

Financial Results

FY2017

Nippon Television Holdings, Inc.
May 15, 2018

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 - Overview of Management Policy FY2017

Viewer Ratings and Programming

Overview of Financial Results 2017

Five-Year Financial Trend

Forecast for FY2018

FY2017 Highlights

Point
1

Advertising revenues spurred by strong ratings

- Triple Crown title for fiscal and annual 2017 for terrestrial broadcasting
- Advertising revenues remained robust for Time but slowed down for Spot, although decline was kept at a minimum

Point
2

Non-broadcasting businesses showed solid trends

- Movies like “Memoirs of a Murderer,” “Mary and the Witch’s Flower,” “DESTINY Kamakura Story”
- Events like “Disney Art Exhibition,” “Satomi Hakkenden 2017”
- International businesses like drama sales to China and format sales
- Internet business

Point
3

Group company accomplishment

- Hulu subscriber base topped 1.7 million at the end of the fiscal year despite some issues related to the system upgrade

Management Policy 2018

Point

1

Final FY of “Change65” (65th anniversary Mid-Term Management Plan)

- Generate broadcasting income through high-quality content
- Propel new businesses (incl. investments) and business improvement programs
- Business opportunities that commemorate 65th anniversary
- Complete “Bancho Studio” construction at Kojimachi district
- Grow international businesses

Point

2

Grow ICT Strategy

- Established a new ICT Strategy Division (as part of corporate reorganization)
- Maximize value of content
- Bolster video streaming businesses like AVOD, Hulu and other SVOD platforms
- Create new businesses that utilize ICT
- Promote use of ICT in working-style reform initiatives

Highlights • Overview of Management Policy FY2017

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Viewer Ratings

Point
1

Nippon TV wins fiscal Triple Crown title 4 consecutive years!

Came in over 2 points ahead of 2nd placer in Prime Time and Golden Time!

Captured weekly Triple Crown 48 times in 2017 to set a record for commercial broadcasters

Triple Crown winner for 53 consecutive months from Dec 2013 to Apr 2018

Point
2

Consistent chart-topper in all time slots and regions

Top viewer rating for Platinum category for 3 consecutive years

Triple Crown victory for 24 out of 26 Nippon TV regional network broadcasters

Successfully captured viewership of demographic most targeted by our sponsors

Point
3

On track for annual year 2018 Triple Crown title victory!

As of April 30, 2018

Viewer Ratings (Fiscal Year)

April 03, 2017 – April 01, 2018

(Unit: %)	Nippon TV	EX	TBS	TX	CX	Difference from EX (YoY)	HUT
All Day	8.1	7.4	6.3	2.8	5.7	+0.7	40.8
6:00 to 24:00	(-0.3)	(+0.1)	(+0.2)	(±0.0)	(±0.0)	(-0.4)	(-0.2)
Prime Time	12.0	10.0	9.8	6.2	7.7	+2.0	58.2
19:00 to 23:00	(+0.1)	(-0.6)	(+0.1)	(±0.0)	(-0.3)	(+0.7)	(-0.5)
Golden Time	12.4	9.9	9.9	6.6	7.8	+2.5	60.7
19:00 to 22:00	(+0.2)	(-0.4)	(+0.1)	(+0.1)	(-0.2)	(+0.6)	(-0.2)
Non-Prime Time	7.0	6.7	5.3	1.9	5.2	+0.3	35.9
All Day - Prime Time	(-0.4)	(+0.3)	(+0.2)	(±0.0)	(+0.1)	(-0.7)	(±0.0)
Platinum Time	6.5	5.4	4.5	2.6	3.8	+1.1	28.5
23:00-25:00	(-0.5)	(-1.0)	(±0.0)	(-0.1)	(-0.3)	(+0.5)	(-1.9)

1. In order of digital channel, from left
2. Source for household viewership (Kanto region): Video Research
3. Period of comparison: : April 04, 2016 – April 2, 2017

FY2018 Programming Policy

Point

Win household and core Triple Crown; be most trusted news outlet

Point
1

Improve programs for All Day timeslot

“SUKKIRI!!” Overhaul in Oct 2017 with new announcer Asami Miura and bolster news
⇒ **Household rating part 1: +0.5%; part 2: +0.4% (2017 1H vs 2H)**

“Hirunandesu!”

Renewal in Oct 2017 into a show that recommends new lifestyles in Japan

⇒ **Household rating -0.1% (2017 1H vs 2H) Increase in viewership from youth**

“ZIP!” Studio renewal in Apr 2018 increased information volume and mobility

Point
2

**No changes to Prime Time and Golden Time (except dramas);
prioritize regular programs**

No changes to Prime Time and Golden Time for 2 years running (except dramas)

Continued innovation within existing programs to create a rock-solid timetable effectively and efficiently

Point
3

Increase value of terrestrial TV across entire nationwide network

Accomplish brand safety, data enhancement, content improvement, creator talent development, and information accessibility optimization to become the **trusted news and information organization** that relentlessly delivers **programming that addresses the needs of the public**

FY2018 Programming Policy

Point

Enhance multi-platform content rollout and continue promoting comprehensive programming strategy that includes online streaming

◎ Continue rolling out content, with Sunday drama as a showcase, on multiple platforms

→ Enhance terrestrial TV and online (AVOD, SVOD) multiplatform delivery
Jan 2018 drama series “Kiss that Kills” made available for AVOD catch-up viewing, with spinoff version of each episode also offered on Hulu. SNS usage also expanded reach to younger generations

◎ Maximize value of Nippon TV Group’s content by placing IP (intellectual property) at core of program development

→ “HIGH & LOW” project leverages all platforms to yield income from TV and non-broadcasting areas like movies, live concerts, and events



◎ Comprehensive programming strategy: BS strategy enhancement

→ Vast programming improvement at BS Nippon Corporation based on comprehensive strategy that re-assesses target audience for every timeslot in order to gain viewership
60.4% of Golden Time and Prime Time programs underwent improvements
Weekdays 9 pm, Sat & Sun 10 pm slots: original content focusing on hobbies
Weekdays 11 pm: programming that appeals to a wide demographic, like anime and entertainment shows

2018 Annual Viewer Ratings

January 01, 2018 – May 06, 2018

(Unit: %)	Nippon TV	EX	TBS	TX	CX	Difference vs 2 nd place	HUT
All Day	8.1	7.7	6.5	2.8	5.6	+0.4	41.3
6:00 to 24:00	(-0.4)	(+0.2)	(+0.2)	(±0.0)	(-0.2)	(-0.6)	(+0.3)
Prime Time	11.8	10.7	10.1	6.2	7.6	+1.1	58.7
19:00 to 23:00	(-0.2)	(+0.2)	(±0.0)	(±0.0)	(-0.3)	(-0.4)	(+0.2)
Golden Time	12.3	10.8	10.2	6.7	7.7	+1.5	61.5
19:00 to 22:00	(±0.0)	(+0.6)	(±0.0)	(+0.1)	(-0.3)	(-0.6)	(+0.6)
Non-Prime Time	7.1	6.9	5.5	1.9	5.1	+0.2	36.4
All Day - Prime Time	(-0.3)	(+0.3)	(+0.2)	(+0.1)	(-0.1)	(-0.6)	(+0.5)
Platinum Time	6.4	5.4	4.6	2.5	3.7	+1.0	28.4
23:00 to 25:00	(-0.5)	(-0.7)	(+0.2)	(-0.1)	(-0.2)	(+0.2)	(-0.9)

1. In order of digital channel, from left
2. Source for household viewership (Kanto region): Video Research
3. Period of comparison: January 02, 2017 – May 07, 2017

Highlights • Overview of Management Policy FY2017

Viewer Ratings and Programming

Overview of Financial Results 2017

Five-Year Financial Trend

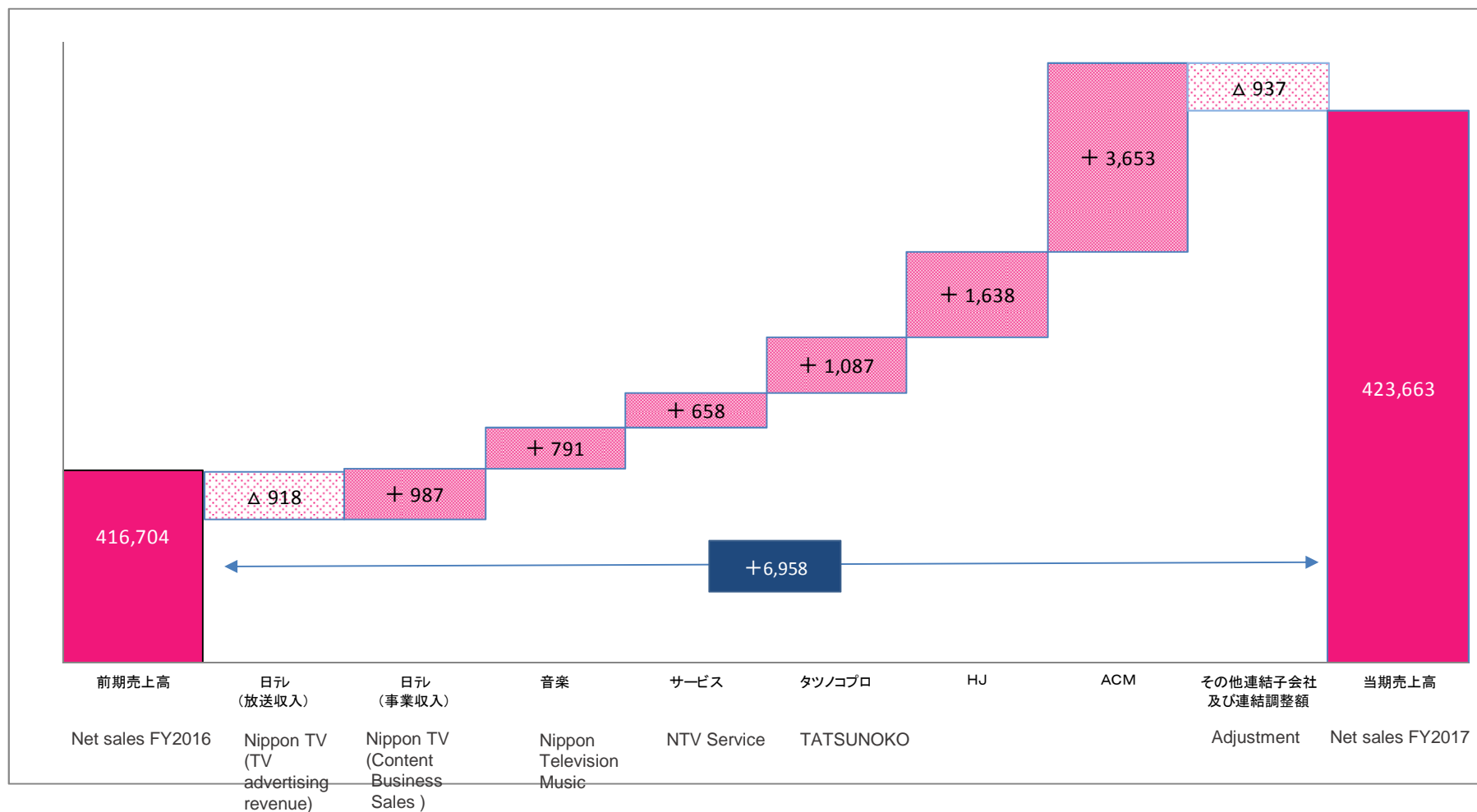
Forecast for FY2018

FY2017 Consolidated Financial Results

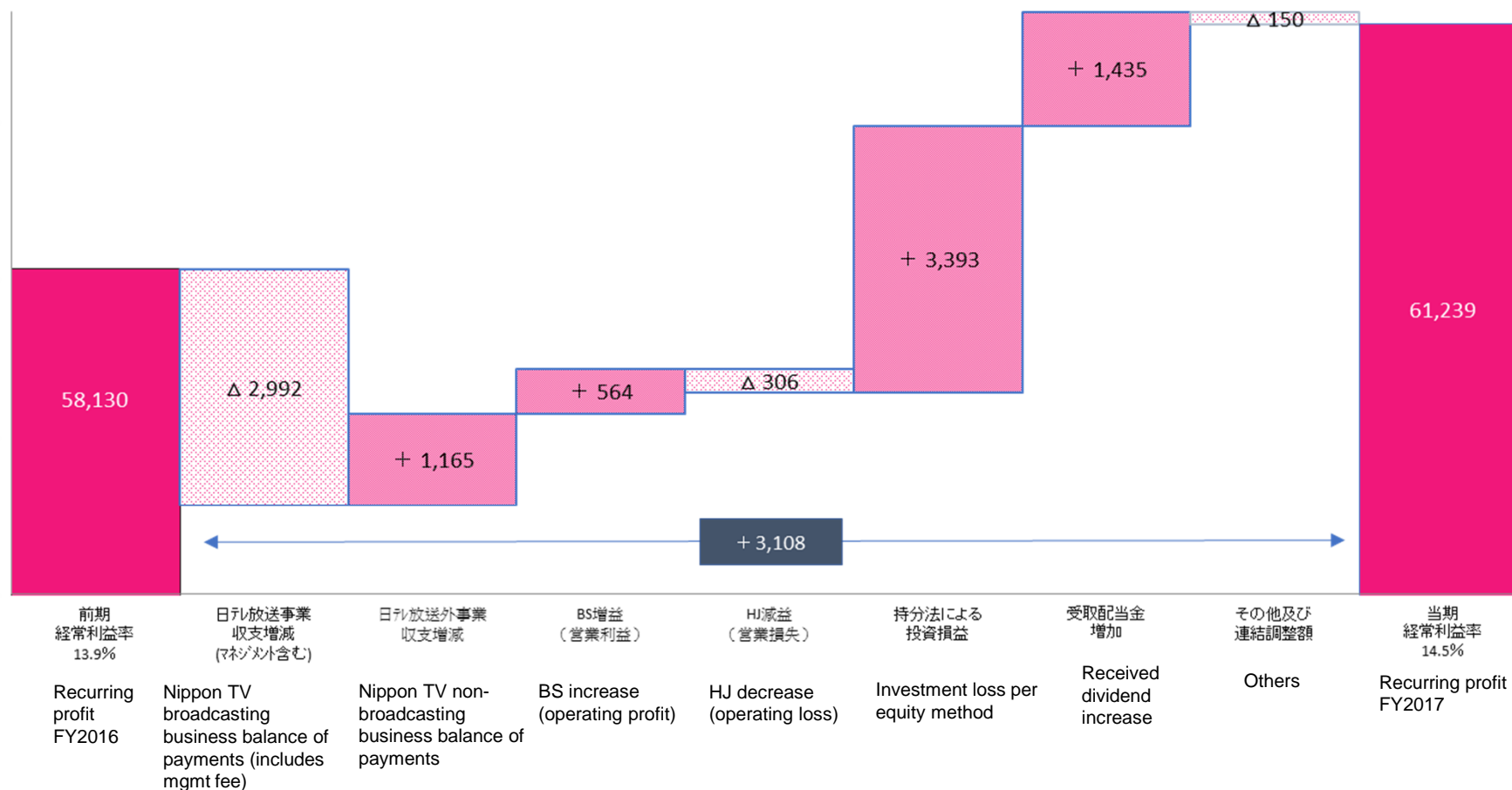
Net sales increase driven mainly by non-broadcasting revenues from Nippon TV, subscription fee growth from HJ Holdings, and establishment of ACM as a subsidiary at the end of last period. Operating profit declined primarily due to increase in depreciation and increase in book value of HJ Holdings content. Recurring profit grew as a result of increased dividend income accounted through the equity method (negative goodwill). Net income decreased due to booking of impairment loss from NTV IT Produce.

(Unit: Million Yen)	FY2016	FY2017	change (%)
Net Sales	416,704	423,663	1.7
Operating Profit	52,526	50,964	(3.0)
Recurring Profit	58,130	61,239	5.3
Net Income attribute to owners of the parent	40,786	37,416	(8.3)

Net Sales Year-Over-Year Change Components



Recurring Profit Year-Over-Year Change Components



Highlights • Overview of Management Policy FY2017

Viewer Ratings and Programming

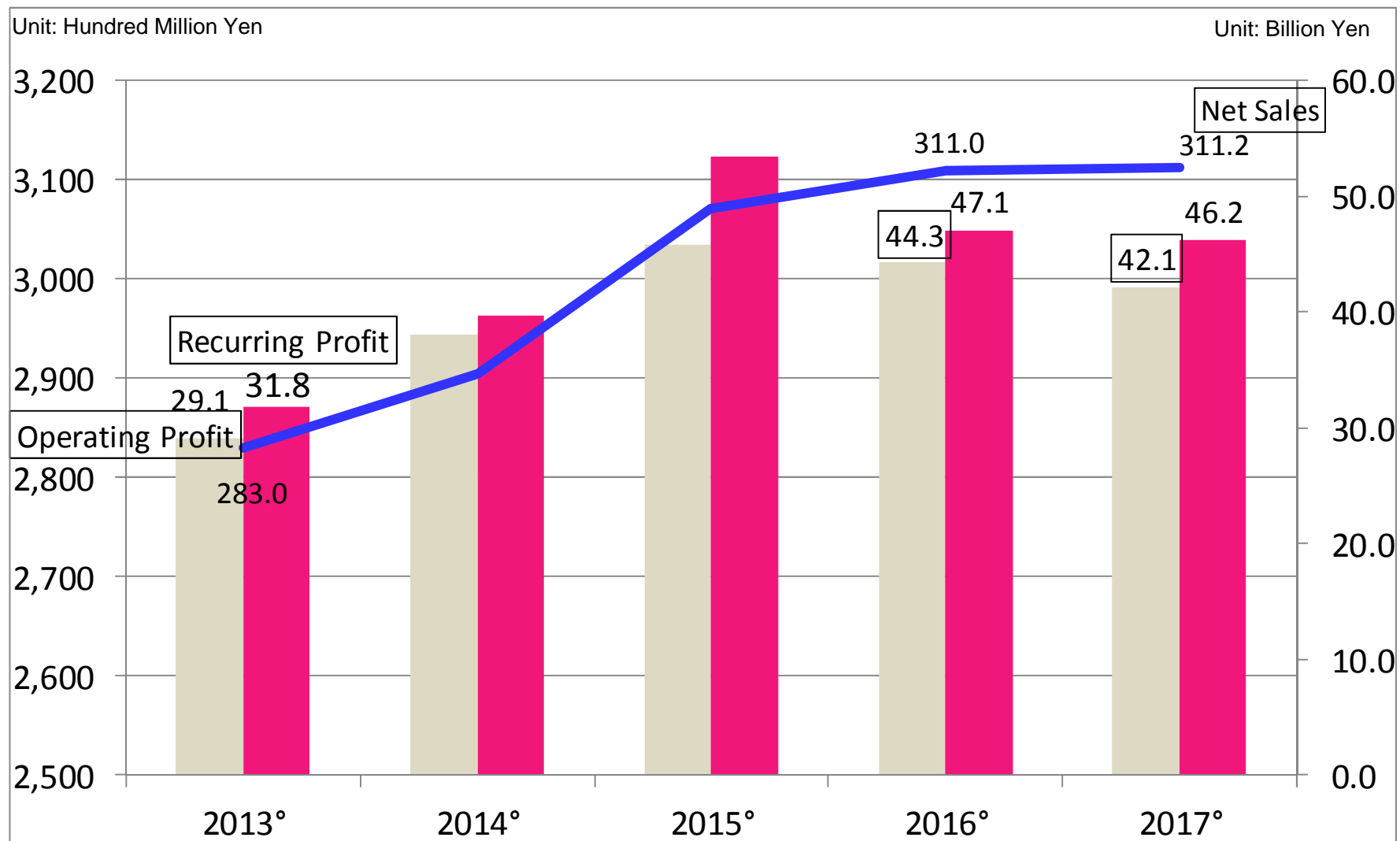
Overview of Financial Results 2017

Five-Year Financial Trend

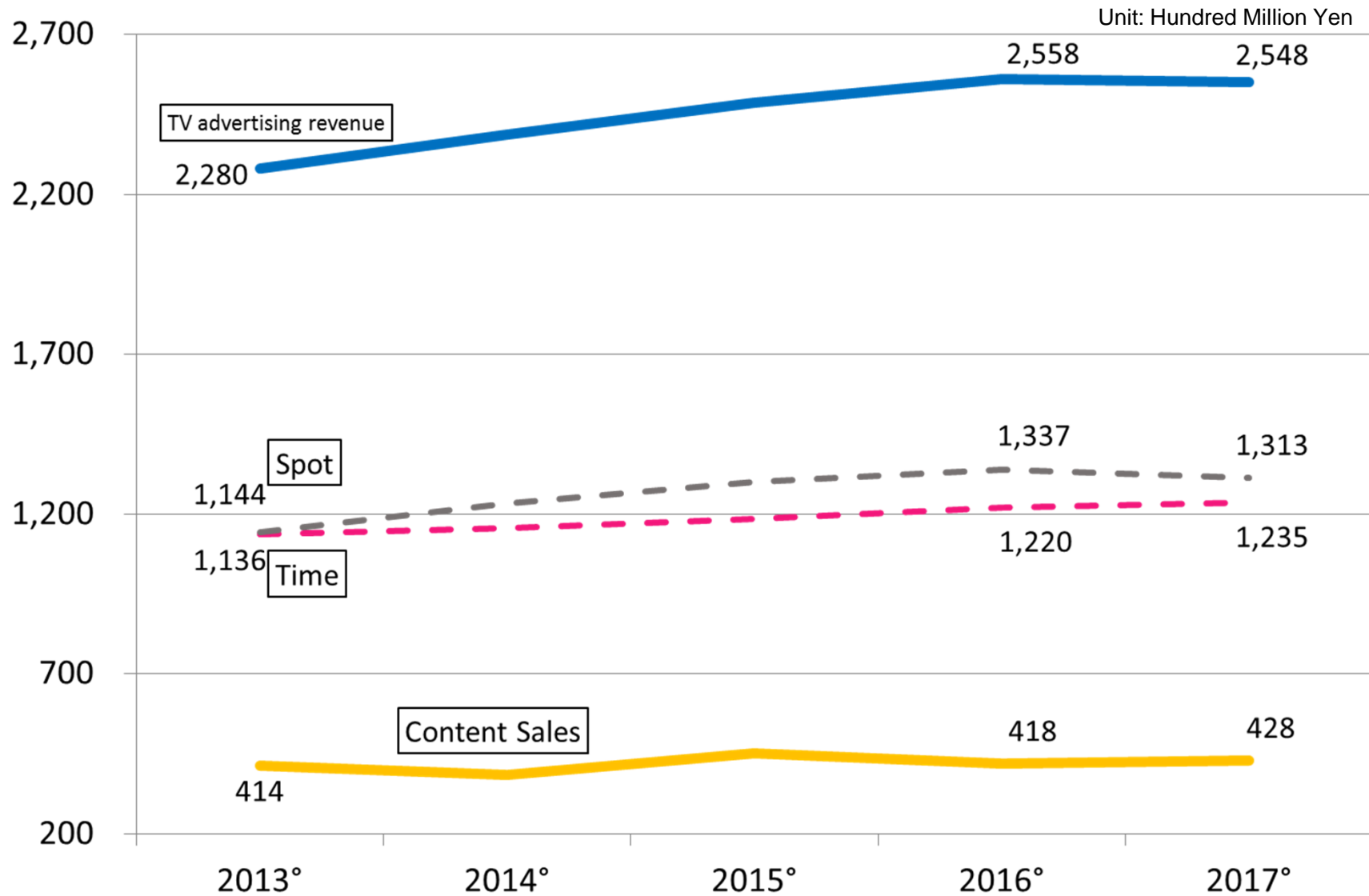
Forecast for FY2018

Nippon TV

Trends of Net Sales and Recurring Profit



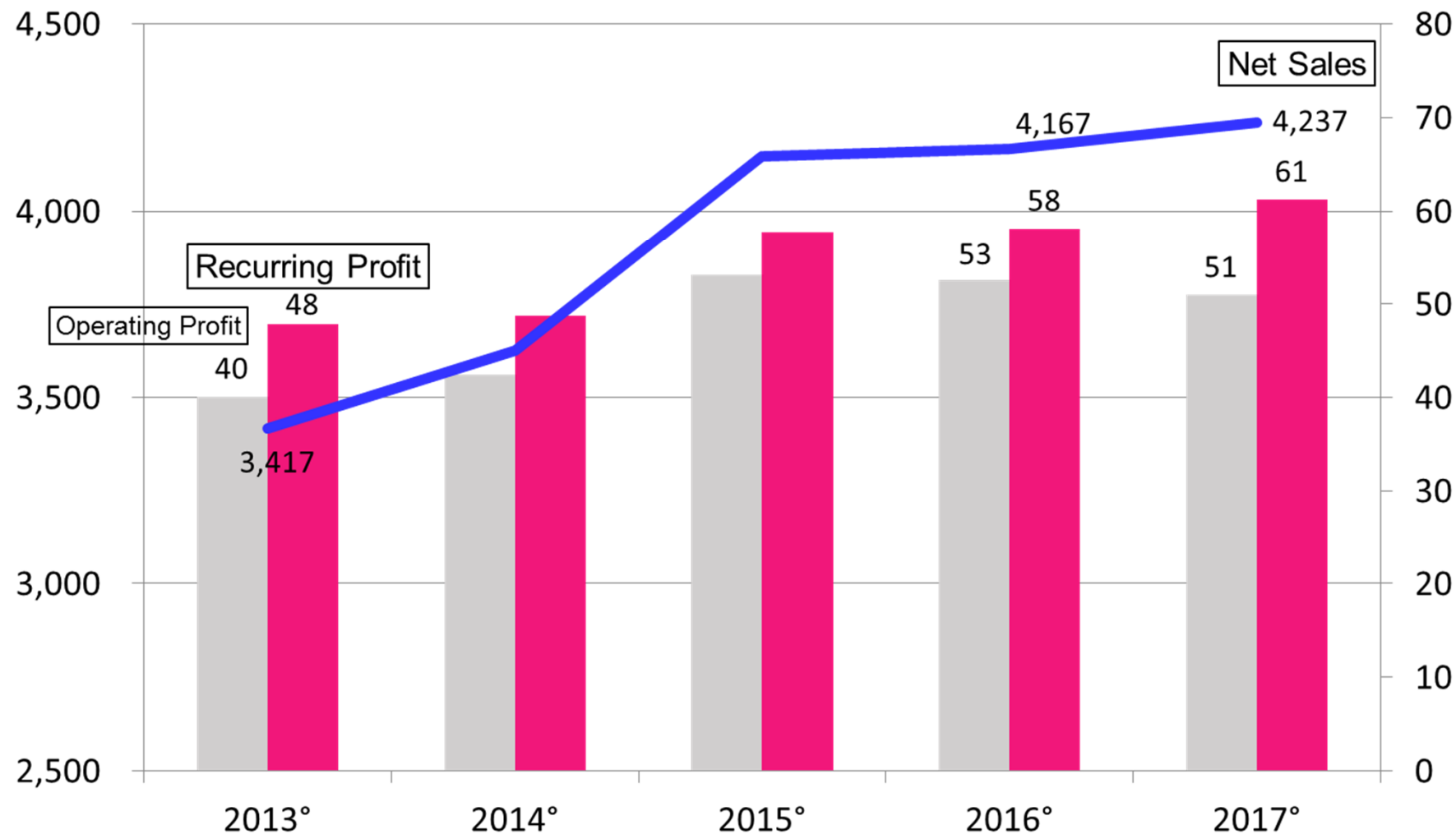
Nippon TV Trend of TV Advertising Revenue



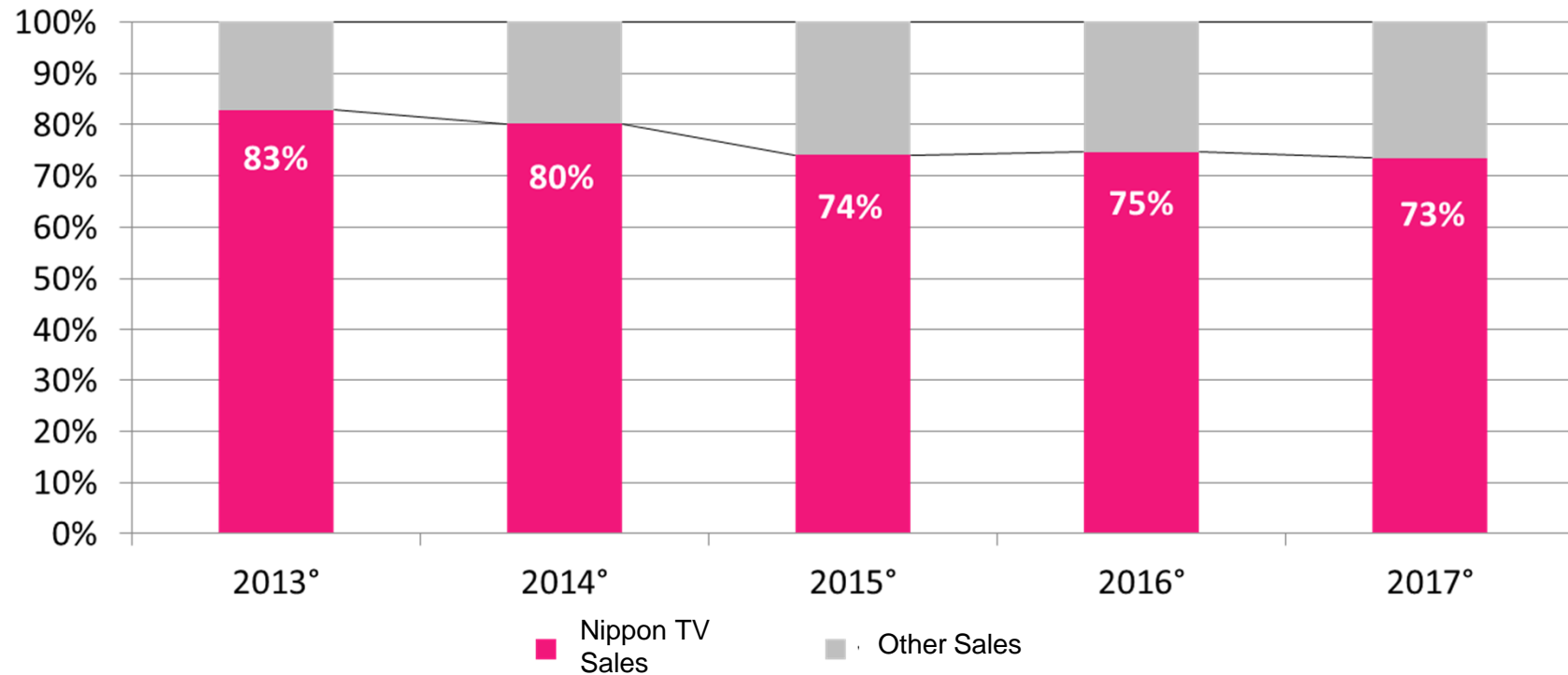
Nippon TV Consolidated Trend of Net Sales, Operating Profit & Recurring Profit

Unit: Hundred Million Yen

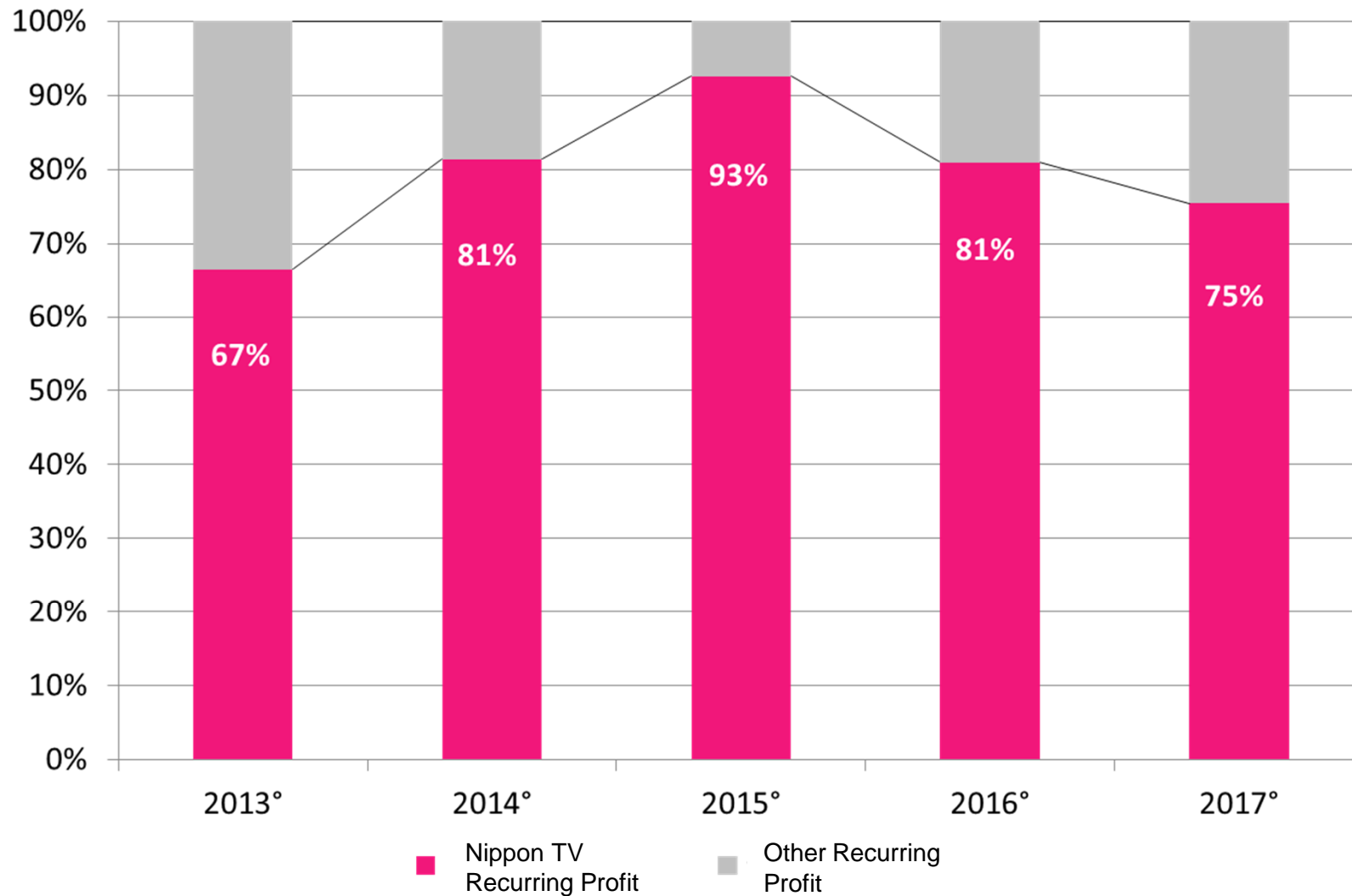
Unit: Billion Yen



Consolidated Net Sales: Trend of Nippon TV and Group Companies



Consolidated Recurring Profit : Trend of Nippon TV and Group Companies



Highlights • Overview of Management Policy FY2017

Viewer Ratings and Programming

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Five-Year Financial Trend

Forecast for FY2018

Consolidated Financial Forecast

(Unit: Million Yen)	FY2017 Result	FY2018 Forecast	change (%)
Net Sales	423,663	428,000	1.0
Operating Profit	50,964	48,000	(5.8)
Recurring Profit	61,239	55,000	(10.2)
Net Income attribute to owners of the parent	37,416	38,000	1.6

Dividend Forecast

(Unit: Yen)	2Q	Year-End	Annual
FY2017(Result)	10	24	34
FY2018 (Forecast)	10	24	34

Growth assumptions for terrestrial TV advertising revenue and production costs (vs last FY)

(Unit: %)	FY
TV advertising revenue	0.1
Time	(0.1)
Spot	0.2
Production costs	1.3

Reference Materials for Financial Results

Nippon TV Holdings Consolidated Results

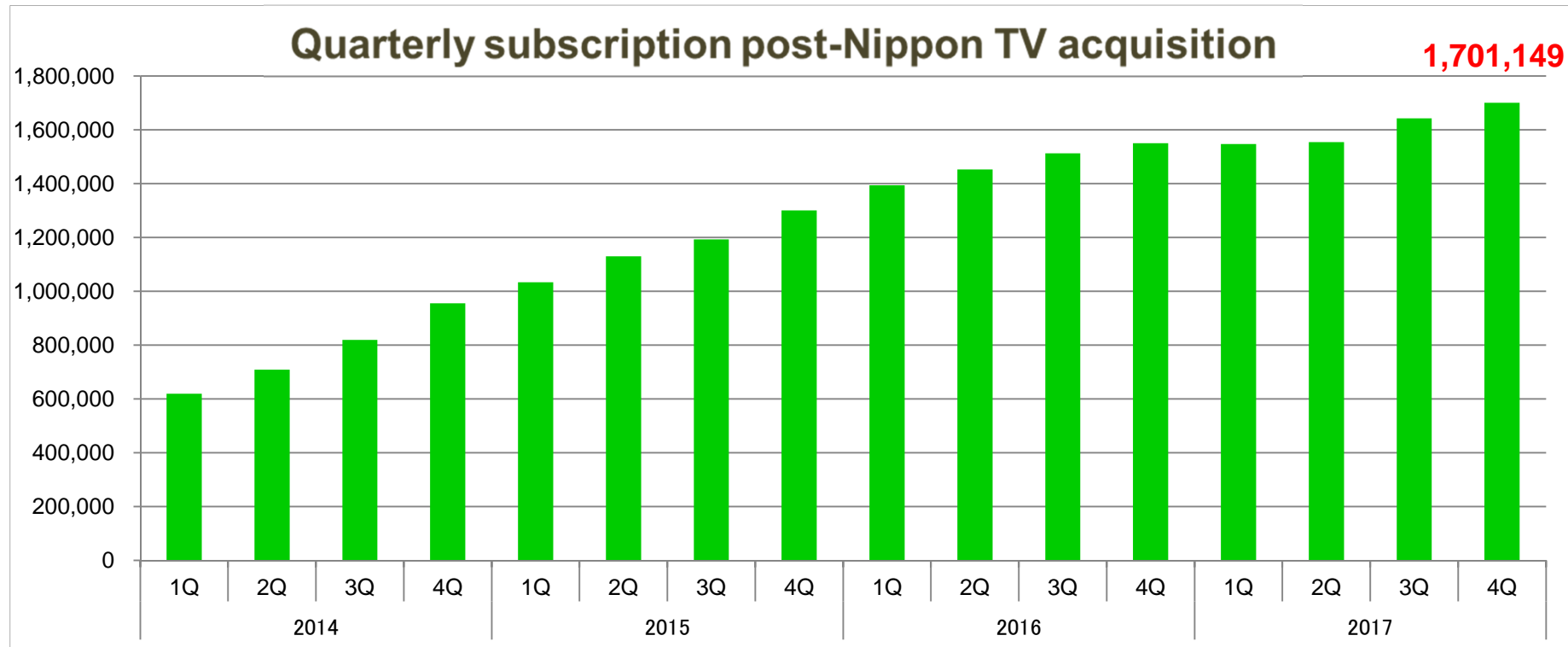
- Segment Information

FY2017 (Unit: Million Yen)	Segmentation				Other	Total	Adjustment	Consolidated Year to Date Total
	Media・ Content Business	Life and Health- Related Business	Real Estate Business	Total				
Net Sales	380,330	37,881	9,924	428,136	6,311	434,447	(10,784)	423,663
Segment Profit	46,898	1,207	3,297	51,402	287	51,690	(725)	50,964

Segmentation	Main businesses
Media 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, content production business and theme park business
Life and health-related business	Operation of fitness clubs
Real estate business	Rental offices, building management

※Media Content Business includes ACM, a company that operates ANPANMAN Children's Museums (5 nationwide), which became a subsidiary at the end of last period.

HJ Holdings



- 2017 FY-end subscriber base was 1,701,149 topping 1.7 mil mark, +58,158 vs previous quarter
⇒ Biggest driver to growth was Hulu original drama “Kiss that Kills” spinoff on Sundays in Jan season
- About **25,000 members** came from “Premium GYAO!” switchover campaign in Dec 2017 to Feb 2017
- 50,000 fewer than goal of **1.75 mil** subscribers by FY2017 end

TIPNESS

Results for FY2017

- ❑ Gym count trend
 - Comprehensive gyms: 59 (-2 yoy)
 - FASTGYM24: 83 (+19 yoy)
 - Contractual facilities: 14※(+1 yoy) ※includes private-public partnership facility
- ❑ Membership trend
 - Comprehensive gym membership: 298,000 (+0.3% yoy)
- ❑ New value-added services for members
 - Introduced “1 Week Conditioning” service in all comprehensive gyms
 - Rollout of “Comprehensive Fitness Club” and “24-Hour Gym” service availability. New women-only hot studio TIPNESS brand “Magma Spa Studio Hotlux” opens first branch.

Initiatives for FY2018

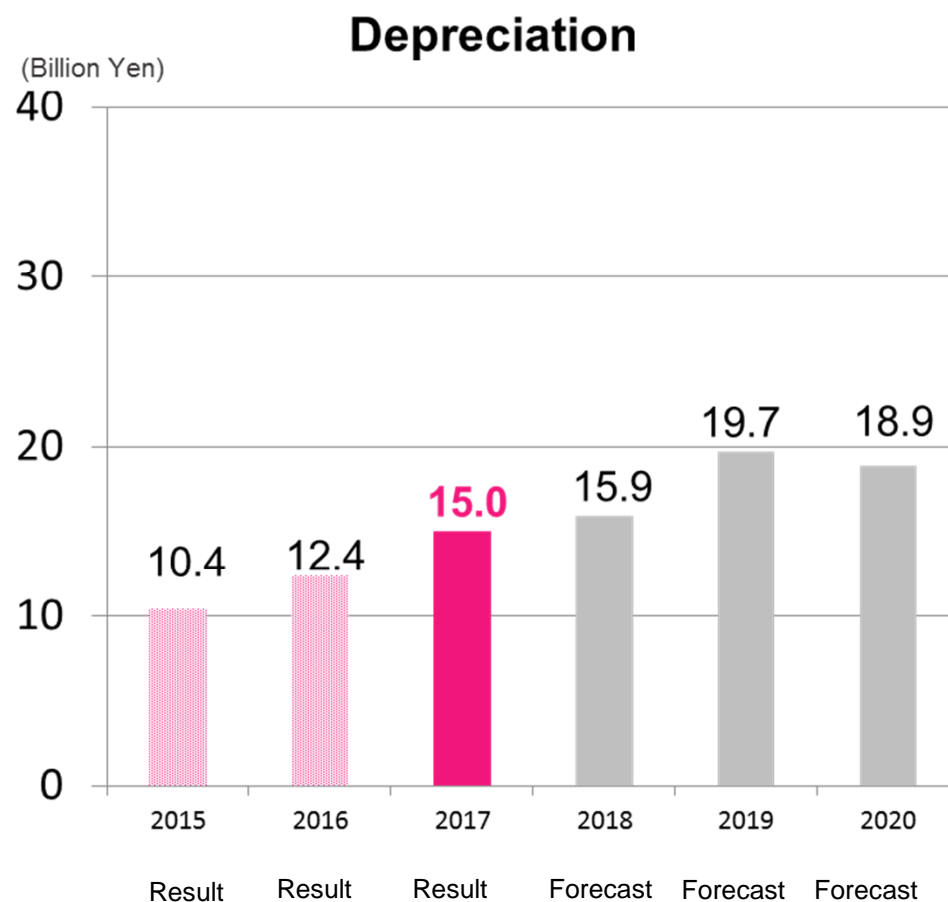
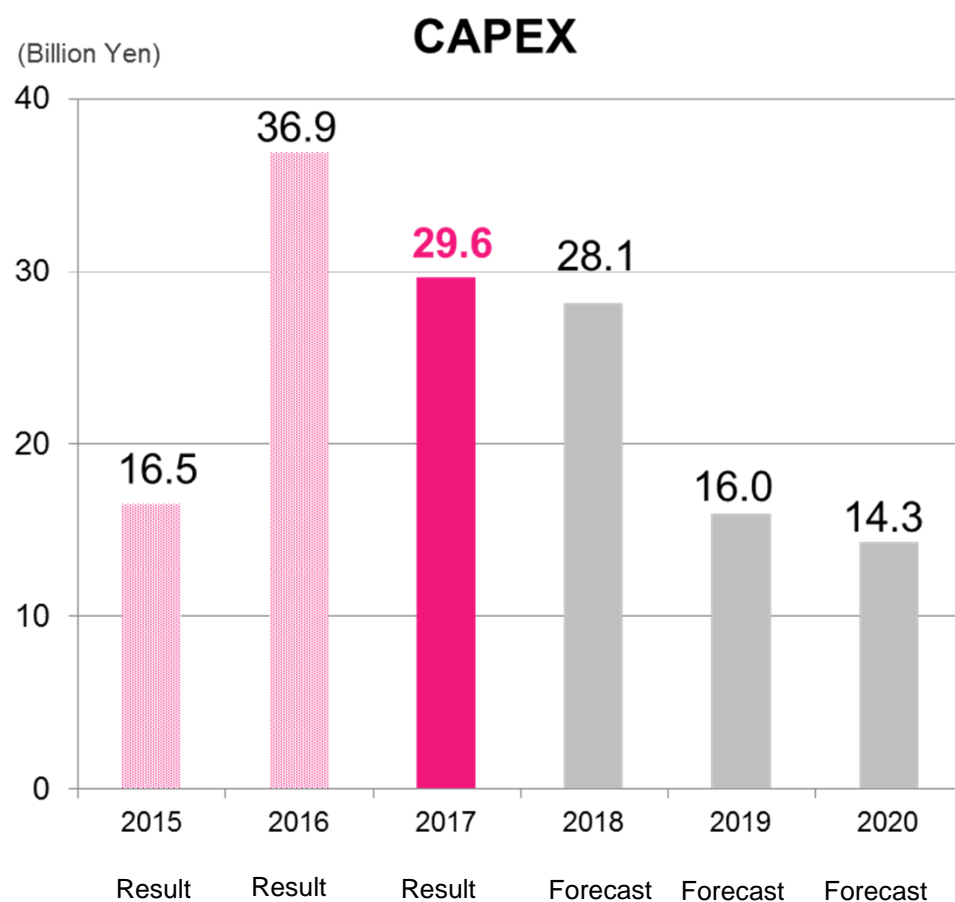
- ❑ Aggressive store development
 - Continue aggressive FASTGYM24 openings
 - Open branch #2 in Nihonbashi area
 - Active pursuit of more contractual and private-public partnerships
- ❑ Responding to customer needs
 - Increase women-only hot studio “Magma Spa Studio Hotlux” studios
 - Implement fee-based customized counseling for the individual “conditioning” needs of clients

TIPNESS Nihonbashi Style
logo, slated for July opening



CAPEX and Depreciation (consolidated)

FY2017 (Unit: Billion Yen)	CAPEX	Depreciation
	29.6	15.0



Nippon TV Financial Results

(Unit: Million Yen)

	FY2016	FY2017	change (%)
Net Sales	310,969	311,211	0.1
Operating Profit	44,282	42,147	(4.8)
Recurring Profit	47,066	46,196	(1.8)
Net Income	33,159	26,960	(18.7)

Net Sales - Nippon TV -

(Unit: Million Yen)

	FY2016	FY2017	change (%)
TV advertising revenue	255,756	254,838	(0.4)
Program sales	11,337	11,565	2.0
Events/Content business sales	41,792	42,779	2.4
Real estate business	2,083	2,027	(2.7)
Total	310,969	311,211	0.1

TV Advertising Revenue (Nippon TV)

(Unit: Million Yen)

	FY2016	FY2017	change (%)
TV Advertising Revenue	255,756	254,838	(0.4)
Time	122,037	123,506	1.2
Spot	133,719	131,332	(1.8)

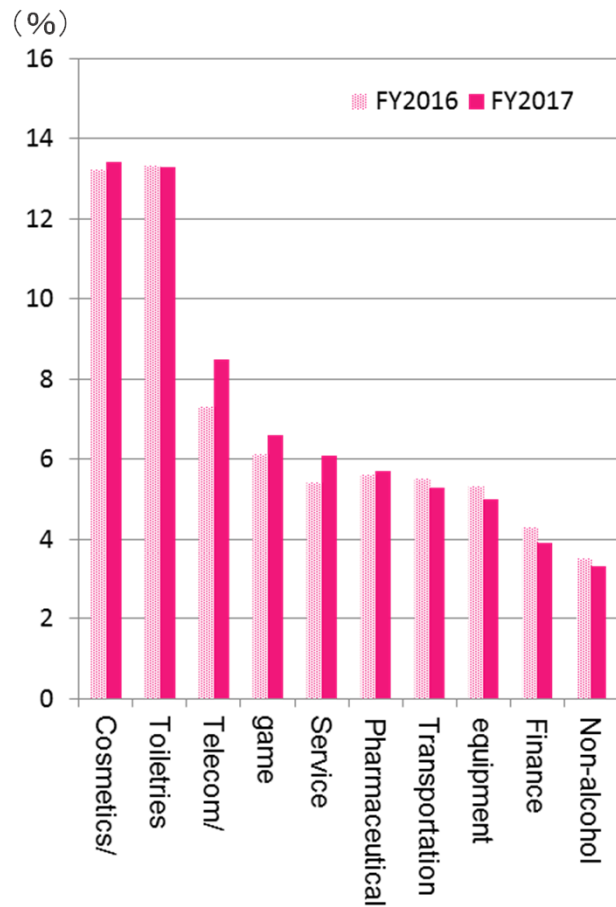
Time Sales and Spot Sales YoY Comparison

Time	FY2016 (%)	FY2017 (%)
April	4.5	6.5
May	1.2	(0.2)
June	3.5	4.2
July	11.1	(0.9)
August	10.9	(8.9)
September	0.6	7.1
October	3.6	0.6
November	0.0	(1.5)
December	2.7	(1.4)
January	1.1	3.6
February	0.6	4.7
March	(1.8)	3.2

Spot	FY2016 (%)	FY2017 (%)
April	8.6	1.7
May	7.2	0.0
June	7.9	(7.2)
July	0.0	(6.5)
August	(7.7)	10.4
September	1.1	0.2
October	6.1	(5.1)
November	0.5	(1.8)
December	5.8	0.1
January	0.8	2.2
February	0.1	(9.5)
March	1.4	(2.7)

Spot Sales

Terrestrial Broadcasting (Nippon TV)



	FY2016	Share	% chg	FY2017	Share	% chg
1	Cosmetics/Toiletries	13.2	(1.3)	Cosmetics/Toiletries	13.4	(0.3)
2	Telecom/Game	13.3	8.1	Telecom/game	13.3	(1.8)
3	Service	7.3	14.0	Service	8.5	13.7
4	Pharmaceutical	6.1	(6.4)	Pharmaceutical	6.6	6.1
5	Finance	5.6	10.6	Transportation equipment	6.1	11.8
6	Non-alcohol	5.5	24.2	Finance	5.7	(0.7)
7	Transportation equipment	5.4	(1.8)	Non-alcohol	5.3	(5.3)
8	Box-office/Entertainment	5.3	16.3	Box-office/Entertainment	5.0	(6.5)
9	Electronic equipment	4.3	(0.7)	Electronic equipment	3.9	(10.6)
10	Wholesale	3.9	(7.8)	Foods (dairy product)	3.3	(7.4)

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

Production Costs - Nippon TV -

(Unit: Million Yen)

FY2016	FY2017	change (%)
97,976	98,483	0.5

Production Costs

(Million Yen)



Events/Content Business Sales and Costs

(Unit: Million Yen)		FY2016	FY2017
BS, CS, CATV, Other	Sales	8,557	8,672
	Costs	4,180	4,316
	Balance	4,377	4,356
Rights	Sales	2,074	2,089
	Costs	853	671
	Balance	1,221	1,418
Media Commerce	Sales	8,441	8,123
	Costs	7,933	7,799
	Balance	508	324
Movies	Sales	8,205	9,479
	Costs	7,872	8,250
	Balance	333	1,229

(Unit: Million Yen)		FY2016	FY2017
Events	Sales	6,933	6,062
	Costs	6,769	5,237
	Balance	164	825
International Business	Sales	1,708	2,072
	Costs	826	1,017
	Balance	882	1,055
Other	Sales	5,874	6,282
	Costs	5,722	6,006
	Balance	151	276
Total	Sales	41,792	42,779
	Costs	34,155	33,296
	Balance	7,636	9,483

Operating Expenses - Nippon TV -

(Unit: Million Yen)	FY2016	FY2017	change (%)
Production costs	97,976	98,483	0.5
Program distribution costs to network affiliates	32,445	32,903	1.4
Agency commission	46,130	45,759	(0.8)
Personnel	22,447	22,368	(0.4)
Depreciation and amortization	7,942	9,444	18.9
Events/Content business costs	34,155	33,296	(2.5)
Other	25,587	26,809	4.8
Total	266,686	269,063	0.9

Financial Highlights of Other Group Companies

In millions of yen, rounded down	BS Nippon Corp.	CS Nippon Corp.	NTV Technical Resources Inc.	NTV AX-ON	NTV EVENTS Inc.	Nippon Television Art Inc.	Nippon Television Music Corp	VAP Inc.	TIPNESS Limited
Net Sales	15,572 (-0.6%)	4,912 (2.1%)	10,701 (-0.7%)	22,707 (-0.0%)	3,290 (9.2%)	7,756 (-4.4%)	11,992 (7.1%)	13,904 (-2.0%)	37,881 (0.7%)
Operating Profit	2,209 (34.3%)	768 (1.9%)	204 (-2.6%)	1,172 (-12.2%)	94 (169.9%)	223 (-30.2%)	1,687 (2.3%)	957 (6.7%)	2,959 (3.9%)
Recurring Profit	2,266 (33.0%)	778 (2.4%)	226 (-3.6%)	1,190 (-11.6%)	96 (155.6%)	231 (-29.2%)	1,736 (2.7%)	1,123 (7.4%)	2,677 (5.0%)
Net Income	1,560 (32.7%)	535 (2.1%)	144 (-10.5%)	781 (-13.2%)	60 (224.6%)	136 (-34.5%)	1,158 (4.7%)	928 (2.3%)	1,339 (-17.3%)

※ % chg will not be provided if prior or current year is a loss.

Financial Highlights of Other Group Companies

In millions of yen, rounded down	NTV Service Inc.	Nippon Television Work 24 Corp.	Forecast Communications Inc	NTV IT Produce Corporation	NitteleSeven	TATSUNOKO PRODUCTION Co., Ltd.	HJ Holdings LLC	ACM
Net Sales	3,524 (23.0%)	4,312 (6.6%)	3,712 (19.9%)	2,799 (61.8%)	3,498 (-9.8%)	2,836 (62.2%)	18,016 (10.0%)	3,653 (2.7%)
Operating Profit	-51 (-)	140 (97.5%)	13 (-89.5%)	339 (221.3%)	74 (-40.1%)	65 (71.5%)	-2,201 (-)	222 (-34.2%)
Recurring Profit	-42 (-)	168 (838.2%)	117 (-42.3%)	305 (224.6%)	76 (-39.2%)	67 (60.4%)	-2,184 (-)	243 (-32.1%)
Net Income	-34 (-)	121 (-)	43 (-67.7%)	-4,710 (-)	49 (-16.9%)	-50 (-)	-2,258 (-)	158 (-28.9%)

※ % chg will not be provided if prior or current year is a loss.

※NTV IT Produce Corporation is a subsidiary that provides system development and support for the Nippon TV Group's IT infrastructure.

Losses related to the implementation of a Nippon TV network station nationwide sales broadcast system were incurred in 2Q.

※ ACM became a subsidiary at the end of FY016.

FY2018 1H Viewer Ratings

April 02, 2018 – May 06, 2018

(Unit: %)	Nippon TV	EX	TBS	TX	CX	Difference vs 2 nd place	HUT
All Day	7.7	7.5	6.2	2.8	5.5	+0.2	39.8
6:00 to 24:00	(-0.3)	(+0.2)	(+0.1)	(+0.1)	(-0.2)	(-0.5)	(+0.1)
Prime Time	11.4	10.2	9.6	6.1	8.0	+1.2	57.1
19:00 to 23:00	(-0.5)	(+0.4)	(-0.4)	(+0.1)	(+0.4)	(-0.7)	(-0.5)
Golden Time	11.8	10.3	9.7	6.5	8.2	+1.5	59.8
19:00 to 22:00	(-0.4)	(+0.8)	(-0.4)	(+0.2)	(+0.5)	(-0.6)	(-0.1)
Non-Prime Time	6.7	6.8	5.2	1.8	4.9	-0.1	34.9
All Day - Prime Time	(-0.2)	(+0.2)	(+0.2)	(±0.0)	(-0.2)	(-0.4)	(+0.4)
Platinum Time	6.2	5.4	4.3	2.8	3.6	+0.8	27.6
23:00 to 25:00	(-0.4)	(-0.5)	(-0.1)	(+0.1)	(-0.3)	(+0.1)	(-1.4)

1. In order of digital channel, from left
2. Source for household viewership (Kanto region): Video Research
3. Period of comparison : April 03, 2017 – May 07, 2017

Movie Lineup for 2018

☆: Nippon TV is lead organizer

Date	Title	Distributor
June 15, 2018	DOLMEN X	katsu-do
June 30, 2018	ANPANMAN	TOKYO THEATRES
July 20, 2018	MIRAI	TOHO
August 03, 2018	My Hero Academia the Movie: The Two Heroes	TOHO

Movie Lineup for 2018

☆: Nippon TV is lead organizer

Date	Title	Distributor
August 24, 2018	Ponoc Short Films Theatre Modest Heroes	TOHO
September 14, 2018	REAL GIRL	WB
October 26, 2018	THE TRAVELLING CAT CHRONICLES	SHOCHIKU
2018	OUR DEPARTURES (working title)	SHOCHIKU
2018	A Banana? At This Time of Night? (working title)	SHOCHIKU

Event Lineup for 2018

Date	Event
Apr.18 – Jul.08, 2018	Special Exhibition Detective Conan Scientific Investigation
May 30 – Sep. 03, 2018	The 65 th anniversary of Nippon Television Network Corporation The Art of Portraiture in the Louvre Collections
July 13- Aug 20, 2018	Disney on Ice Mickey's Special Celebration !
Jul 25 – Sep 17, 2018	A Mamoru Hosoda film "MIRAI" EXHIBITION~The World of Mamoru Hosoda beyond time "The Girl Who Leapt Through Time" "Summer Wars" "Wolf Children" "The Boy and the Beast"

Event Lineup for 2018

Date	Event
Jul 04 – 29, 2018	The 65 th anniversary of Nippon Television Network Corporation Musical EVITA
Jul 21- Aug 19, 2018	THE MOST USEFUL SCHOOL IN THE WORLD “THE LIVE” (Dinosaurs Arena Show)
Nov 03- 27, 2018	The 65 th anniversary of Nippon Television Network Corporation MAKAI TENSHO (Theatrical Performance)