

# **Financial Results**

## **Fiscal Year 2014**

**May 14, 2015**

**Nippon Television Holdings, Inc.**

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

# Summary of Consolidated Financial Results

(Unit: Millions of yen)

	<b>FY2013</b>	<b>FY2014</b>	<b>% change</b>
<b>Net sales</b>	341,720	<b>362,497</b>	<b>6.1</b>
<b>Operating profit</b>	40,089	<b>42,382</b>	<b>5.7</b>
<b>Recurring profit</b>	47,845	<b>48,696</b>	<b>1.8</b>
<b>Net income</b>	27,827	<b>30,467</b>	<b>9.5</b>

# Nippon TV Non-Consolidated Results

(Unit: Millions of yen)

	FY2013	FY2014	% change
Net sales	282,973	290,460	2.6
Operating profit	29,090	38,049	30.8
Recurring profit	31,818	39,658	24.6
Net income	16,983	24,622	45.0

# TV Advertising Revenue - Terrestrial Broadcasting (Nippon TV)

(Unit: Millions of yen)

	FY2013	FY2014	Increase	% change
TV advertising revenue	228,014	<b>238,511</b>	<b>10,497</b>	<b>4.6</b>
Time	113,631	<b>115,402</b>	<b>1,770</b>	<b>1.6</b>
Spot	114,382	<b>123,109</b>	<b>8,727</b>	<b>7.6</b>

Time	FY2013	FY2014
Apr-Sep	(1.8%)	<b>2.9%</b>
Oct-Dec	1.9%	<b>1.3%</b>
January	3.8%	<b>4.1%</b>
February	14.8%	<b>(9.9%)</b>
March	0.4%	<b>2.6%</b>
Jan-Mar	5.8%	<b>(0.6%)</b>

Spot	FY2013	FY2014
Apr-Sep	4.7%	<b>7.5%</b>
Oct-Dec	5.4%	<b>8.0%</b>
January	2.4%	<b>10.2%</b>
February	10.6%	<b>4.9%</b>
March	2.9%	<b>7.7%</b>
Jan-Mar	5.0%	<b>7.5%</b>

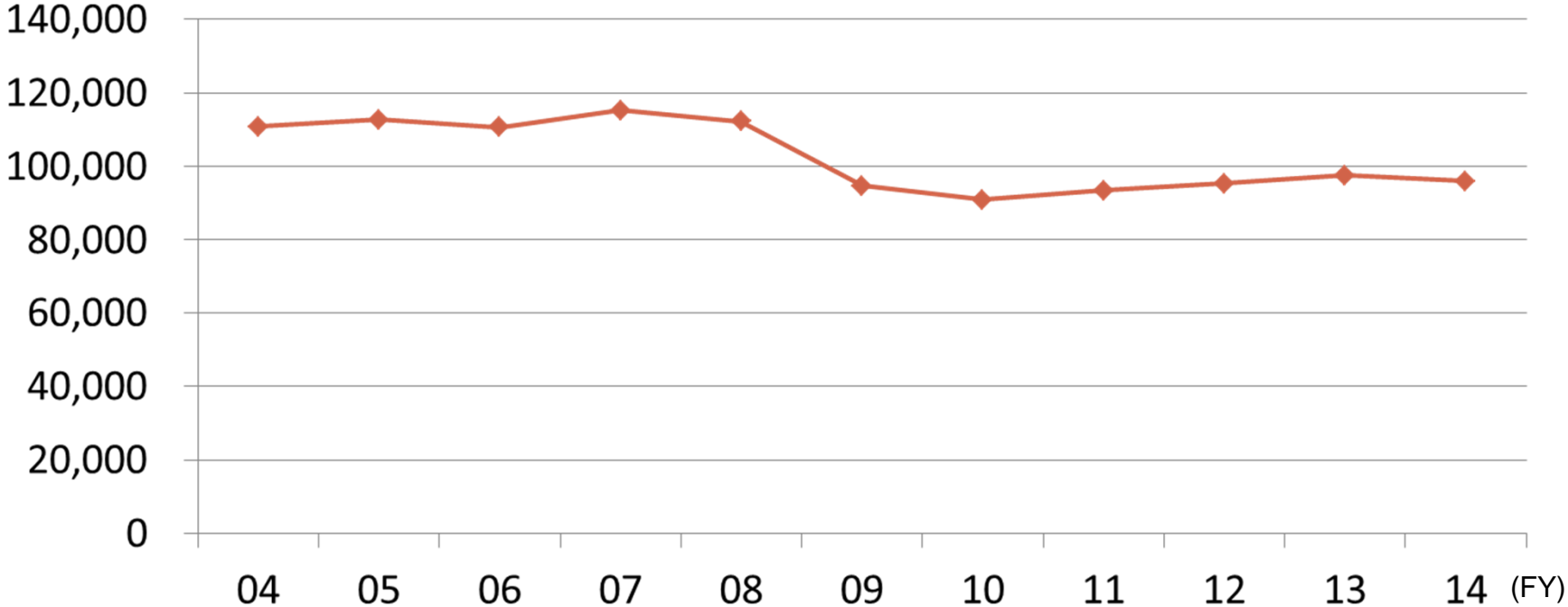
# Production Costs - Terrestrial Broadcasting (Nippon TV)

(Unit: Millions of yen)

FY2013	FY2014	Decrease	% change
97,543	96,022	(1,520)	(1.6)

(Unit: Millions of yen)

FY 2014 Program Production Cost Trend



# Main Events/Content Business -Nippon TV-

(Unit: Millions of yen)

FY 2014		Sales	Costs	Balance
<b>Movies</b>	FY2013	9,912	10,259	(347)
	<b>FY2014</b>	<b>8,382</b>	<b>8,197</b>	<b>185</b>
<b>Media Commerce (TV-Shopping)</b>	FY2013	10,168	9,964	204
	<b>FY2014</b>	<b>9,082</b>	<b>8,645</b>	<b>437</b>
<b>Events</b>	FY2013	5,855	4,974	881
	<b>FY2014</b>	<b>4,819</b>	<b>4,427</b>	<b>391</b>

# Financial Highlights of Group Companies

FY2014 In millions of yen, rounded down	Net sales		Operating profit		Recurring profit		Net income	
	Amount	%chg	Amount	%chg	Amount	%chg	Amount	%chg
BS Nippon Corp.	15,104	6.1	2,371	(15.3)	2,463	(15.1)	1,632	(30.1)
CS Nippon Corp.	5,329	5.8	893	12.1	916	12.1	546	2.7
NTV Technical Resources Inc.	10,078	(0.3)	269	(14.9)	311	(12.9)	164	(18.1)
NTV AX-ON	21,551	1.3	1,364	(23.5)	1,388	(23.0)	842	(17.8)
NTV EVENTS Inc.	2,623	12.6	112	2.2	120	1.6	74	9.5
Nippon Television Art Inc.	7,767	(4.3)	271	(27.5)	292	(26.1)	170	(27.0)
Nippon Television Music Corp.	10,132	0.4	1,465	(7.4)	1,560	(14.8)	925	(16.0)
VAP Inc.	17,036	(23.3)	( 948)	—	( 755)	—	( 1,057)	—
NTV Service Inc.	3,345	(20.2)	126	(44.3)	153	(40.0)	71	(22.3)
Nippon Television Work 24 Corp.	4,171	(6.3)	130	9.5	132	4.8	75	9.5
Forecast Communications Inc.	2,997	(2.9)	104	(22.5)	199	29.9	115	32.2
NitteleSeven	4,650	21.5	171	12.3	175	13.1	91	(1.5)
TATSUNOKO PRODUCTION Co., Ltd.	2,149	—	158	—	161	—	74	—
HJ Holdings LLC	8,339	—	( 3,650)	—	( 3,665)	—	( 3,669)	—
TIPNESS Limited (Jan-Mar)	8,566	—	240	—	159	—	104	—

※ YoY comparison not available for TATSUNOKO (acquired 4Q FY2013), HJ (acquired FY2014), TIPNESS (acquired 4Q FY2014)



# FY2015 Forecast and Assumptions

## FY2015 Forecast

(Unit: Millions of yen)

	Net sales	Operating profit	Recurring profit	Net income attributable to owners of the parent
2Q	199,000	17,000	21,000	12,600
FY	400,000	44,000	50,000	31,600

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

	1H	2H	FY
TV advertising revenue	0.1%	0.6%	0.4%
Time	(1.8%)	(0.4%)	(1.1%)
Spot	1.9%	1.6%	1.7%
Production costs	0.1%	2.8%	1.4%

# Dividend Forecast

(Unit: Yen)

	2Q	Year-end	Year-end commemorative dividend	Annual
<b>FY2013</b>	<b>9</b>	<b>20</b>	<b>5</b>	<b>34</b>
<b>FY2014</b>	<b>10</b>	<b>20</b>	<b>—</b>	<b>30</b>
<b>Dividend forecast</b>	<b>10</b>	<b>20</b>	<b>—</b>	<b>30</b>

\* The FY2013 year-end dividend forecast of 25 yen per share includes the 5 yen per share 60<sup>th</sup> anniversary commemorative dividend.

# Viewer Ratings

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## ★ Triple Crown Winner also for 2014 Fiscal Viewer Ratings!

- Monthly Triple Crown winner for 17 months straight from Dec 2013 to Apr 2015, with no signs of slowing down
- Consecutive Triple Crown winner for 5 seasons since Jan 2014
- Consistent results for household and individual viewer ratings
  - Captured the viewership of audiences who are prime target of sponsors
- Weekly Triple Crown winner for 15 weeks straight since Jan 26<sup>th</sup>

## ★ Enjoying the Results of Our Programming Improvements

- All Day, Prime Time, Golden Time, Non Prime, and Platinight ratings continue to increase
  - Maintained high ratings across the board from morning to late night
- Regional network stations also going strong with stellar ratings
  - Annual Triple Crown winner in 24 out of 27 regions

## ★ On Track to Win 2015 Annual Triple Crown Title!

# 2014 Fiscal Year Viewer Ratings

03/31/2014-03/29/2015

\*In order of digital channel, from left

	Nippon TV	EX (TV Asahi)	TBS	TX (TV Tokyo)	CX (Fuji TV)	Difference between EX (YoY)
All day	① 8.6	7.1	5.9	3.1	6.7	+1.5
	(+0.5)	(-0.6)	(-0.3)	(+0.1)	(-0.3)	(+0.4)
Prime time	① 12.7	11.3	9.3	6.7	10.0	+1.4
	(+0.7)	(-0.8)	(-0.3)	(-0.1)	(-0.8)	(-0.1)
Golden time	① 12.8	10.9	9.5	7.0	9.8	+1.9
	(+0.7)	(-0.9)	(-0.2)	(-0.2)	(-0.7)	(+0.3)

\* Household viewership (Kanto region): Video Research

# 2015 Annual Viewer Ratings

12/29/2014-05/10/2015

\*In order of digital channel, from left

	Nippon TV	EX (TV Asahi)	TBS	TX (TV Tokyo)	CX (Fuji TV)	Difference between EX (YoY)
All day	① 9.1	7.1	6.0	3.1	6.7	+2.0
	(+0.7)	(-0.5)	(±0.0)	(-0.2)	(-0.4)	(+0.8)
Prime time	① 13.2	11.6	9.6	6.5	9.8	+1.6
	(+0.8)	(-0.3)	(±0.0)	(-0.7)	(-0.8)	(+0.5)
Golden time	① 13.4	11.4	9.7	6.8	9.6	+2.0
	(+0.9)	(+0.1)	(-0.1)	(-0.9)	(-0.8)	(+1.2)

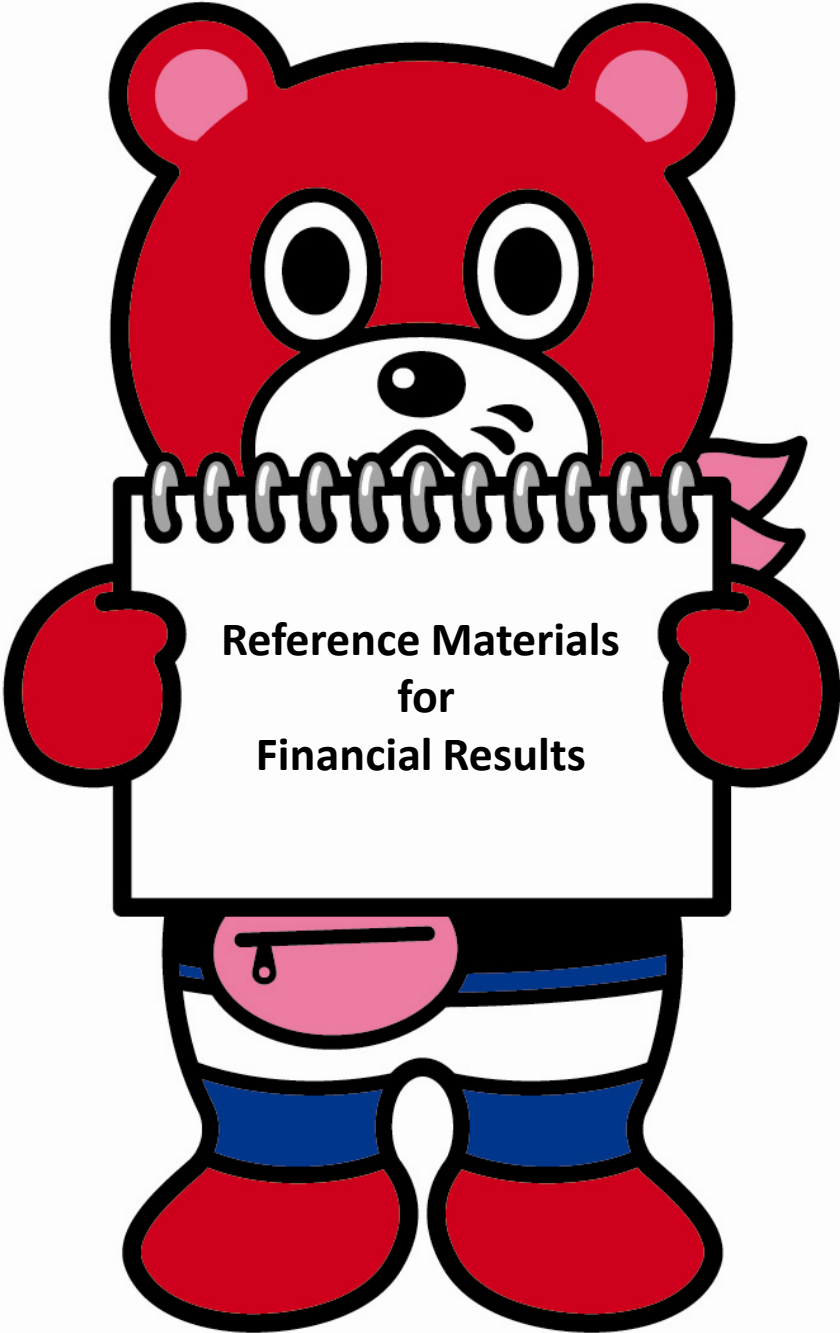
\* Household viewership (Kanto region): Video Research

# 2015 Annual Viewer Ratings Increase

12/29/2014-05/10/2015

	All day	Prime time	Golden time	Non-prime time	Platinum time
	6:00-24:00	19:00-23:00	19:00-22:00	6:00-19:00 23:00-24:00	23:00-25:00
<b>Nippon TV</b>	①9.1%	①13.2%	①13.4%	①7.9%	①7.4%
YoY	+0.7%	+0.8%	+0.9%	+0.6%	+0.7%

\* Household viewership (Kanto region): Video Research



**Reference Materials  
for  
Financial Results**

# Net Sales - Nippon TV -

(Unit: Millions of yen)

	FY2013	FY2014
TV advertising revenue	228,014	<b>238,511</b>
Time	113,631	<b>115,402</b>
Spot	114,382	<b>123,109</b>
Program sales	10,902	<b>10,899</b>
Events/Content business sales	41,359	<b>38,427</b>
Real estate business	2,697	<b>2,622</b>
Total	282,973	<b>290,460</b>



# Operating Expenses -Nippon TV-

(Unit: Millions of yen)

	FY2013	FY2014
Production costs	97,543	<b>96,022</b>
Program distribution costs to network affiliates	29,276	<b>29,938</b>
Agency commission	40,557	<b>42,701</b>
Personnel	20,083	<b>20,729</b>
Depreciation and amortization	6,367	<b>6,817</b>
Events/Content business costs	36,365	<b>31,670</b>
Other	23,689	<b>24,530</b>
Total	253,883	<b>252,411</b>

# TV Advertising Revenue - Terrestrial Broadcasting (Nippon TV)

Time	FY2013	FY2014	Spot	FY2013	FY2014
April	(2.7%)	<b>2.4%</b>	April	(4.8%)	<b>(1.0%)</b>
May	3.2%	<b>0.3%</b>	May	(2.5%)	<b>15.1%</b>
June	2.2%	<b>10.0%</b>	June	6.6%	<b>5.0%</b>
July	(6.7%)	<b>5.0%</b>	July	0.6%	<b>7.7%</b>
August	(7.6%)	<b>0.4%</b>	August	23.3%	<b>11.0%</b>
September	1.8%	<b>(0.2%)</b>	September	15.6%	<b>9.1%</b>
October	1.6%	<b>0.0%</b>	October	11.3%	<b>9.8%</b>
November	3.2%	<b>7.6%</b>	November	7.7%	<b>1.0%</b>
December	1.0%	<b>(2.9%)</b>	December	(2.0%)	<b>14.1%</b>
January	3.8%	<b>4.1%</b>	January	2.4%	<b>10.2%</b>
February	14.8%	<b>(9.9%)</b>	February	10.6%	<b>4.9%</b>
March	0.4%	<b>2.6%</b>	March	2.9%	<b>7.7%</b>

# Spot Sales Share - Terrestrial Broadcasting (Nippon TV)

FY2013		Share	% chg	FY2014		Share	% chg
1	Cosmetics/Toiletries	11.8	15.3	Cosmetics/Toiletries	12.9	16.8	
2	Transportation/ Telecommunications	9.2	1.0	Transportation/ Telecommunications	12.1	41.3	
3	Automobile	8.2	4.1	Automobile	7.4	(3.7)	
4	Pharmaceutical	6.6	(2.3)	Pharmaceutical	6.7	10.6	
5	Finance	6.3	43.3	Service	6.4	27.1	
6	Non-alcohol	6.0	16.6	Finance	5.5	(6.7)	
7	Electronic equipment	5.5	(13.2)	Non-alcohol	4.9	(10.4)	
8	Service	5.4	30.9	Electronic equipment	4.9	(3.7)	
9	Box-office/ Entertainment	4.2	(17.1)	Box-office/ Entertainment	4.4	11.9	
10	Wholesale/ Department store	3.9	(16.5)	Publishing	3.6	17.1	

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

# Events/Content Business Sales and Costs -Nippon TV-

FY2014

(Unit: Millions of yen)

	Sales	Costs
BS, CS, CATV, Other	7,952	3,801
Rights	1,997	1,184
Media Commerce	9,082	8,645
Movies	8,382	8,197
Events	4,819	4,427
Overseas Business	1,376	656
Other	4,819	4,760
<b>Total</b>	<b>38,427</b>	<b>31,670</b>

# CAPEX and Depreciation

(Unit: Billions of yen)

<b>FY2014</b>	<b>CAPEX</b>	<b>Depreciation</b>
<b>Consolidated</b>	<b>20.3</b>	<b>8.4</b>

<b>Consolidated forecast</b>	<b>CAPEX</b>	<b>Depreciation</b>
<b>FY2015</b>	<b>21.9</b>	<b>11.1</b>
<b>FY2016</b>	<b>16.6</b>	<b>12.5</b>
<b>FY2017</b>	<b>20.5</b>	<b>14.9</b>

\* Forecast numbers are based on internal managerial accounting.

# Nippon TV Holdings Consolidated Results – Segment Information

(Unit: Millions of yen)

FY 2014	Segmentation				Other	Total	Adjustment	Consolidated year to date total
	Content business	Lifestyle and health business	Real estate business	Total				
Net sales	348,733	8,566	10,376	367,675	3,332	371,007	(8,510)	362,497
Segment profit	38,890	(131)	4,015	42,774	112	42,886	(504)	42,382
Reference:								
Segment profit before goodwill amortization	39,261	314	4,015	43,591	112	43,703		

Segmentation	Main businesses
Content business	Sales of TV advertising, pay TV business, Video On Demand, video and music royalty revenue, sales of package media, TV-shopping, movie business, events and art exhibitions, and content production business
Lifestyle and health business	Operation of fitness clubs
Real estate business	Rental offices, building management

# TIPNESS Financial Results

## ☆ Financial Results for the Two Years Prior to Acquisition

(Unit: Millions of yen)

	Dec 2013	Dec 2014	Increase
Net Sales	32,940	34,517	1,577
Operating Income	2,335	2,808	473
Recurring Profit	2,002	2,485	483
Net Income	666	1,518	852

\* Fiscal year will switch in April 2015 to match Nippon TV Holdings

\* For Jan-Mar 2015 financial results, see pg. 6

## ☆ Acquisition Price (Unit: Millions of yen)

<b>Acquisition Price</b>	<b>24,375</b>
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## ☆ Goodwill (Unit: Millions of yen)

<b>Goodwill</b>	<b>12,665</b>	16-year straight line amortization
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## ☆ Intangible Assets (Unit: Millions of yen)

<b>Trademark Rights</b>	<b>5,242</b>	16-year straight line amortization
<b>Client-Related Assets (member-related)</b>	<b>5,113</b>	8-year straight line amortization
<b>Client-Related Assets (trustee agreements)</b>	<b>391</b>	16-year straight line amortization

# 2014 Fiscal Year Nippon TV Household Viewer Ratings Detail

	All Day	Prime Time	Golden Time
April	①8.1	①12.1	①12.1
May	①8.1	①12.1	①12.0
June	①8.2	①12.0	①12.0
July	①8.3	①12.2	①12.0
August	①8.6	①12.8	①12.9
September	①8.4	①12.8	①12.9
October	①8.5	①12.5	①12.5
November	①8.6	①13.0	①12.9
December	①8.9	①12.9	①13.1
January	①9.7	①13.8	①14.0
February	①9.3	①13.3	①13.6
March	①8.9	①13.3	①13.6

Cool	All Day	Prime Time	Golden Time
Apr-Jun	①8.1	①12.1	①12.1
Jul-Sep	①8.5	①12.6	①12.6
Oct-Dec	①8.6	①12.7	①12.8
Jan-Mar	①9.3	①13.5	①13.8
Annual	①8.6	①12.7	①12.8

\* Household viewership (Kanto region): Video Research



# Movie Lineup for 2015

Date	Title	Distributor
May 23 <sup>rd</sup>	☆Initiation Love	TOHO
June 27 <sup>th</sup>	☆Strayer's Chronicle	Warner
Jul 11 <sup>th</sup>	☆The Boy and The Beast	TOHO
Sep 19 <sup>th</sup>	☆Heroine Shikkaku	Warner
Autumn (TBD)	☆MY love STORY!!	TOHO
Dec 5 <sup>th</sup>	☆Chiune Sugihara	TOHO
Jan 9, 2016	☆Jinsei No Yakusoku	TOHO
Jan 2016 (TBD)	☆Saraba Abunai Deka	TOEI
Mar 2016 (TBD)	☆Chihayafuru Kami No Ku	TOHO

☆Nippon TV is lead producer

# Event Lineup for 2015

Date	Event
Feb 18 <sup>th</sup> to Jun 1 <sup>st</sup>	<b>Musée du Louvre. Peinture de genre. Scènes de la vie quotidienne.</b> Daily life as depicted by quintessential European genre paintings.
Sep 19 <sup>th</sup> to Dec 13 <sup>th</sup>	<b>Monet Exhibition</b> Works from the Musée Marmottan Monet such as “Impression, Sunrise” and “Water Lilies”.
Jul 15 <sup>th</sup> to Aug 2 <sup>nd</sup>	<b>Sister Act –Love Song for an Angel–</b> Broadway musical of the hit movie that featured Whoopi Goldberg
Jul 18 <sup>th</sup> to 22 <sup>nd</sup> Aug 20 <sup>th</sup> to 24 <sup>th</sup>	<b>Amazing Anniversary</b> Disney on Ice 2015, 30 <sup>th</sup> Anniversary of Shows in Japan
Jul 24 <sup>th</sup> to Aug 30 <sup>th</sup>	<b>The Boy and The Beast Exhibit</b> Exhibit of Director Mamoru Hosoda’s works
Aug 19 <sup>th</sup> to 25 <sup>th</sup>	<b>Shichinin Gurai No Heishi</b> Theater play