

NIPPON TELEVISION HOLDINGS CORPORATE REPORT 2020

NIPPON TV HOLDINGS

Corporate Report Fiscal 2019

Profile

Management Philosophy of the Nippon TV Group

Enrich the lives of people by providing accurate and timely news and information and high-quality content as well as contributing to culture beyond the borders of television based on our corporate vision since the founding of the Group

Management Policy

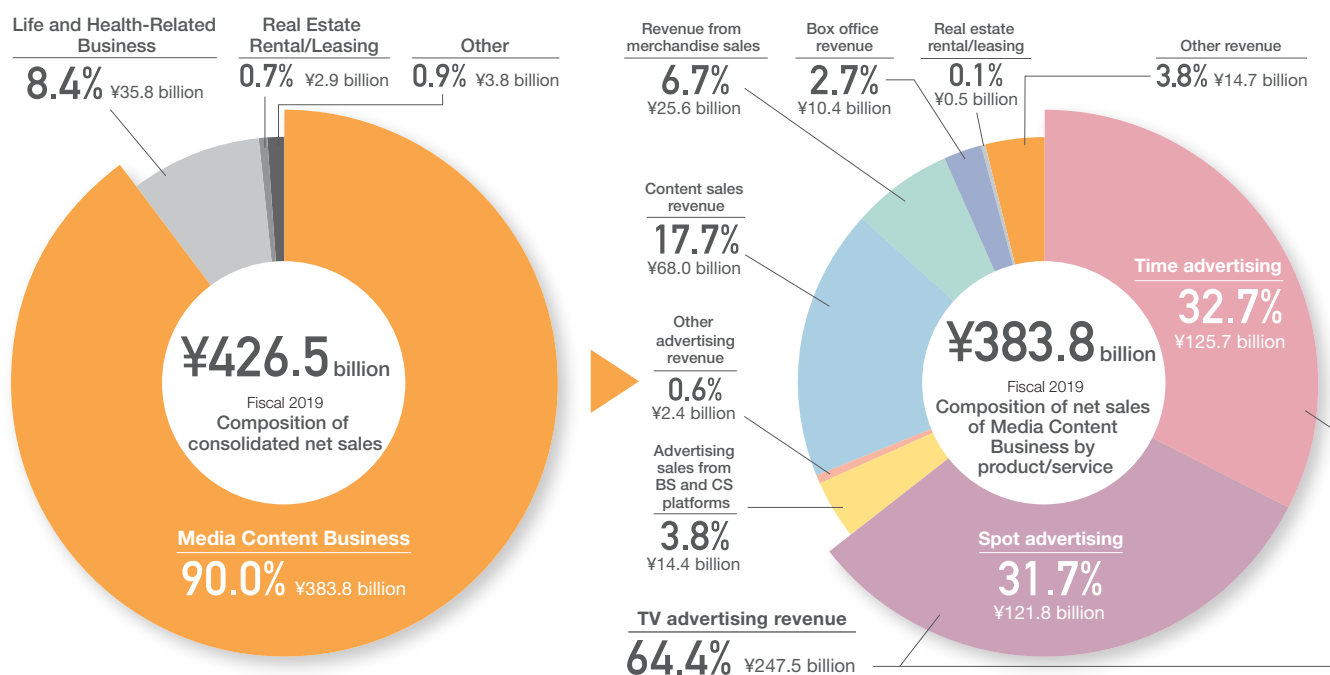
As the top company in the media and content industry with the ability to utilize its unparalleled creativity and communication capacity, Nippon TV Group will strive to continue delivering news accurately and expediently. Further, Nippon TV Group will achieve the following “Four Creations” through its relentless pursuit of innovation and opportunities.

“Four Creations”

- Create high-quality content
- Create a new culture
- Create a prosperous society
- Create a bright future

Business Domains

Pursuing diversification of the business portfolio with a focus on the Media Content Business and the Life and Health-Related Business.



SNAPSHOT

From April 2019 to March 2020

- Individual viewer ratings Triple Crown for seventh year running

For the fiscal year ended March 31, 2020

- Top television broadcasting revenue among the key stations in Tokyo for the sixth year running
- Top time and spot advertising revenue share for the sixth year running

Message from Management

Managing risks from changes in the business environment, to achieve further growth and greater stability under the slogan “More than just TV.”

Thank you very much for your continued support of Nippon Television Holdings, Inc. We would like to express our condolences for those who lost their lives due to COVID-19, and extend our heartfelt sympathy and best wishes to those who are currently battling the disease.

Nippon Television Network Corporation (Nippon TV), a member of the Nippon TV Group, enjoyed high viewer ratings during the fiscal year ended March 31, 2020 (fiscal 2019), especially in regular programs, maintaining top ratings for all day, golden time and prime time, and winning the Triple Crown title in Viewer Ratings for the seventh year running in individual viewer ratings, and the sixth year running in household viewer ratings. Our variety and other programs such as the Sunday drama are watched by families, especially the younger generation. In addition, we broadcast 19 matches of the “Rugby World Cup Japan 2019” live through terrestrial broadcasting, achieving high viewer ratings for many matches, not only those played by the Japanese team, and contributing to the success of the tournament.

The monthly flat rate online video service Hulu, for which we are promoting a multifaceted content strategy to compliment terrestrial broadcasting, experienced growth in subscriber numbers that significantly exceeded our business plan, and recorded a single-year profit for the first time. The blockbuster movie KINGDOM became a mega-hit, with box office revenue of ¥5.73 billion, the highest box office revenue of any Japanese live-action movie in fiscal 2019.

The Group's net sales for fiscal 2019 hit a record high of ¥426.5 billion due to high viewer ratings and growth in the movie and internet businesses. Nippon TV secured the largest share of broadcasting revenues among Tokyo-based key broadcasters for the sixth year running.

Fiscal 2020 is the second year of the Nippon TV Group Medium-term Management Plan “Nittele eVOLUTION.” The Company's business environment is witnessing expansion of the Internet advertising market and online video service market caused by changes in the environment for viewing television content and subsequent development of advertising method. It is also undergoing significant changes resulting from external factors such as the postponement of the 2020 Tokyo Olympic and Paralympic Games, and the decline of the global economy caused by the spread of COVID-19.

The Group will thoroughly manage risk, and take appropriate steps to ensure profitability amid these changes in the environment and risks. Furthermore, under the slogan “More than just TV,” we will promote strategic initiatives to strengthen our businesses, targeting further growth and greater stability of our business base, as a leading media content company.

We appreciate your continued support.

June 2020



Nippon Television Holdings, Inc.

Representative Director,
Chairman

Yoshio Okubo



Representative Director,
President

Yoshikuni Sugiyama



Representative Director

Yoshinobu Kosugi



More than just TV

Limits are an illusion.
Impossible is just an assumption.
Obstacles are there to overcome.
A world beyond imagining awaits those who believe.

In 2020, Nippon TV will grow to be more than just TV.
Allied with the evolution of innovations such as digital technologies,
we will continue to seek the next “focus” beyond the limits of television.

Across a full range of platforms including terrestrial broadcasting, BS/CS broadcasting, and online services such as Hulu and TVer, we will provide content of outstanding quality to even larger audiences, under the theme “More than just TV.”

Topics for the Fiscal Year Ended March 31, 2020

Programming

Individual viewer ratings Triple Crown for seventh year running!

In fiscal 2019, we achieved top ratings for all day, golden time and prime time, winning the Triple Crown in Viewer Ratings for the seventh year running in individual viewer ratings. For the Rugby World Cup Japan 2019, we achieved high viewer ratings for many matches, not only those played by the Japanese team, demonstrating the lively reception given the event all around Japan. Our dramas made a great hit, topped by “Your Turn to Kill,” and our variety programs were also well received by viewers. Our media and news programs created opportunities for young people to watch news, cultivating new viewers. At Nippon TV, our internal indicator was transitioned to “individual viewer ratings” from January 2019. We also began measuring “national viewers” from April 2020, reflecting more accurate value of TV viewing. We recorded “viewers reached,” which measures the number of people who viewed a program for one minute or more, exceeding 40 million for each of “Shimura ZOO Two-Hour Special” and “Question for One Hundred Million People!? Waratte Koraete! Three-Hour Special.” Faced with the menace of COVID-19, we established our “Program Scheduling Guidelines” and “Basic Stance on Program Production.” Employees and staff strived as one to fulfill our social responsibilities, and produce programs to contribute to Japan’s future.

Nippon TV's annual viewer ratings	
All day 6:00~24:00	4.4%
Golden time 19:00~22:00	7.2%
Prime time 19:00~23:00	6.8%

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



Turning the TV from “off” to “on” ... Cultivating younger viewers

This is a 100% pure comedy variety program, emceed by Hiroki Ariyoshi and Shiori Sato, where young comedians try to overcome the “wall of comedy” in various genres. As well as acting as a springboard to produce new stars and new characters, the program expands points of contact with younger viewers through streaming and SNS, aiming to be actively-viewed content.



On Sunday mornings, we stimulate the ‘latent youth.’ The time slot for the iconic Sunday morning program “Shuichi,” which enjoys high household viewer ratings, has been locally expanded by 30 minutes! This new, high-power concept brings more fun to your Sundays. “Ninosan,” where Kazunari Ninomiya engages in new challenges with young creators. A change and lengthening of the broadcast time pave the way for enhanced content! In a time-slot packed with talk shows, we will cultivate new viewers with content fully specialized for variety.

Media

From Heisei to Reiwa. Communicating throughout a year of dramatic change

We reported in detail on this historical milestone, from the announcement of the new Japanese era “Reiwa” on April 1, 2019, through the Imperial succession on May 1. On April 30, “news zero” focused on the succession from Heisei to Reiwa, and on May 1, a “special edition of news every” focused on the Imperial ascension ceremony. With a collective effort, we communicated the ‘expression’ of the Reiwa era, broadcasting across a nationwide broadcasting. In November, we provided exhaustive coverage of the celebration parade, supported by the network of NNN stations. Each program achieved high viewer ratings in the commercial broadcasters. We fulfilled our social duty as a media organization.



In 2019, based on the lessons learned from previous heavy rain disasters, the Japanese government introduced new heavy rain warning levels, classifying disaster prevention information into five degrees of urgency. We reported and covered the series of typhoons and heavy rain incidents that occurred from summer onwards according to these warning levels. We aimed to report ‘news to save lives’ while endeavoring to ensure our own safety, with coverage of Typhoon Faxai (No. 15), which caused extensive damage on the Boso Peninsula, with wind gusts of up to 57.5m/s, and Typhoon Hagibis (No. 19), which caused huge damage across eastern Japan, with power blackouts in high-rise apartment buildings and the planned suspension of train services, etc.

News of the novel coronavirus (COVID-19) began with reports from China at the start of 2020. Then, with the spate of infections on the luxury cruise ship Diamond Princess and the return of Japanese nationals from Wuhan, the focus shifted to the spread of infection in Japan, as the disease became a global pandemic. The government requested the closure of schools and the suspension of large-scale events. Even the Tokyo Olympics and Paralympics were postponed. The everyday news became dominated by coverage of the COVID-19. On April 7, when the Declaration of a State of Emergency was made, we broadcast an urgent 8-hour special spanning both *news every* and *news zero*. As a media organization, we are concerned first and foremost with accurately presenting the facts. In the context of the Japanese population’s continuing anxiety over the economic and other effects of this invisible virus, we are appealing to viewers with the message that, in order to prevent the COVID-19 spreading, ‘our actions will shape the future.’



Events

A magnificent lineup of events, including blockbuster art exhibitions and popular stage events

During fiscal 2019, we continued to present a rich variety of events, from large-scale art exhibitions to spotlight stage events. These included the *Timeless MUCHA* art exhibition, which mobilized over 190 thousand people, and the innovative arena show *HYOEN 2019*. In addition to large-scale live events such as Eikichi Yazawa's first music festival and *Masashi Sada & Yomikyo*, we presented unique entertainment events such as *The Most Useful School in the World: Dinosaurs LIVE*, and *Special Exhibition: A Railway Story in the Sky*. In particular, *Shichiten Batto! Totsuka-shuku*, featuring the first leading stage performance by Sanma Akashiya in five years, created a sensation. At the moment, we are preparing a range of events to bring everyone new laughter, tears, passion and discovery, at the dawn of the post-COVID-19 age. They are sure to live up to your expectations.



Movies



The blockbuster *KINGDOM* records the top box office revenue of any live-action movie in fiscal 2019, one of several hit movies this year!

The blockbuster movie *KINGDOM*, based on the hit comic series, became a mega-hit, with box office revenue of ¥5.73 billion, the highest of any Japanese live-action movie in fiscal 2019. Meanwhile, *Detective Conan: The Fist of Blue Sapphire*, the latest movie in the *Detective Conan* series, set a new record for box office revenue for the series for the seventh consecutive year (¥9.37 billion). *KAIJI: FINAL GAME*, the final movie in the *KAIJI* series, was also a huge hit (¥2.04 billion). During the year, we were also fortunate to present other live-action and animated hits such as *THE FABLE* (¥1.77 billion), *The Great War of Archimedes* (¥1.93 billion) and *MY HERO ACADEMIA THE MOVIE: HEROES: RISING* (¥1.76 billion). (These figures represent box office results as of March 31, 2020.)

Sports

Fever! Rugby World Cup Japan 2019

We broadcast 19 matches in the Rugby World Cup Japan 2019 live through terrestrial broadcasting, achieving individual viewer ratings of 11.4% for the opening match between Japan and Russia, and 20.5% for the match between Japan and Samoa. The match between Japan and Scotland that determined Japan's first ever entry into the final eight, enjoyed average viewer ratings of 27.2%, rising as high as 37.3%. (Eight matches in the tournament were also broadcast live on BS Nippon 4K and BS Nippon.) We were able contribute not only to the success of the broadcast, but to the success of the tournament. The tournament was received enthusiastically throughout Japan, giving rise to popular phrases such as "ONE TEAM" and "bandwagon fan." Even after the tournament finished, we have continued to support this rugby movement, broadcasting top league matches.



Overseas business



Proactively developing the overseas animation market!

Overseas markets have been crucial to the success of animation in recent years. Nippon TV is actively working to expand the range of animation for overseas markets. For example, Nippon TV is now investing in animation broadcast on other networks. It was Nippon TV that undertook the export of *Sorcerous Stabber Orphen* (January 2020), which was originally broadcast on other stations such as TOKYO MX. This animation, which was released

overseas simultaneously with its broadcast in Japan, was well received everywhere.

We also made a new attempt in animation-related goods, releasing a game based on the popular animation *HUNTER×HUNTER* in China in December. This was the first ever game based on this animation, and was immediately greeted with a positive reception. Many players still enjoy the world of the *HUNTER×HUNTER* through this game.

MR business

Expanding content on mixta!

mixta utilizes Nippon TV's state-of-the-art augmented reality (AR) technology in the mixed reality (MR) business. In 2019, it was presented in tandem with the morning news program *Oha!4 NEWS LIVE*, from Halloween in October to Christmas in December. The program's weather character Sorajiro made an appearance in viewers' homes, through a smartphone app.

The AR photographing unit "mixta Shot" was on display at the "Last Star Wars exhibition" at the end of 2019, and the "Events &



Amusement Expo TOKYO" in February 2020, and was very well received, not only by fans but also by industry participants.

Topics for the Fiscal Year Ended March 31, 2020

Hulu

Subscribers are increasing, and we also implemented home support measures.

Linked measures were implemented during drama timeslots on Wednesdays, Saturdays and Sundays. In particular, *Your Turn to Kill* created a sensation, with twenty original episodes over a six-month period. The number of subscribers is growing steadily, thanks to a colorful content strategy, including multi-angle streaming of the "Rugby World Cup," and the Hulu original *Kiko's Infinite Journey*. Since March 2020, as home support to prevent the spread of COVID-19, Hulu has also provided free distribution of various content from Nippon TV, as well as treasured footage of Japanese pop diva Namie Amuro.



Free, ad-linked distribution

Downloads of the TVer app exceeded 25 million (as of March 2020). Digital video advertising revenue has exceeded the previous fiscal year's level by more than 50%. The Televiva service for short video content is also growing steadily, with more than 10 million views per month.



Esports business



AXIZ, Nippon TV's own eSports team

We were annual champions of the 2019 Pro League for "Shadowverse," a leading game in Japanese eSports! From this fiscal year, we are entering professional competitions in popular international games such as "League of Legends" and "Street Fighter," and have expanded the size of our team to a total of 14, including a manager, coach and players. The team members are also regular guests on Nippon TV's eSports supporter program eGG.

Nittele HR

A human resources development business leveraging Nippon TV's assets

During fiscal 2019, we received orders from 65 companies, including major megabanks, trading companies, manufacturers, etc., for Nittele HR training, utilizing our unique video footage. This fiscal year, we have also successfully launched remote training services.

The "Nittele HR Academia" website <https://www.facebook.com/ntvacademia/> has also proved popular. Our unique content, utilizing human

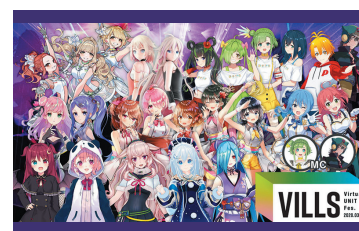


resources and insight cultivated through the broadcasting business, has gained high acclaim.

VTuber business

Launched by two employees, in only their 4th year at the Group! A virtual YouTuber business!

We achieved a tie-up with VTubers Kaminari Ai & Boyacky from the animation *Yatterman in the Time Boken* series and Aeon Retail Co., Ltd. Tohoku Company. We are engaged in a new form of sales, including contributing to broadcast revenue by gaining spot advertising placements through the attraction of VTuber. We also received a great response to our announcement of the "VILLS" event, featuring 30 popular VTubers in one place (the event was postponed indefinitely due to the impact of COVID-19).



Fireworks IoT business

Developing fireworks events and education business pivoted on computer programming

In September 2019, we held the "WE ♥ NAMIE HANABI SHOW" in Ginowan City, Okinawa, a new style of live fireworks entertainment featuring songs by Japanese pop diva Namie Amuro programmed to synchronize perfectly with a fireworks display. We have also developed an "Edutainment business," fusing education in computer programming, which became compulsory in elementary schools from April 2020, with

entertainment. Since 2019, we have produced and broadcast an original educational program on BS Nittele, in collaboration with a company that provides computer programming classes all across Japan. Ms. Amuro's fireworks event also featured fireworks programmed by children in Okinawa. We have also commenced production of video materials for teaching computer programming.

Sustainability of Nippon Television Holdings

Aiming to be a sustainable company

Since the Company was founded in 1952, we have kept people informed of the changing times and provided them with high-quality entertainment as a media and content company specializing in the broadcasting business, presenting opportunities to think about society, as well as rich relaxation time. Meanwhile, we have also remained closely involved in CSR activities useful to society, as an extension of our businesses.

These activities are built upon the Company's philosophy since the time of its founding: to fulfill our social responsibilities as a media organization with a high public profile and fairness.

We contribute to society, focusing on support for the support for disabled people, through programs and businesses including 24-Hour Television, which has been broadcast for over 40 years since 1978. We are also engaged in a range of initiatives to promote nature conservation, health improvement, encourage learning, support female athletes, etc. This core spirit will not change in the future, and we will work to expand our engagement in new challenges.

As a media and content company, we will share the responsibility to continue social contribution and coexistence with nature on a global level, from the perspective of ESG and SDGs, across our corporate group. At the same time, we will enhance our corporate value to be a "sustainable company" that will gain the support of our shareholders and investors, and all our stakeholders.



Nippon Television Holdings, Inc.

Representative Director

Yoshinobu Kosugi

Field of activities		Details of activities	Major initiatives	Related SDGs
Responsibility as a media and content company	Promoting social contribution activities	Program production	<ul style="list-style-type: none"> ● "24-Hour Television" Large-scale charity program continuing for over 40 years Continuing social contribution through fund-raising, donation of welfare vehicles, support for disaster-affected areas, etc. 	
			<ul style="list-style-type: none"> ● "Karada Week" Contributing to greater health awareness, through a whole week of programs and exercise promotion schemes 	
			<ul style="list-style-type: none"> ● "Golden Learning Week" Promoting understanding of the importance of 'learning' through programs during the campaign 	
			<ul style="list-style-type: none"> ● "the SOCIAL (Nippon TV NEWS24)" Aim to solve social problems through media reporting, based on the concept "social good, idea good" 	
			<ul style="list-style-type: none"> ● "Strong Point (BS Nippon)" The first regular para-sports program on commercial BS, promoting and supporting para-sports 	
	Contribution to culture and education	<ul style="list-style-type: none"> ● Cultural assets restoration business Support (patronage) of the restoration of world cultural heritage works belonging to the Sistine Chapel and the Louvre Museum 	<ul style="list-style-type: none"> ● "Navigating the ocean of information" Implementation of "navigating the ocean of information," an information literacy course for children and teenagers, a total of 52 times 	
			<ul style="list-style-type: none"> ● "Nippon TV Experience Classroom" Implementation of hands-on learning by our technical staff, where elementary school and junior high school students could come in contact with the latest broadcasting technology, a total of 70 times, for 6,800 students 	
			<ul style="list-style-type: none"> ● Picture book readings by TV announcers Contributing to society with picture book reading events and the distribution of recordings on YouTube for infants and young children 	
	Securing and developing diverse human resources	Promotion of diversity	<ul style="list-style-type: none"> ● Promotion of active participation by women Creation of workplace environment that is work-friendly for female employees, through enhanced support systems including maternity leave, childcare leave, shortened working hours, etc. 	
			<ul style="list-style-type: none"> ● Support for female athletes Support for the endeavors of female athletes, through our sponsorship of the women's soccer team Nippon TV Tokyo Verdy Beleza 	
<ul style="list-style-type: none"> ● Promoting understanding of LGBT Holding LGBT Workshops with the involvement of LGBT employees, and hosting a LGBT Film Festival featuring LGBT movies in a late-night time slot 				
Conserving the global environment	Enhancement of workplace environments	<ul style="list-style-type: none"> ● Support for disabled persons Creating workplace environments where the physically challenged can shine 		
		<ul style="list-style-type: none"> ● Work style reforms "Work-style Challenge!" - Nippon TV's own work style reforms, for diverse working styles 		
	Program production	<ul style="list-style-type: none"> ● "Good for the Planet" campaign Planning and implementing a special campaign aimed at increasing awareness of the global environment 	 	
		<ul style="list-style-type: none"> ● "MEGA TENI Eye-Popping Science" Broadcast "Science Village," a long-term experimental project aimed at reviving a wasteland through the power of science 	 	
		<ul style="list-style-type: none"> ● "THE TETSUWAN DASH" Raising awareness of natural and environmental conservation through projects in programs such as "Growing Rice in Fukushima," "DASH Island" and "DASH Coast" 	 	
Contribution to the Environment	<ul style="list-style-type: none"> ● Operation of a farming solar power plant (NIPPON TV WORK24) Reviving disused farmland as a farming solar power plant, contributing to the local community through simultaneously generating electrical power and cultivating shiitake mushrooms 			
	<ul style="list-style-type: none"> ● Environmental activities through the weather character Sorajiro Consistently engaging in environmental activities, such as holding an environmental talk-show in collaboration with the UN Environment Programme, and producing public advertising in North America 			
		<ul style="list-style-type: none"> ● 24-Hour Television environmental protection activities support business Engaging in clean-up activities around waterfronts and mountains in 361 areas across Japan with 130 thousand people participated in aggregate, collecting a total of more than 900 tons of rubbish 	 	

Our responsibility as a media and content company

Promoting social contribution activities

24-Hour Television broadcast for 42nd time!



Total donations for fiscal 2019
¥1,550,158,595, second highest ever!

Cumulative total donations
over 42 years
¥39,697,881,774

Welfare

These growing donations allowed us to provide 350 welfare vehicles, the largest number ever, in fiscal 2019. (Cumulative total welfare vehicles provided: 11,404.) These vehicles have been delivered to social welfare facilities, and we have received messages of thanks from all around Japan. We are also engaged in a new initiative to encourage understanding of para-sports, by donating sports kits for the physically challenged to elementary schools and junior high schools across Japan.



Disaster recovery

Typhoons Faxai (No. 15) and Hagibis (No. 19) hit the Kanto region one after another last year, causing massive destruction. We promptly donated money to the affected areas, and for Typhoon Hagibis (No. 19), we conducted emergency fund-raising. This year, as our initial response to COVID-19, we intend to donate 100 thousand masks, manufactured in Japan, to one thousand welfare facilities across the country.

Environment

We have 16 years of achievements in supporting environmental protection activities. Every year, we engage in activities such as clean-ups and tree planting, with the cooperation of volunteers from the general public. Since we began these activities in 2004, 130 thousand people have participated in total, collecting a total of more than 900 tons of rubbish.

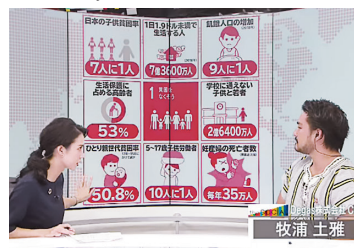
Patronage activities to transmit the common cultural heritage of all humanity to future generations



For 13 years from 1981 to 1994, we engaged in full-scale support of restoration works on the frescos of the Sistine Chapel in the Vatican, famous for the works of Michelangelo on the ceiling. We recorded these massive restoration works on video, and engaged in cultural activities such as broadcasting a 16-part special program and publishing related books in 10 countries around the world. Then in 1998, we engaged in patronage activities to cooperate in the restoration of three treasures of the Louvre Museum, the *Mona Lisa*, the *Venus de Milo* and the *Winged Victory of Samothrace*, as well as the renovation of their display spaces. We also hold regular Louvre exhibitions in Japan, providing an opportunity for the public to come in contact with these wonderful works of art.

the SOCIAL

the SOCIAL, broadcast and streamed through Nippon TV NEWS24, aims to solve social problems through media reporting, based on the concept "social good, idea good." The program is broadcast live from noon on weekdays, and features a diverse range of guests including social entrepreneurs. An "SDGs Month" was organized on the program, in anticipation of the United Nations SDGs summit in September 2019, featuring SDGs-related projects and guest reporting. These efforts were recognized, and we received the Ministry of the Environment's Good Life Award for initiatives to realize lifestyles that improve both the environment and society.



Karada Week 2019

A week to give thanks to your body, based on the concept "the body is truly amazing!" Captained by Shinya Ueda and managed by Kanna Hashimoto, the members of CHOCOLATE PLANET became the face of the campaign. It was a great hit across program timetables, with 42 terrestrial broadcasting programs participating. Thanks to the full cooperation of TIPNESS, for the very first time, we produced a set of official CHOCOLATE PLANET exercises, the TT Exercises. Athletes and children participated, too, disseminating the exercises on social networking services and contributing greatly to the event. We also implemented "OKU ALK," a walking project on a grand scale, aimed at



viewers completing a total of 10 billion steps, recorded using a healthcare app. This year, our network stations became involved, too, making it an even grander movement than in previous years.

Securing and developing diverse human resources



Nippon TV's own work style reforms “Work Style Challenge!”

Enhancement of workplace environments

First to introduce “tele-working system” among key stations

We first introduced our tele-working system in 2018, and in summer 2019, we ran an internal “tele-work days” campaign to encourage employees to make intensive use of tele-working. By ensuring that all our employees have a mobile computer, enhancing external access functions, and institutionalizing special tele-working rules to be used in times of emergency, we have been able to transition smoothly to tele-working under the present impact of COVID-19.

Implementation of “kaeru meetings” for business improvement

We are promoting a program of “kaeru meetings,” part of Nippon TV's own work style reforms, to create environments where employees and staff can keep taking on new challenges. In Japanese, “kaeru” carries three levels of meaning: “changing the way we work,” “going home early,” and “transforming our lives.” Through this program, in which we eliminate wasted time while simultaneously engaging in improvement as an imperative, we have so far implemented business improvements in over 20 departments.

Promotion of diversity

Promotion of active participation by women

Since 2017, the average number of female employees who have returned to work after taking maternity and childcare leave is high, at 93%. We provide a substantial range of support for female employees that exceeds the standards required by law, including childcare leave that lasts until the end of the month when the child turns two years old, and shorter working times for mothers of preschool children.

Support for female athletes through “Nippon TV Tokyo Verdy Beleza”

We have supported the women's soccer team “Nippon TV Tokyo Verdy Beleza” for over 20 years, since 1999. Through our support for this magnificent team, which has been crowned league champions 17 times, and produced many players who complete in representative teams in each age group, including “Nadeshiko Japan (the Japan women's national football team),” we contribute to the participation and success of female athletes.



Conserving the global environment



“Good for the Planet”

In many previous programs, Nippon TV has presented viewers with content based on the themes of “nature conservation” and “coexistence with nature.” Today, with the spread of COVID-19, people around the world have been forced to reconsider the way they live. In this context, perhaps what is good for nature and good for the planet is also be good for people and the society we live in. With this thought in mind, Nippon TV will continue to communicate messages of social contribution and coexistence with nature through the medium of familiar programs, under the slogan “Good for the Planet.”

MEGA TEN! Eye-Popping Science (Broadcast from 7am every Sunday)

This science variety program has been running for over 30 years. It is aimed to appeal to all ages, from children to adults, using the power of ‘science’ to test and explain a different theme each week.

“Science Village,” a long-term experimental project that we began to broadcast in January 2015, presents experiments related to the utilization of resources and use of land in agriculture, forestry, aquaculture and other fields, with the cooperation of experts in natural sciences, with the theme of “reviving a wasteland through the power of science.” The episode broadcast on June 7, ‘history of the reclamation of Science Village: precious creatures edition’ presented traces of the creatures living around the village.



Operations of the Corporate Group

Overview of Operations

Progress and Results of Operations of the Corporate Group

During the fiscal year ended March 31, 2020, the Japanese economy experienced high levels of corporate earnings despite weakness mainly in the manufacturing sector as well as continued improvement of the employment and income environment. However, it took a turn for the worse to an extremely difficult situation as economic activities both in Japan and abroad were severely hit by the expansion of the new coronavirus (COVID-19) outbreak.

Given this economic environment, total advertising expenditures in Japan totaled ¥6,938.1 billion in 2019 (calendar-year basis, according to Dentsu Inc.), achieving a year-on-year increase for the eighth consecutive year. Of this total, terrestrial television advertising expenditures amounted to ¥1,734.5 billion, for a 2.8% decrease from the previous year, with Internet advertising expenditure, which saw double-digit growth for the sixth consecutive year, exceeding TV media advertising expenditure for the first time.

In the average viewer ratings among the key Tokyo broadcasters for terrestrial broadcasting in calendar and fiscal 2019, the Nippon TV Group ranked highest in the following time slots: all day (6 a.m. to midnight), golden time (7 p.m. to 10 p.m.) and prime time (7 p.m. to 11 p.m.), which meant winning the Triple Crown in Viewer

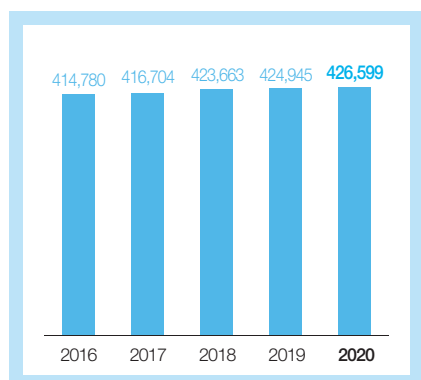
Ratings on both a calendar-year and fiscal-year basis for the sixth consecutive year.

Given these trends, the Nippon TV Group recorded a ¥1,653 million increase in consolidated net sales for the fiscal year ended March 31, 2020, or a 0.4% increase from the previous year, to ¥426,599 million due to a rise in revenue from content sales, reflecting an expansion in online video distribution services, despite a drop in terrestrial television advertising revenue including spot advertising revenue due to a sluggish market in the core Media Content Business segment.

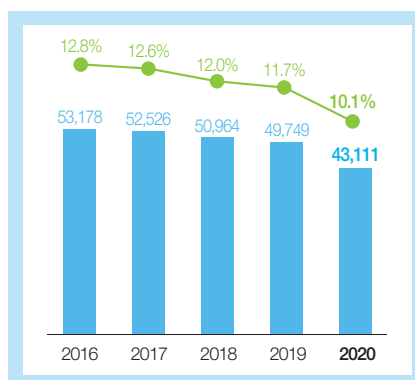
Operating expenses—cost of sales combined with selling, general and administrative expenses—increased ¥8,291 million, or 2.2%, year on year, to ¥383,487 million, due to increased depreciation and a rise in costs partly owing to an increase in revenue from content sales.

As a result, the Group's operating income decreased ¥6,638 million, or 13.3%, year on year, to ¥43,111 million, and ordinary profit decreased ¥8,191 million, or 14.3%, to ¥49,206 million, owing in part to a decrease in share of profit of entities accounted for using equity method. Profit attributable to owners of parent decreased ¥8,183 million, or 21.1%, to ¥30,555 million.

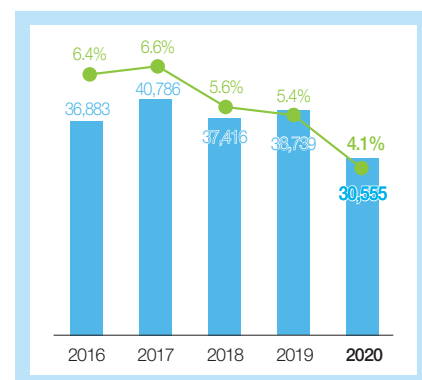
■ Net Sales (Millions of yen)



■ Operating Profit (Millions of yen)
● Operating Margin (%)



■ Profit Attributable to Owners of Parent (Millions of yen)
● ROE (%)



Operations by Business Segment of the Corporate Group

Media Content Business

The time revenue of the terrestrial television advertising revenue for the fiscal year under review decreased ¥145 million, or 0.1%, from the previous year, to ¥125,704 million, mainly due to a reactionary decline after 2018 FIFA World Cup Russia of the previous year, although there was revenue from Rugby World Cup Japan 2019. Spot advertising revenue decreased ¥8,240 million, or 6.3%, to ¥121,846 million owing to a year-on-year drop in spending for regionally targeted spot advertising. As a result, terrestrial television advertising revenue decreased ¥8,385 million, or 3.3%, to ¥247,551 million.

BS and CS advertising revenue increased ¥165 million, or 1.2%, year on year, to ¥14,456 million, due in part to an increase in BS advertising revenue.

Other advertising revenue rose ¥609 million, or 32.5%, year on year, to ¥2,481 million, due in part to an increase in video advertising revenue from platforms such as TVer, the official TV portal for commercial broadcasters, which has achieved more than 25 million downloads, and Nittele TADA!

Content sale revenue grew ¥6,617 million, or 10.8%, year on year, to ¥68,064 million, due in part to a continued rise in the number of subscribers to Hulu, a subscription online video distribution service, and an increase in content sales for online video distribution service platforms.

Revenue from merchandise sales increased ¥675 million, or 2.7%, year on year, to ¥25,626 million, due in part to an increase in packaged media sales such as Kyo Kara Ore Wa!!, and favorable results in the online shopping site Nittele Poshlet thanks to hit products.

Box office revenue increased ¥732 million, or 7.5%, year on year, to ¥10,438 million. This reflects the popularity of *Kaiji: Final Game*, a Nippon TV-financed film, and the reopening of the Yokohama Anpanman Children's Museum in a new location.

Other revenue increased ¥2,035 million, or 16.0%, year on year, to ¥14,748 million, due in part to the effect of making PLAY, inc. (renamed from LogicLogic, inc. as of July 1,

2019), which carries out online video distribution service solution business, a consolidated subsidiary.

As a result, net sales of the Media Content Business, including intersegment sales and transfers, grew ¥2,506 million (0.7%), from the previous year, to ¥384,220 million. Operating income decreased ¥5,462 million, or 11.9%, from the previous year to ¥40,610 million, reflecting an increase in depreciation and a rise in costs partly owing to an increase in revenue from content sales in operating expenses—cost of sales combined with selling, general and administrative expenses.

Life and Health-Related Business

Net sales of the Life and Health-Related Business, including intersegment sales and transfers, whose main source of revenue is fitness facilities usage revenue from the general fitness club business, dropped ¥1,878 million, or 5.0%, from the previous year, to ¥35,905 million. This reflects a rise in the number of members who suspended their memberships due to the expansion of the new coronavirus (COVID-19) outbreak. The business posted operating loss of ¥686 million (compared to operating income of ¥779 million in the previous year).

Real Estate Rental/Leasing Business

Net sales of the Real Estate Rental/Leasing Business, which include rental and leasing income from tenants in the Shiodome and Kojimachi districts, increased ¥12 million, or 0.1% from the previous year, to ¥10,281 million, including intersegment sales and transfers due in part to an increase in real estate lease revenue. Operating income increased ¥404 million, or 13.3%, from the previous year, to ¥3,446 million, due in part to a decrease in depreciation following the demolition of Nippon TV's former premises in Kojimachi.

Corporate Governance

Basic Concepts

As a certified broadcasting holding company, Nippon Television Holdings and the Nippon TV Group engage in businesses with a focus on providing services that are trusted by all stakeholders through maintaining equality and fairness and disseminating timely and accurate information as a corporate group engaged in broadcasting based on radio wave resources, which are the common property of the nation. As a leading company in the media content industry, we will strive to achieve our four creation goals: “creating high quality content,” “creating new culture,” “creating an affluent society,” and “creating a hopeful future.”

Under this management policy, we expect efforts to promote business based on our business plans to lead to stable growth over the long term and increase our contribution to society. We also believe that prioritizing our relationship with stakeholders enhances the corporate value of the Company and of the Group. The Company strives to further augment its corporate governance to ensure swift decisionmaking and operational execution in response to changes in the business environment, and to facilitate transparent and sound management.

Corporate Governance Framework

The Company has an Audit & Supervisory Board with a management structure under which the Board of Directors oversees the operational execution of the directors. Meanwhile, the Audit & Supervisory Board members and Audit & Supervisory Board audit the operational execution of the directors.

The Company appoints several highly independent outside directors and outside Audit & Supervisory Board members. The governance framework is designed to ensure effective supervision over the execution of duties by directors. Outside directors help to provide appropriate supervision, thereby enhancing the management oversight function.

The Company has also emphasized the external monitoring of management, incorporating five outside directors pursuant to Article 2, Paragraph 15, of the Companies Act into the 12-member Board of Directors for greater management integrity and more transparent decision-making processes. The four-member Audit & Supervisory Board includes three outside Audit & Supervisory Board members pursuant to Article 2, Paragraph 16, of the Companies Act for greater independence from the Board of Directors and stronger auditing functions related to the execution of duties. Mr. Makoto Yoshida,

Standing Audit & Supervisory Board Member, possesses advanced professional knowledge in media and related businesses overall, a track record in management of the Group companies as well as a considerable amount of expertise related to finance and accounting, and audit capability.

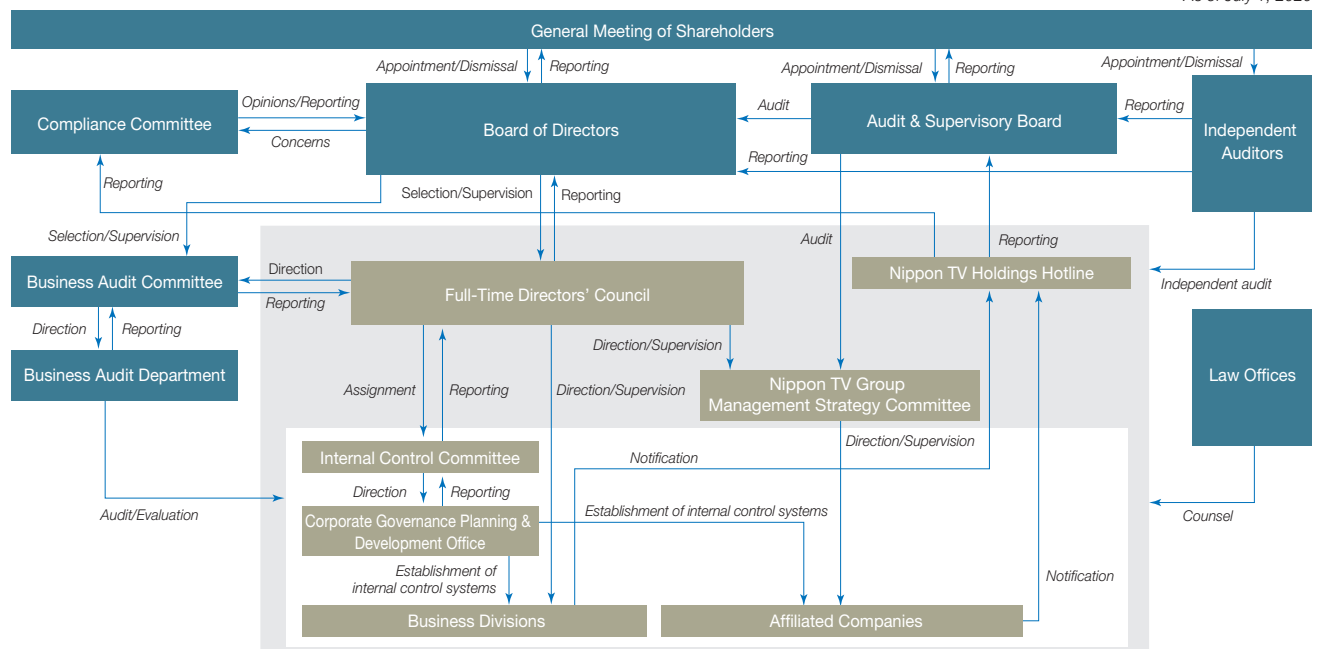
During the year under review, the Board of Directors met seven times to decide important duties and to supervise the execution of directors’ duties. Also, the Audit & Supervisory Board met eight times to audit the directors’ execution of duties. Each Audit & Supervisory Board member, in conformance with the auditing standards determined by the Audit & Supervisory Board, attends Board of Directors and other important meetings, inspects important end-of-period financial documents and carries out investigations into the state of business operations and finances.

Nippon TV Holdings has the following committees and organizations in place in order to ensure corporate governance.

The Business Audit Committee is responsible for oversight and conducts internal audits and evaluates internal control systems. Independent from the Board of Directors, the Busi-

Corporate Governance Framework

As of July 1, 2020



ness Audit Committee consists of the Representative Director, President as the chairman and a Board Director as the vice chairman. The Business Audit Department is in place as an organization responsible for practical matters.

The Compliance Committee is in place to ensure compliance with laws and regulations, the Articles of Incorporation, and corporate ethics and a high degree of transparency in Nippon TV Holdings' activities. The Compliance Committee consists of the Representative Director, President as the chairman, a Board Director as the vice chairman, all full-time directors and all director generals as committee members, and observers including an external attorney at law.

The Internal Control Committee is in place in order to oversee internal control of the entire Nippon TV Group based on the Financial Instruments and Exchange Act. The Internal Control Committee consists of the Representative Director, President as the chairman, a Board Director as the vice chairman, all full-time directors, all director generals, and representative directors of all consolidated subsidiaries excluding overseas subsidiaries as committee members. The Corporate Governance Planning & Development Office is in place as an organization responsible for overall matters concerning establishment and operation of internal control.

The Nippon TV Group Management Strategy Committee is in place in order to establish and operate systems of the entire Group for ensuring compliance with laws and regulations, for risk management, and for efficient business execution. The Nippon TV Group Management Strategy Committee consists of a Board Director as the chairman and an Executive Board Director and representative directors of principal Group companies as members.

Concerning third-party contributions to Nippon TV Holdings corporate governance framework, the Company has reinforced its legal risk management system by concluding advisory agreements pertaining to corporate management and daily business tasks with multiple law offices, and by seeking advice as necessary. We have also concluded audit agreements concerning audits relating to the Companies Act and the Securities and Exchange Act with audit corporations, which conduct audits from an independent standpoint.

Board of Directors

The main roles of the Board of Directors are to establish a corporate philosophy and to decide strategic directions, including the allocation of management resources, to promote continuous growth and enhance corporate value over the medium to long term. The Board of Directors also holds constructive discussions on the formulation and revision of corporate strategies and management plans, deciding important matters for operational execution.

Independent Outside Directors

Standards regarding the independence of independent outside directors are in accordance with those specified by the Tokyo Stock Exchange. In the selection of independent outside directors, we take into account that the business operations of Nippon TV Holdings and the Group center on the television broadcasting business, which provides many opportunities to come into contact with a wide range of fields. In Board of Directors' meetings, we appoint several directors who have the high levels of expertise and the extensive experience to provide open and constructive advice and supervision.

Reasons for Appointment of Outside Directors

Name	Independent Officer	Reasons of Appointment
Tsuneo Watanabe		To reflect in management his advanced professional knowledge in media and related businesses overall in addition to considerable experience as manager of the newspaper company.
Toshikazu Yamaguchi		To reflect in management his advanced professional knowledge and broad insight in media and related businesses overall in addition to considerable experience as manager of the newspaper company.
Takashi Imai	○	To reflect in management his advanced professional knowledge and insightful opinions as well as considerable experience as a corporate executive and a business leader.
Tadao Kakizoe	○	To reflect in management his insightful opinions and advanced professional knowledge, which is not limited to the medical community.
Yasushi Manago	○	To reflect in management his insightful opinions and advanced professional knowledge on financial and monetary affairs, the economy and legal affairs overall based on his considerable experience.

Policy and procedures for the Board of Directors to appoint and dismiss senior management and nominate candidates for directors and Audit & Supervisory Board members

1. Policy

The Board of Directors appropriately appoints or dismisses senior management and nominates candidates to become directors and Audit & Supervisory Board members.

The Company considers it necessary that the Board of Directors has a certain number of persons who are well versed in businesses and issues facing the businesses of the Company and the NTV Group as its members in setting the strategic direction of the Company, in order for the Board of Directors to fulfill its roles and responsibilities effectively. In addition, the Company believes that

it is important to secure a diversity of knowledge, experience, and abilities of members of the Board of Directors to ensure the independence and objectivity of the Board of Directors.

From this viewpoint, the Company takes the basic stance of appointing a certain number of persons who are well versed in businesses and issues facing businesses of the Company and the NTV Group as candidates for senior management and other executive directors, as well as nominating candidates who have extensive knowledge and backgrounds as candidates for outside directors and outside Audit & Supervisory Board members.

In addition, the Company has set forth in its Articles of Incorporation that the number of directors and Audit & Supervisory Board members be 18 or less and five or less, respectively, from the viewpoint of ensuring substantive opportunities for discussions and deliberations at the Board of Directors meetings.

Regarding dismissal, the Board of Directors conducts deliberation on dismissal, if it is found that a director or Audit & Supervisory Board member is not fulfilling his/her function, if he/she damages the corporate value due to the neglect of his/her duties, if he/she does not qualify, if it is difficult to continue his/her duties for health reasons, or if he/she engages in any activity that goes against the public orders and morals, etc.

2. Procedures

With regard to the appointment of candidates as directors and Audit & Supervisory Board members, the Board of Directors nominates candidates, in principle, upon receiving recommendations from the Representative Director and after deliberations by the Board of Directors attended by five outside directors among the twelve directors and three outside auditors among the four auditors as to whether those recommended are outstanding persons who have appropriate good judgment for directors or Audit & Supervisory Board members, a high level of expertise and a broad range of knowledge, experience, and abilities.

With regard to the dismissal, the Board of Directors attended by the above-mentioned eight outside officers deliberates on such matters.

Executive Remuneration

Executive remuneration for the Company's directors and Audit & Supervisory Board members in the fiscal year ended March 31, 2020, was as follows.

Officer category	Total amount of remuneration (Millions of yen)	Total amount of remuneration by type (Millions of yen)		Number of officers remunerated (persons)
		Fixed compensation	Performance-linked remuneration	
Directors (excluding outside directors)	377	292	85	8
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	17	17	—	1
Outside directors and outside Audit & Supervisory Board members	114	114	—	11

Notes: 1. The number of officers as of March 31, 2020, was 13 directors and 4 Audit & Supervisory Board members.

2. The remuneration amounts listed above do not include the employee portion of salary or bonuses for those officers who are also employees.

Nippon TV Holdings has established Regulations on Remuneration for Directors and Regulations on Remuneration for Audit & Supervisory Board Members and the amount of remuneration for each director and for each Audit & Supervisory Board member is determined each year within the limit on remuneration resolved by the General Meeting of Shareholders. Remuneration for each director is determined by the representative director, having been authorized by a decision of the Board of Directors attended by five outside directors out of the twelve directors and by three out of the four Audit & Supervisory Board members, in consideration of business conditions and the Company's performance. Remuneration for each Audit & Supervisory Board member is determined through consultation with Audit & Supervisory Board members within the limit on remuneration resolved by the General Meeting of Shareholders.

Determination of remuneration for individual directors for the fiscal year ended March 31, 2019 was entrusted to the representative director in accordance with the above by the Board of Directors, which met following the General Meeting of Shareholders.

Regarding the amounts of executive remuneration, in accordance with the resolution passed at the 75th Ordinary General Meeting of Shareholders held on June 27, 2008, the yearly limit on the amount of remuneration to ¥950 million for directors (of which, up to ¥110 million may be paid to outside directors; the maximum number of directors specified by the Articles of Incorporation is eighteen) and ¥72 million for Audit & Supervisory Board members (the maximum number of Audit & Supervisory Board members specified by the Articles of Incorporation is five).

Remuneration for full-time directors comprises a fixed portion, an evaluated portion, a Company performance-linked

portion and a stock value-linked portion. The fixed portion depends upon the individual's post, the evaluated portion is based upon the individual's performance, and the Company performance-linked portion is linked to profit. The stock value-linked portion is fixed cash remuneration determined according to the individual's post and intended for purchasing the Company's shares, and the Company's shares are purchased through an executive stock ownership association. No policy on determination of the composition of each portion of remuneration has been established. Remuneration for non-full-time directors, including outside directors, is composed only of a fixed portion.

The Company uses profit as the indicator for the Company performance-linked portion because profit is calculated by deducting all expenses from all the revenues recorded for a fiscal year and is significant as the final result of Nippon TV Holdings' activities. The Company does not set any target for profit because profit is calculated by adding extraordinary income and subtracting extraordinary losses and deducting income taxes.

Progress on Implementation of Initiatives to Enhance Corporate Governance in the Past Year

In keeping with the purport of Japan's Corporate Governance Code, we formulated and publicized our Corporate Governance Guidelines. These guidelines contain chapters on "Basic Policy for Corporate Governance," "Ensuring the Rights and Equality of Shareholders," "Appropriate Cooperation with Stakeholders other than Shareholders," "Responsibilities of the Company's Board of Directors, etc." and "Dialogue with Shareholders."

<https://www.ntvhd.co.jp/ir/governance/>

Board of Directors and Auditors *As of June 26, 2020*

Directors

Yoshio Okubo

*Representative Director, Chairman of the Board of Directors
Corporate Strategy (Media Strategy)*

Served as Director, Director General, Media Strategies of The Yomiuri Shimbun
Tokyo Head Office

Appointed Board Director, Operating Officer in 2010 and Representative Director,
President, Operating Officer in 2011

Appointed Representative Director, President in October 2012 in line with the
transition to a certified broadcasting holding company

Appointed Representative Director, Chairman in 2019

Yoshikuni Sugiyama

*Representative Director, President
Chairman of Business Audit Committee,
Corporate Strategy Management*

Senior Managing Director, Director General of Accounting, The Yomiuri Shimbun
Tokyo Head Office

Representative Director, President, The Yomiuri Shimbun Seibu Head Office

Representative Director, President, The Yomiuri Shimbun Osaka Head Office

Served as Representative Director, President, Yomiuri Land Co., Ltd. from 2017,
and appointed Board Director in 2019

Appointed Representative Director, President in 2020

Yoshinobu Kosugi

*Representative Director
Programming Strategy*

Served as Director General of Sales, Director General of Programming, and as
Representative Director, President of AX-ON Inc., and Appointed Board Director,
Operating Officer in 2011 and Board Director, Managing Officer in 2012

Appointed Executive Board Director in October 2012 in line with the transition to
a certified broadcasting holding company

Appointed Senior Executive Board Director in 2013, and Board Director,
Executive Vice President in 2018

Appointed Representative Director, President in 2019, and Representative
Director in 2020

Akira Ishizawa

*Board Director
Corporate Strategy, Financial Management*

Served as General Manager of Executive Administration, Director General of
Corporate Administration, Director General of Programming, General Manager
of President's Office, and Director General of Corporate Strategy

Appointed Board Director in 2013, Executive Board Director in 2015, and Senior
Executive Board Director in 2018

Appointed Board Director in 2020

Hajime Ichimoto

*Board Director
Nippon TV Group Management Strategy Committee, Business Audit
Department, Corporate Administration & Human Resources (Corporate
Administration)*

*Vice Chairman of Business Audit Committee
Executive Auditor of Information Security Management Office*

Served as Board Director, Operating Officer, Divisional President, Engineering &
Technology of NTV Network Corporation and Chairman of NTV IT Produce
Corporation

Appointed Executive Board Director in 2018

Appointed Board Director in 2020

Tadayuki Tamai

*Board Director
Corporate Administration & Human Resources (Human Resources & Labor
Relations), Financial Management (Compliance & Standards)
Executive Manager of Information Security Management Office*

Served as Director, Director General, Media Bureau of The Yomiuri Shimbun Tokyo
Head Office and Board Director, Operating Officer of NTV Network Corporation.

Appointed Executive Board Director in 2019, and Board Director in 2020

Tsuneo Watanabe

Board Director
Representative Director, Editor-in-Chief,
The Yomiuri Shimbun Holdings*

Toshikazu Yamaguchi

Board Director
Representative Director, President, in charge of Circulation,
The Yomiuri Shimbun Holdings*

Takashi Imai

Board Director
Honorary Chairman, Colleague, Nippon Steel Corporation*

Ken Sato

*Board Director
Advisor, Nakasone Yasuhiro Peace Institute*

Tadao Kakizoe

Board Director
President, Japan Cancer Society*

Yasushi Manago

Board Director
Attorney at Law*

** Outside directors pursuant to Article 2.15 of the Companies Act*

Auditors

Makoto Yoshida

Standing Audit & Supervisory Board Member

Toshinori Kanemoto

*Audit & Supervisory Board Member***

Akitoshi Muraoka

*Audit & Supervisory Board Member***

Yoshimitsu Ohashi

*Audit & Supervisory Board Member***

*** Outside auditors pursuant to Article 2.16 of the Companies Act*

Ten-Year Summary

Nippon Television Holdings, Inc. and Consolidated Subsidiaries*1

	2011	2012	2013*2	2014
Years ended March 31:				
Net sales	¥ 297,894	¥ 305,460	¥ 326,422	¥ 341,720
Operating profit	31,670	32,249	35,429	40,089
Ordinary profit	38,702	37,902	42,184	47,845
Profit attributable to owners of parent	21,048	22,729	25,283	27,827
Comprehensive income*2	18,351	25,597	37,701	35,144
Depreciation and amortization	8,455	7,071	6,573	7,149
Capital expenditures	4,614	3,802	5,596	9,236
At March 31:				
Total assets	¥ 528,398	¥ 543,228	¥ 598,075	¥ 645,362
Net assets	427,496	446,038	488,120	523,904
Cash flows:				
Cash flows from operating activities	¥ 23,433	¥ 25,273	¥ 29,099	¥ 35,156
Cash flows from investing activities	(28,181)	(8,967)	(7,369)	(4,366)
Cash flows from financing activities	(7,131)	(6,419)	(7,073)	(7,175)
Cash and cash equivalents, end of period	33,312	43,190	63,806	87,452
Per share data (Yen):				
Profit attributable to owners of parent*3	¥ 85.97	¥ 92.85	¥ 101.39	¥ 109.58
Equity*3	1,711.39	1,785.58	1,879.89	2,023.59
Cash dividends*4*5	290.00	290.00	110.00	34.00
Ratios (%):				
Return on asset (ROA)	3.9	4.2	4.2	4.3
Return on equity (ROE)	5.1	5.3	5.5	5.6
Operating margin	10.6	10.6	10.9	11.7
Equity ratio	79.3	80.5	80.0	79.6
Others				
Total shares issued (share)*6	25,364,548	25,364,548	263,822,080	263,822,080
Employees	3,262	3,218	3,259	3,471

Notes *1 Owing to the Company's transition to a certified broadcasting holding company system, effective October 1, 2012, figures for Nippon Television Network Corporation are shown for the fiscal years ended March 31, 2011 through 2012.

*2 From the fiscal year ended March 31, 2011, Nippon TV adopted the Accounting Standard for Presentation of Comprehensive Income (Accounting Standards Board of Japan Statement No. 25, June 30, 2010).

*3 The Company's common stock underwent a 10-for-1 stock split, effective October 1, 2012. However, figures for profit attributable to owners of parent per share and equity per share are calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2011.

*4 Dividends per share of ¥110 for the fiscal year ended March 31, 2013, correspond to ¥90 in dividends per share prior to the stock split plus ¥20 per share on shares after the stock split. Taking the stock split into account, annual dividends per share would have been ¥29 per post-split share (¥290 per share on pre-split shares).

2015	2016	2017	2018	2019	2020
¥ 362,497	¥ 414,780	¥ 416,704	¥ 423,663	¥ 424,945	¥ 426,599
42,382	53,178	52,526	50,964	49,749	43,111
48,696	57,791	58,130	61,239	57,398	49,206
30,467	36,883	40,786	37,416	38,739	30,555
64,254	32,361	58,822	55,229	50,011	13,435
8,480	11,641	12,483	15,088	16,444	19,182
20,370	16,562	36,949	29,615	26,625	21,335
¥ 755,126	¥ 769,863	¥ 848,629	¥ 885,098	¥ 941,494	¥ 932,089
578,478	603,177	655,772	704,919	746,989	751,751
¥ 33,236	¥ 40,761	¥ 60,134	¥ 50,435	¥ 50,480	¥ 56,385
(17,941)	(26,820)	(111,347)	(29,895)	(40,976)	(38,721)
(6,242)	(11,275)	(10,966)	(9,325)	(12,027)	(10,565)
96,538	99,204	37,028	48,292	45,764	53,229
¥ 120.08	¥ 145.38	¥ 160.78	¥ 147.53	¥ 152.07	¥ 119.67
2,240.64	2,337.58	2,533.88	2,727.94	2,902.57	2,920.55
30.00	34.00	34.00	34.00	35.00	35.00
4.0	4.8	4.8	4.2	4.1	3.3
5.6	6.4	6.6	5.6	5.4	4.1
11.7	12.8	12.6	12.0	11.7	10.1
75.3	77.0	75.7	78.0	78.7	80.0
263,822,080	263,822,080	263,822,080	263,822,080	263,822,080	263,822,080
4,115	4,170	4,368	4,425	4,544	4,732

*5 The ¥34 dividend per share amount for the fiscal year ended March 31, 2014, includes a ¥5 dividend to commemorate the Company's 60th year since the start of broadcasting.

*6 In addition to introducing a 10-for-1 stock split on common stock, effective October 1, 2012, a share exchange took place in which Nippon TV was the wholly owning parent company in a share exchange, and BS Nippon Corporation and CS Nippon Corporation were wholly owned subsidiaries in a share exchange. The total increases in the number of shares of issued stock were 228,280,932 shares as a result of the stock split and 10,176,600 shares in newly issued stock in accordance with the share exchange.

Financial Section

Consolidated Balance Sheets

	Millions of yen		Millions of yen	
	As of March 31, 2019	As of March 31, 2020	As of March 31, 2019	As of March 31, 2020
Assets				
Current assets				
Cash and deposits	¥ 47,420	¥ 54,919		
Notes and accounts receivable-trade	100,971	103,037		
Securities	52,000	72,000		
Inventories	4,164	3,737		
Program rights	7,608	7,323		
Other	23,819	18,775		
Allowance for doubtful accounts	(237)	(1,050)		
Total current assets	235,747	258,742		
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	65,632	69,270		
Machinery, equipment and vehicles, net	21,205	19,414		
Tools, furniture and fixtures, net	3,716	3,793		
Land	167,605	168,743		
Leased assets, net	8,244	7,858		
Construction in progress	7,989	6,702		
Total property, plant and equipment	274,393	275,783		
Intangible assets				
Goodwill	10,168	9,216		
Other	19,788	18,714		
Total intangible assets	29,957	27,931		
Investments and other assets				
Investment securities	363,683	333,967		
Long-term loans receivable	4,290	3,959		
Deferred tax assets	2,578	2,639		
Other	31,992	29,958		
Allowance for doubtful accounts	(1,149)	(891)		
Total investments and other assets	401,396	369,633		
Total non-current assets	705,747	673,347		
Total assets	¥941,494	¥932,089		
Liabilities				
Current liabilities				
Notes and accounts payable-trade	¥ 8,915	¥ 7,583		
Short-term borrowings	2,605	2,694		
Accounts payable-other	12,062	6,108		
Accrued expenses	54,431	52,515		
Income taxes payable	11,177	8,581		
Provision for sales returns	18	4		
Other	11,536	17,117		
Total current liabilities	100,747	94,605		
Non-current liabilities				
Lease obligations	16,904	14,696		
Deferred tax liabilities	38,033	31,999		
Retirement benefit liability	13,144	13,539		
Long-term guarantee deposited	20,356	20,413		
Other	5,318	5,082		
Total non-current liabilities	93,756	85,732		
Total liabilities	194,504	180,337		
Net assets				
Shareholders' equity				
Share capital	18,600	18,600		
Capital surplus	35,489	35,408		
Retained earnings	602,522	624,388		
Treasury shares	(8,935)	(8,941)		
Total shareholders' equity	647,676	669,456		
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	93,552	76,329		
Deferred gains or losses on hedges	4	(1)		
Foreign currency translation adjustment	(74)	(138)		
Total accumulated other comprehensive income	93,481	76,189		
Non-controlling interests	5,831	6,105		
Total net assets	746,989	751,751		
Total liabilities and net assets	¥941,494	¥932,089		

● Consolidated Statements of Income

	Millions of yen	
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net sales	¥424,945	¥426,599
Cost of sales	277,740	288,576
Gross profit	147,204	138,022
Selling, general and administrative expenses	97,454	94,910
Operating profit	49,749	43,111
Non-operating income		
Interest income	983	1,068
Dividend income	2,534	2,715
Share of profit of entities accounted for using equity method	4,266	1,486
Foreign exchange gains	36	—
Gain on investments in investment partnerships	442	880
Other	335	535
Total non-operating income	8,599	6,687
Non-operating expenses		
Interest expenses	587	434
Commission expenses	5	106
Foreign exchange losses	—	3
Loss on investments in investment partnerships	289	14
Other	68	35
Total non-operating expenses	950	592
Ordinary profit	57,398	49,206
Extraordinary income		
Gain on sales of non-current assets	120	7
Gain on sales of investment securities	1,263	809
Total extraordinary income	1,384	817
Extraordinary losses		
Loss on sales of non-current assets	14	1
Loss on retirement of non-current assets	304	1,149
Loss on sales of investment securities	200	68
Loss on valuation of investment securities	—	384
Impairment loss	2,577	1,484
Loss on withdrawal from business	—	1,053
Total extraordinary losses	3,096	4,142
Profit before income taxes	55,685	45,881
Income taxes-current	18,228	14,154
Income taxes-deferred	(1,191)	999
Total income taxes	17,036	15,154
Profit	38,649	30,727
Profit (loss) attributable to noncontrolling interests	(89)	172
Profit attributable to owners of parent	¥ 38,739	¥ 30,555

● Consolidated Statements of Comprehensive Income

	Millions of yen	
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	¥38,649	¥30,727
Other comprehensive income		
Valuation difference on available-for-sale securities	11,656	(16,896)
Foreign currency translation adjustment	(22)	(17)
Share of other comprehensive income of entities accounted for using equity method	(272)	(377)
Total other comprehensive income	11,361	(17,291)
Comprehensive income	¥50,011	¥13,435
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	¥50,092	¥13,263
Comprehensive income attributable to noncontrolling interests	(81)	172

● Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2019	Millions of yen				
	Total shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	¥18,600	¥31,569	¥572,240	¥(13,945)	¥608,464
Changes during period					
Dividends of surplus			(8,242)		(8,242)
Profit attributable to owners of parent			38,739		38,739
Purchase of treasury shares				(63)	(63)
Disposal of treasury shares		3,927	(214)	5,170	8,884
Change in treasury shares arising from change in equity in entities accounted for using equity method				(89)	(89)
Change in scope of equity method				(7)	(7)
Capital increase of consolidated subsidiaries		(8)			(8)
Net changes in items other than shareholders' equity					
Total changes during period	—	3,919	30,281	5,009	39,211
Balance at end of period	¥18,600	¥35,489	¥602,522	¥(8,935)	¥647,676

	Millions of yen					
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at beginning of period	¥82,137	¥2	¥(12)	¥82,127	¥14,326	¥704,919
Changes during period						
Dividends of surplus						(8,242)
Profit attributable to owners of parent						38,739
Purchase of treasury shares						(63)
Disposal of treasury shares						8,884
Change in treasury shares arising from change in equity in entities accounted for using equity method						(89)
Change in scope of equity method						(7)
Capital increase of consolidated subsidiaries						(8)
Net changes in items other than shareholders' equity	11,414	1	(62)	11,353	(8,494)	2,859
Total changes during period	11,414	1	(62)	11,353	(8,494)	42,070
Balance at end of period	¥93,552	¥4	¥(74)	¥93,481	¥5,831	¥746,989

Fiscal year ended March 31, 2020	Millions of yen				
	Total shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	¥18,600	¥35,489	¥602,522	¥(8,935)	¥647,676
Changes during period					
Dividends of surplus			(8,841)		(8,841)
Profit attributable to owners of parent			30,555		30,555
Purchase of treasury shares				(1)	(1)
Change in treasury shares arising from change in equity in entities accounted for using equity method				(4)	(4)
Change in merger between subsidiaries		(83)			(83)
Change in ownership interest of parent due to transactions with non-controlling interests		2			2
Change in scope of equity method			152		152
Net changes in items other than shareholders' equity					
Total changes during period	—	(80)	21,866	(5)	21,779
Balance at end of period	¥18,600	¥35,408	¥624,388	¥(8,941)	¥669,456

	Millions of yen					
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at beginning of period	¥93,552	¥4	¥(74)	¥93,481	¥5,831	¥746,989
Changes during period						
Dividends of surplus						(8,841)
Profit attributable to owners of parent						30,555
Purchase of treasury shares						(1)
Change in treasury shares arising from change in equity in entities accounted for using equity method						(4)
Change in merger between subsidiaries						(83)
Change in ownership interest of parent due to transactions with non-controlling interests						2
Change in scope of equity method						152
Net changes in items other than shareholders' equity	(17,222)	(5)	(63)	(17,291)	273	(17,018)
Total changes during period	(17,222)	(5)	(63)	(17,291)	273	4,761
Balance at end of period	¥76,329	¥(1)	¥(138)	¥76,189	¥6,105	¥751,751

● Consolidated Statements of Cash Flows

	Millions of yen	
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities		
Profit before income taxes	¥ 55,685	¥ 45,881
Depreciation	16,444	19,182
Impairment loss	2,577	1,484
Increase (decrease) in allowance for doubtful accounts	411	555
Increase (decrease) in retirement benefit liability	242	395
Interest and dividend income	(3,518)	(3,784)
Interest expenses	587	434
Share of loss (profit) of entities accounted for using equity method	(4,266)	(1,486)
Loss (gain) on sales of non-current assets	(106)	(6)
Loss (gain) on retirement of non-current assets	304	1,149
Loss (gain) on sales of investment securities	(1,062)	(741)
Loss (gain) on valuation of investment securities	—	384
Decrease (increase) in trade receivables	(2,670)	(1,298)
Decrease (increase) in program rights	(315)	284
Increase (decrease) in trade payables	1,811	(3,053)
Other, net	(3,401)	9,830
Subtotal	62,724	69,212
Interest and dividends received	6,154	4,679
Interest paid	(587)	(434)
Income taxes paid	(17,810)	(17,072)
Net cash provided by (used in) operating activities	50,480	56,385
Cash flows from investing activities		
Payments into time deposits	(101)	(33)
Purchase of securities	(5,000)	(10,000)
Proceeds from redemption of securities	1,400	5,000
Purchase of property, plant and equipment	(18,276)	(23,578)
Proceeds from sales of property, plant and equipment	805	71
Purchase of intangible assets	(4,221)	(2,929)
Purchase of investment securities	(103,351)	(99,605)
Proceeds from sales of investment securities	7,745	2,307
Proceeds from redemption of investment securities	81,127	88,149
Long-term loan advances	(3)	(2)
Payments for acquisition of businesses	(2,164)	—
Other, net	1,063	1,900
Net cash provided by (used in) investing activities	(40,976)	(38,721)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,288)	88
Repayments of long-term borrowings	—	(4)
Repayments of lease obligations	(1,570)	(1,639)
Purchase of treasury shares	(1)	(1)
Dividends paid	(8,243)	(8,839)
Dividends paid to non-controlling interests	(73)	(11)
Proceeds from share issuance to noncontrolling shareholders	150	—
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(158)
Net cash provided by (used in) financing activities	(12,027)	(10,565)
Effect of exchange rate change on cash and cash equivalents	(4)	(3)
Net increase (decrease) in cash and cash equivalents	(2,527)	7,093
Cash and cash equivalents at beginning of period	48,292	45,764
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	371
Cash and cash equivalents at end of period	¥ 45,764	¥ 53,229

Investor Information

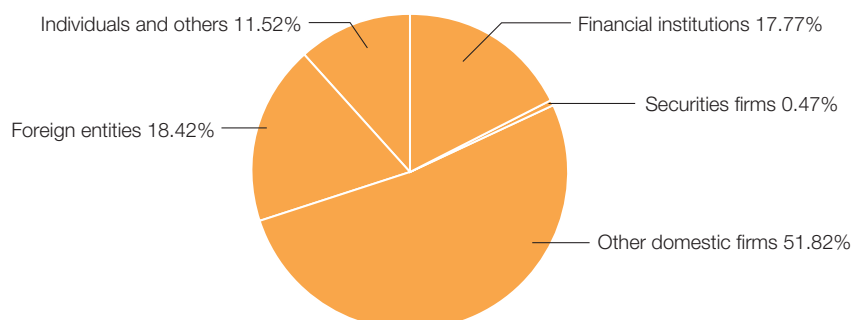
As of March 31, 2020

Corporate Name	Nippon Television Holdings, Inc.
Office Location	1-6-1 Higashi Shimbashi, Minato-ku, Tokyo 105-7444, Japan Tel: +81-3-6215-4111
Date of Establishment	October 28, 1952 Effective October 1, 2012, Nippon Television Network Corporation changed its trade name to Nippon Television Holdings, Inc. upon transitioning to a certified broadcasting holding company structure.
Capital	18.6 billion yen
Common Stock Authorized	1,000,000,000 shares
Common Stock Issued	263,822,080 shares
Number of Shareholders	30,012
Stock Exchange Listing	First Section of Tokyo Stock Exchange (Code 9404)
Fiscal Year-End	March 31, annually
Number of Employees	201
Transfer Agent and Registrar	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan

	Shareholder's Name	Number of Shares Held (Thousands)	Percentage of Total Shares (%)
Major Shareholders	The Yomiuri Shimbun Holdings	37,649	14.4
	YOMIURI TELECASTING CORPORATION	17,133	6.5
	The Yomiuri Shimbun	15,939	6.1
	Japan Trustee Services Bank, Ltd. (Trust account)	11,871	4.5
	The Master Trust Bank of Japan Ltd. (Trust account)	10,474	4.0
	Teikyo University	9,623	3.6
	NTT DoCoMo, Inc.	7,779	2.9
	Recruit Holdings Co., Ltd.	6,454	2.4
	STATE STREET BANK AND TRUST COMPANY 505001	6,418	2.4
	Yomiuri Land Co., Ltd.	5,236	2.0

Notes: 1. The number of shares acquired by foreign nationals, adjusted common stock held by foreign investors, for which requests to list name, address or other information in the shareholder registry was refused in accordance with provisions in Article 161 of the Japanese Broadcast Act is 10,869,300 shares.
2. The "Percentage of Total Shares" above is calculated deducting the Company's treasury stock and truncated to one decimal place.

Distribution of Shares



Network

As of March 31, 2020

Network

- The Sapporo Television Broadcasting Co., Ltd. (STV)*
- RAB Aomori Broadcasting Corporation (RAB)
- TELEVISION IWATE CORP. (TVI)
- MIYAGI Television BROADCASTING CO., LTD. (MMT)
- Akita Broadcasting System Inc. (ABS)
- Yamagata Broadcasting Co., LTD. (YBC)
- Fukushima Central Television Co., Ltd. (FCT)
- Television Niigata Network Co., Ltd. (TeNY)
- TV.Shinshu Broadcasting Co., LTD. (TSB)
- Yamanashi Broadcasting System Inc. (YBS)
- KITANIHON BROADCASTING CO., LTD. (KNB)
- TV KANAZAWA CORP. (KTK)
- Fukui Broadcasting Corporation (FBC)
- SHIZUOKA DAIICHI TELEVISION CORPORATION (SDT)
- CHUKYO TV. BROADCASTING CO., LTD. (CTV)*
- Yomiuri Telecasting Corporation (YTV)*
- NIHONKAI TELECASTING CO., LTD. (NKT)
- Hiroshima Television Corporation (HTV)
- Yamaguchi Broadcasting Co., Ltd. (KRY)
- Shikoku Broadcasting Co., Ltd. (JRT)
- Nishinippon Broadcasting co., ltd (RNC)
- Nankai Broadcasting Co., Ltd. (RNB)
- Kochi Broadcasting Co., Ltd. (RKC)
- FUKUOKA BROADCASTING SYSTEM CORP. (FBS)*
- NAGASAKI INTERNATIONAL TELEVISION BROADCASTING, INC. (NIB)*
- Kumamoto Kenmin Television Corporation (KKT)*
- Television Oita System Co., Ltd. (TOS)
- Miyazaki Telecasting Co., Ltd. (UMK)
- Kagoshima Yomiuri Television Corporation (KYT)

*Affiliates accounted for under the equity method

Overseas Consolidated Subsidiaries

- NTV International Corporation (New York)
- Nippon Television Network Europe B.V. (Amsterdam)
- NTV Asia Pacific Pte. Ltd. (Singapore)

NNN Overseas News Bureaus

- London
- Paris
- Moscow
- Cairo
- Beijing
- Shanghai
- Seoul
- Bangkok
- New York
- Washington, D.C.
- Los Angeles

Group Companies

As of March 31, 2020

Consolidated Subsidiaries

- NIPPON TELEVISION NETWORK CORPORATION
- BS Nippon Corporation
- CS Nippon Corporation
- NTV Technical Resources Inc.
- AX-ON Inc.
- NTV EVENTS Inc.
- Nippon Television Art Inc.
- Nippon Television Music Corporation
- VAP Inc.
- TIPNESS Limited
- NTV Service Inc.
- Nippon Television Work 24 Corporation
- Forecast Communications Inc.
- Eiho Produce Corporation
- NitteSeven Co., Ltd.
- TATSUNOKO PRODUCTION Co., Ltd.
- HJ Holdings, Inc.
- ACM CO., Ltd.
- NTV IT Produce Corporation
- PLAY, inc.
- NTV America Company
- NTV International Corporation

Non-Consolidated Subsidiaries 32

Affiliated Companies 29

Caution with Respect to Forward-Looking Statements:

Statements made in this report with respect to Nippon TV's plans and benefits, as well as other statements that are not historical facts, are forward-looking statements, which involve risks and uncertainties. Potential risks and uncertainties include, without limitation, general economic conditions in Nippon TV's markets, exchange rates and Nippon TV's ability to continue to win customers' acceptance of its products, which are offered in highly competitive markets characterized by continual new product introductions and rapid developments in technology.



NIPPON TV HOLDINGS