

May 13, 2021

Nippon Television Holdings, Inc.
(Ticker: 9404, First Section, Tokyo Stock Exchange)

Fiscal Year 2021 Management Policy

Nippon Television Holdings, Inc. (the “Company”) has established its Fiscal Year 2021 Management Policy.

In July 2020, as the spread of COVID-19 increased uncertainty regarding the future, the Company withdrew the quantitative goals while still maintaining the fundamental policies stipulated in the Medium-Term Management Plan 2019-2021. FY2021 is a crucial year that serves as a stepping stone to make remarkable advancements in the 2020s, as stated in the New Growth Strategy announced in November 2020. The Company plans to develop its next Medium-Term Management Plan in FY2022, which will cover three fiscal years.

Initiatives for FY2021 will be based on the following four pillars, inspired by the current Medium-Term Management Plan’s slogan “More than just TV.”

1. Accelerate digital business initiatives

The New Growth Strategy laid out a goal to achieve consolidated revenue worth ¥100 billion from digital businesses in 2023, the 70th anniversary of the Company. We will accelerate our initiatives in FY2021 to achieve this goal. As a specific measure, a portion of the ¥20 billion that was allocated for producing content that goes beyond the terrestrial platform has been included in the FY2021 budget as “content strategy expense.” Call-outs for new ideas have begun and content for multiple platforms are already being reviewed.

As for the video content streaming businesses, AVOD platform TVer will bolster its live streaming, which was conducted experimentally last year, to offer opportunities for many viewers to watch content that exceed the realms of television. For our SVOD/TVOD platform Hulu, our aim is to increase the amount of pay-per-view content to significantly grow our paid subscriber base and encourage our current subscribers to purchase additional content in order to maximize revenue.

With regards to our terrestrial platform, we will continue our thorough suppression of production expenses. We will aspire to remain as the Annual Individual Viewer Ratings Triple Crown Champion, a title we have held for ten consecutive years in 2020, as well as increase our broadcast revenue by strengthening our data-driven sales and enhance our ability to roll out advertisements that leverage both broadcast and communication.

2. Promote businesses that are resilient to COVID-19

As COVID-19 becomes a long-term issue, its lingering effects on societies and economies are causing concern. Amidst this challenging situation, the Company is speeding up its digital transformation of media and content with aggressive initiatives such as transferring events like concerts to online venues, fortifying its e-commerce businesses, and supporting new businesses that encourage viewers to participate in online events.

Restrictions have been placed on program production as a result of the pandemic. We will see to it that we reduce the number of people involved in production even further through measures such as digitizing communication tools used in infotainment and news programs. By advancing the development of new production systems that operate completely online, we will drastically reduce the burden on production staff and improve productivity.

3. Enhance and raise the standard of group businesses

We will strengthen our recovery efforts for group companies that were dealt a blow by COVID-19. Reexamination of operational efficiency has been enforced since the second half of FY2020 and reforms will continue to be put in place. We will pursue governance meticulously through policies that encourage supervision and dialog, one of which is the new evaluation system to be implemented in FY2021.

Our fitness club operator TIPNESS Limited was the hardest hit by the pandemic. In addition to reexamining our branch location strategy, we will provide services that offer the utmost in convenience by making purchases in the healthcare field and linking behavioral data with the group's data. Video solutions company PLAY, inc. is delivering solid results by aggressively responding to video streaming demands with its cutting-edge technical capabilities. Through such undertakings, we will aim to grow the revenue share of our non-broadcasting businesses to over 50% by the middle of the 2020s.

4. Contribute to a sustainable future

The Company is constantly aware that sustainability is one of its key missions as a news organization. Over the years, we have worked to help achieve the Sustainable Development Goals (SDGs) set up by the United Nations through “24-Hour Television—Love Saves the Earth”, “Karada Week” (Health Week), and the like. For FY2021, “Good for the Planet Week,” launched last year as a campaign to create a better future, will be enhanced and all our programs will deliver information that helps bring forth a sustainable and diverse society. Given that sustainability is a goal that the group will pursue as a whole, we plan to establish specific policies within FY2021 that address issues such as greenhouse gas reduction.

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