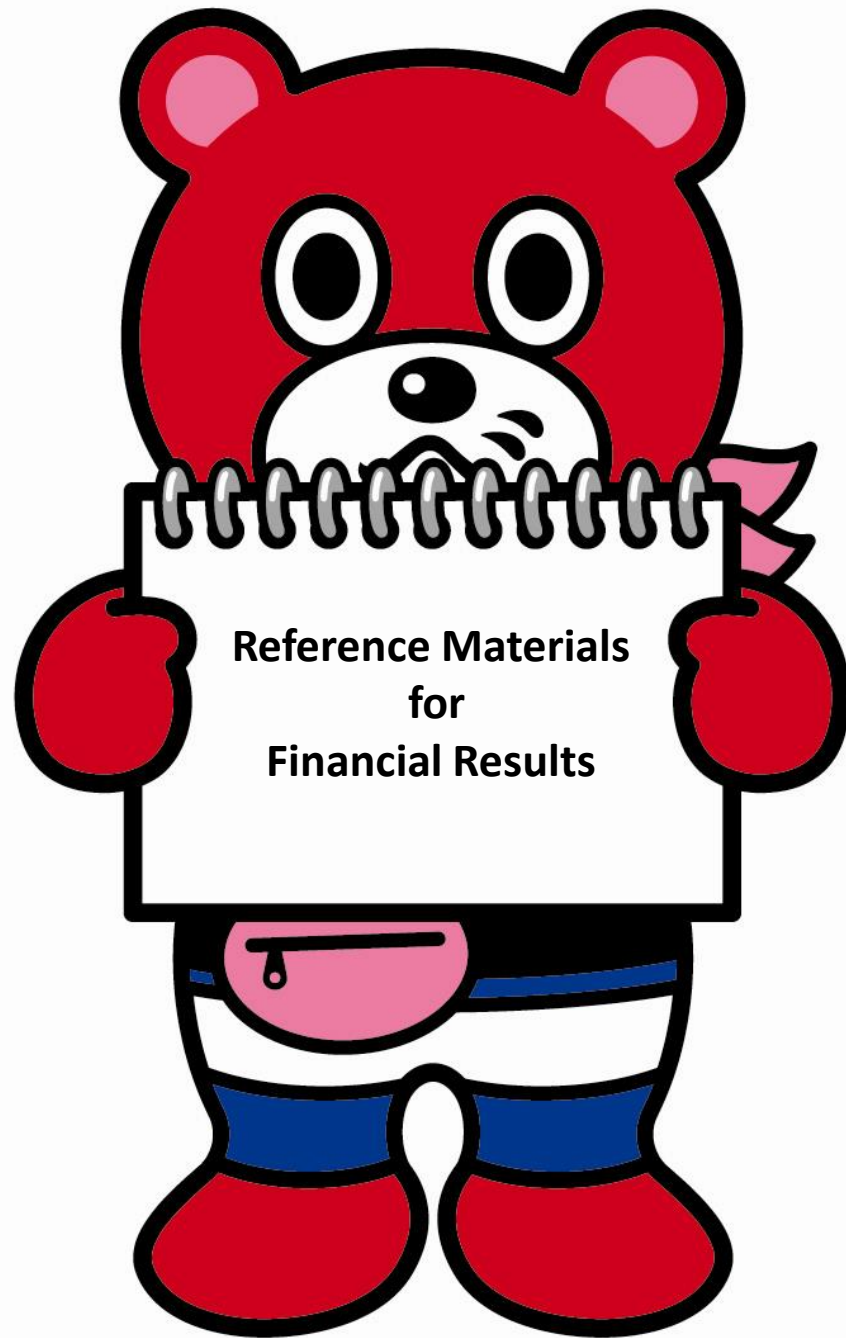
- “Body awareness” was the theme, and over 40 hit programs took part
- Numerous initiatives in cooperation with TIPNESS



FIFA Club World Cup Japan 2016

- 7 club champions vie to be no. 1 in the world, with Nippon TV’s terrestrial platform and BS channel broadcasting all games live
- Hulu live streaming also available





**Reference Materials
for
Financial Results**

Net Sales - Nippon TV -

(Unit: Millions of Yen)

	FY2015 2Q	FY2016 2Q
TV Advertising Revenue	118,196	123,153
Time	56,150	59,146
Spot	62,045	64,006
Program Sales	5,688	5,587
Events/Content Business Sales	25,502	21,832
Real Estate Business	1,146	1,062
Total	150,533	151,635

Operating Expenses - Nippon TV -

(Unit: Millions of Yen)

	FY2015 2Q	FY2016 2Q
Production Costs	48,359	51,520
Program Distribution Costs to Network Affiliates	14,932	15,925
Agency Commission	21,279	22,165
Personnel	10,731	11,211
Depreciation and Amortization	3,617	3,647
Events/Content Business Costs	20,253	17,303
Other	11,739	12,455
Total	130,913	134,230

Events/Content Business Sales and Costs

FY2016 2Q

(Unit: Millions of Yen)

	Sales	Costs
BS, CS, CATV, Other	4,815	2,069
Rights	980	486
Media Commerce	3,900	3,628
Movies	3,776	3,558
Events	4,144	4,047
Overseas Business	900	407
Other	3,317	3,108
Total	21,832	17,303

Nippon TV Holdings Consolidated Results – Segment Information

FY 2016 2Q	Segmentation				Other	Total	Adjustment	Consolidated Year to Date Total
	Content Business	Life and Health-Related Business	Real Estate Business	Total				
Net Sales	182,280	18,954	4,884	206,119	2,379	208,498	(4,940)	203,558
Segment Profit	19,589	1,197	1,809	22,596	91	22,688	(357)	22,331

Segmentation	Main Businesses
Content Business	Sales of TV advertising, pay TV business, Video On Demand, video and music royalty revenue, sales of package media, TV-shopping, movie business, events and art exhibitions, and content production business
Life and Health-Related Business	Operation of fitness clubs
Real Estate Business	Rental offices, building management

Spot Sales - Terrestrial Broadcasting (Nippon TV)

FY2015 2Q		Share	% chg	FY2016 2Q		Share	% chg
1	Cosmetics/Toiletries	15.4	15.3	Cosmetics/Toiletries	15.1	0.8	
2	Transportation/ Telecommunications	11.7	12.9	Transportation/ Telecommunications	12.0	6.1	
3	Services	6.4	(5.4)	Services	7.3	16.8	
4	Automobile	5.9	(13.9)	Non-Alcohol	6.6	20.5	
5	Non-Alcohol	5.6	(3.1)	Box-Office/Entertainment	5.7	23.9	
6	Pharmaceutical	5.6	(8.6)	Pharmaceutical	5.7	4.9	
7	Finance and Insurance	5.0	(2.0)	Automobile	5.1	(11.5)	
8	Box-Office/Entertainment	4.8	2.0	Finance and Insurance	5.0	2.1	
9	Alcohol	4.1	(1.0)	Foods (other foods)	3.9	8.3	
10	Electronic Equipment	4.0	(17.0)	Electronic Equipment	3.9	1.1	

* % changes are versus the same period last year and are tracked internally.

Movie Lineup for FY2016

Date	Title	Distributor
Oct 29 th	☆Death Note – Light Up the New World	Warner
Dec 10 th	☆Kaizoku To Yobareta Otoko	TOHO
Feb 18 th	One Week Friends	SHOCHIKU
Mar 18 th	☆ Hirune Hime	Warner
Mar 25 th	P and JK	TOHO

☆ Nippon TV is lead organizer

Event Lineup for FY2016

Date	Event
Oct 25 th to Feb 26 th	Chateau de Versailles Marie-Antoinette
Sept 14 th to Dec 12 th	Dali Exhibition
Jan 28 th and 29 th	Guns N' Roses JAPAN TOUR 2017
Jan 8 th to Apr 9 th	DAVID BOWIE is
Mar 18 th to Jun 18 th	Old Masters from the State Hermitage Museum Exhibition
Apr to May (TBC)	Satomi Hakkenden 2017 (working title)

Annual Viewer Ratings

01/04/2016-11/13/2016

*In order of digital channel, from left

	Nippon TV	EX (TV Asahi)	TBS	TX (TV Tokyo)	CX (Fuji TV)	Difference between EX (YoY)	HUT
All Day	① 8.4	7.6	6.0	2.8	5.8	+1.1	41.0
	(-0.3)	(+0.3)	(+0.1)	(-0.2)	(-0.6)	(+1.7)	(+0.1)
Prime Time	① 11.9	10.6	9.6	6.2	8.1	+1.3	58.9
	(-0.7)	(-0.6)	(±0.0)	(-0.2)	(-1.3)	(+1.4)	(-1.4)
Golden Time	① 12.2	10.3	9.7	6.5	8.1	+1.9	61.0
	(-0.6)	(-0.6)	(±0.0)	(-0.2)	(-1.2)	(+1.9)	(-1.1)

* Source for household viewership (Kanto region): Video Research

2016 Nippon TV Household Viewer Ratings Detail

	All Day	Prime Time	Golden Time
January	①8.7	①13.2	①13.3
February	①8.7	①12.0	①12.4
March	①8.5	①12.2	①12.7
April	①8.4	①11.9	①12.0
May	①8.1	①11.4	①11.7
June	①8.2	①11.2	①11.3
July	①7.8	①11.0	①11.2
August	①8.4	①11.8	①12.0
September	①8.2	①11.5	①11.8
October	①8.6	①12.6	①13.0

	All Day	Prime Time	Golden Time
January Cour	①8.7	①12.5	①12.8
April Cour	①8.2	①11.5	①11.7
July Cour	①8.1	①11.4	①11.6
First Half	①8.2	①11.5	①11.6

Monthly Triple Crown Title winner for 35 consecutive months.

Cour Triple Crown Title winner for 11 consecutive cours.

* Source for household viewership (Kanto region): Video Research