May 15, 2013

Flash Report [Japanese GAAP] (Consolidated Basis)

Results for fiscal year ended March 31, 2013

Company name: Fuji Media Holdings, Inc.

Stock listing: Tokyo Stock Exchange   Code number: 4676   URL http://www.fujimediahd.co.jp/en

Representative: Kou Toyoda, President and Representative Director

Person to contact: Tsuyoshi Habara, Executive Managing Officer, Senior Executive Director of Treasury & Finance Department   Telephone: +81-3-3570-8000 (key)

Date of the General Meeting of Shareholders (Planned): June 27, 2013

Date of securities report filing (Planned): June 27, 2013   Start of dividend payments (Planned): June 28, 2013

Supplemental explanatory material prepared: Yes   Results briefing held: Yes

(Figures less than ¥1 million have been omitted.)

1. Consolidated Financial Results

(1) Business Performance

Years ended March 31   Percentages indicate year-on-year increase/(decrease).

	Net sales		Operating income		Recurring profit		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
2013	632,029	6.5	37,608	13.3	47,209	(9.8)	31,337	(48.8)
2012	593,645	0.7	33,204	26.0	52,320	77.6	61,213	512.0

(Note) Comprehensive income: Year ended March 31, 2013: ¥50,073 million, (31.4)%, Year ended March 31, 2012: ¥73,037 million, —%

	Net income per share	Net income per share after dilution	Return on equity	Recurring profit-to-total assets ratio	Operating income-to-net sales ratio
	Yen	Yen	%	%	%
2013	13,508.82	—	5.7	5.0	6.0
2012	26,138.30	—	12.4	6.2	5.6

(Reference) Equity in earnings of affiliates: Year ended March 31, 2013: ¥8,469 million
Year ended March 31, 2012: ¥17,433 million,

(2) Financial Position

At March 31

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
2013	952,335	568,200	59.1	243,177.16
2012	953,537	534,525	55.3	226,290.92

(Reference) Total shareholders' equity: March 31, 2013: ¥563,284 million, March 31, 2012: ¥527,269 million,

(3) Cash Flows

Years ended March 31

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2013	45,771	(13,649)	(43,363)	61,879
2012	39,251	(15,802)	(5,371)	72,754

2. Dividends

Years ended March 31, 2012 and 2013/ Year ending March 31, 2014

	Dividends per share					Total amount of dividends (for the entire fiscal year)	Payout ratio	Dividends-to-net assets ratio
	1Q	2Q	3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
2012	—	800.00	—	2,800.00	3,600.00	8,431	13.8	1.7
2013	—	2,200.00	—	2,200.00	4,400.00	10,304	32.6	1.9
2014 (Forecast)	—	2,200.00	—	22.00	—		42.5	

Note: Effective October 1, 2013, the Company plans to implement a share split at a rate of 100 shares for each common share, and to adopt a unit share system of 100 shares per unit. Accordingly, the interim dividend per share for the fiscal year ending March 2014 (forecast) will be calculated based on the figure prior to the share split, while the year-end dividend will be calculated based on the figure subsequent to the share split. For details, see "Explanation of appropriate use of forecasts of financial results; other important items."

3. Forecasts of Consolidated Financial Results for Fiscal Year ending March 31, 2014

Percentages indicate year-on-year increase/(decrease).

	Net sales		Operating income		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period	311,500	2.2	16,200	(14.6)	17,100	(37.4)
Fiscal year	642,700	1.7	38,200	1.6	40,100	(15.1)

	Net income		Net income per share
	Millions of yen	%	Yen
Interim period	9,800	(45.7)	42.31
Fiscal year	24,000	(23.4)	103.61

Note: In the forecasts of consolidated financial results for the fiscal year ending March 31, 2014, the forecast figures for net income per share for the interim period and full fiscal year are calculated on the assumption that the share split planned for October 1, 2013, was implemented at the beginning of the fiscal year ending March 31, 2014.

Notes:

1. Significant changes in subsidiaries during the subject period (changes in specific subsidiaries involving a change in the scope of consolidation): None

   Additions: None Deletions: None

2. Changes in accounting policies, changes in accounting estimates and modifications and restatements:
   1) Changes in accounting policies based on revision of accounting standards, etc.: Yes
   2) Changes in accounting policies other than 1) above: None
   3) Changes in accounting estimates: Yes
   4) Modifications and restatements: None

   Note: The depreciation method was changed from the subject fiscal year, falling under "Changes in Accounting Policies Difficult to be Distinguished from Changes in Accounting Estimates." For details see page 25 of the accompanying material, "4. Consolidated Financial Statements; (5) Notes to Consolidated Financial Statements; (Changes in Accounting Policies Difficult to Distinguish from Changes in Accounting Estimates)."

3. Number of issued shares (Common share)

	Years ended March 31	
	2013	2012
1) Number of issued shares (including treasury stock) at end of fiscal year	2,364,298	2,364,298
2) Number of treasury stock at end of fiscal year	47,945	34,247
3) Average number of issued shares for fiscal year	2,319,765	2,341,913

(Reference) Flash Report (Non-Consolidated Basis)

Non-Consolidated Financial Results for fiscal year ended March 31, 2013

(1) Operating Results

Years ended March 31 Percentages indicate year-on-year increase/ (decrease).

	Net sales		Operating income		Recurring profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2013	20,913	0.3	13,218	10.1	14,540	17.5	15,109	21.7
2012	20,846	42.1	12,005	110.0	12,372	73.1	12,410	159.6

	Net income per share	Net income per share after dilution
	Yen	Yen
2013	6,451.72	—
2012	5,299.22	—

(2) Financial Position

At March 31

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
2013	652,774	446,096	68.3	190,481.30
2012	653,875	429,447	65.7	183,372.12

(Reference) Total shareholders' equity: March 31, 2013: ¥446,096 million, March 31, 2012: ¥429,447 million

Notes:

Description about the status of implementation of audit procedures

- These financial statements are not subject to audit procedures under the Financial Instruments and Exchange Act. The audit procedures of these financial statements in accordance with the Financial Instruments and Exchange Act have not been completed at the time of disclosure.

Explanation of appropriate use of forecasts of financial results; other important items

- The forward-looking statements made in this document, including the aforementioned forecasts, are based on all information available to the management at the time of this document's release and certain assumptions considered rational. Actual results may differ from the results anticipated in the statements. Regarding the assumptions forming the forecast of financial results and other factors, please refer to “Outlook for FY2013 (Ending March 31, 2014)” on page 10.
- The Company, at a meeting of its Board of Directors held on May 15, 2013, decided to implement a share split and

adopt a unit share system. Effective October 1, 2013, each share of common stock will be split into 100 shares, with 100 shares per unit. Forecasts of consolidated financial results and dividends for the fiscal year ending March 31, 2014 calculated with figures prior to the share split are as follows.

(1) Forecasts of Consolidated Financial Results for Fiscal Year ending March 31, 2014

Net Income per Share

Six Months ending September 30, 2013: ¥4,230.79

Year ending March 31, 2014: ¥10,361.11

(2) Forecasts of Dividends

Dividends per Share

September 30, 2013: ¥2,200.00 (Note 1)

March 31, 2014: ¥2,200.00 (Note 2)

Notes: 1. Dividends for the interim period will be paid based on the number of shares prior to the share split.

2. Calculated based on the number of shares prior to the share split.

CONTENTS OF ATTACHMENT

1. BUSINESS PERFORMANCE

(1) Analysis of Business Performance

[Business Performance in FY2012]

The Japanese economy during fiscal 2012 (April 1, 2012 to March 31, 2013) had initially provided expectations for an upturn in consumer spending and economic recovery as a result of earthquake recovery-related demand following the Great East Japan Earthquake and eco-car tax breaks, but the slowdown in the global economy due to the European sovereign debt crisis, diplomatic frictions with China and other elements of instability remained prominent, and the momentum for recovery appeared to stall. Afterwards, the economic policies put forward following the change of government at the end of 2012 raised expectations for improvement in corporate earnings and boosted capital spending, and the economy began to recover.

Amid this economic environment, the Fuji Media Holdings Group posted consolidated net sales for the subject fiscal year of ¥632,029 million, up 6.5% from the previous fiscal year. This was due mainly to gains in the Production segment, Advertising segment and Other segment, along with the inclusion of new revenues from the Urban Development segment comprising The Sankei Building Co., Ltd. and its subsidiaries, offsetting declines in revenue in the mainstay Broadcasting segment, the Video and Music segment and the Life Information segment.

Operating income rose 13.3% from the previous fiscal year to ¥37,608 million, due mainly to earnings gains in the Production segment and the addition of the Urban Development segment. Recurring profit declined 9.8% to ¥47,209 million despite the negative goodwill generated when Kansai Telecasting Corporation was made an equity-method affiliate, as a greater gain was recorded in the previous fiscal year from the negative goodwill generated when nine stations affiliated with Fuji TV became equity-method affiliates. Net income fell 48.8% year-on-year to ¥31,337 million, due mainly to the recording of extraordinary gains including the negative goodwill generated in the previous fiscal year when The Sankei Building Co., Ltd. became a consolidated subsidiary.

Results by operating segment are as follows.

Years ended March 31

	Net sales			Operating income		
	2012	**2013**	Change	2012	**2013**	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Broadcasting	355,215	**352,088**	(0.9)	27,166	**25,342**	(6.7)
Production	44,611	**51,720**	15.9	2,259	**2,940**	30.2
Video and Music	59,547	**58,690**	(1.4)	2,583	**2,572**	(0.5)
Life Information	134,744	**132,323**	(1.8)	1,440	**1,072**	(25.6)
Advertising	39,562	**41,127**	4.0	135	**82**	(39.2)
Urban Development	—	**40,172**	—	—	**5,444**	—
Other	27,160	**27,430**	1.0	769	**741**	(3.7)
Eliminations	(67,197)	**(71,525)**	—	(1,151)	**(586)**	—
Total	593,645	**632,029**	6.5	33,204	**37,608**	13.3

Broadcasting

Broadcasting revenue, which forms the core of revenue from the broadcasting businesses of Fuji Television Network, Inc. ("Fuji TV"), declined 2.1% from the previous fiscal year to ¥242,989 million, as positive performance in the first quarter, centered on spot ad sales, continued to slow down from the second quarter onward.

Network time advertising sales (time advertising for nationwide broadcasts) rose 0.6% year-on-year to ¥113,205 million. The standard fee for regular program sponsorships rose slightly year-on-year for the April new programming season, as ad placement demand expanded with the recovery in consumer spending, but the standard fee dipped slightly for the October program lineup as the economy slowed. One-off programming sales were strong, rising year-on-year due mainly in the first half of the period to major sports programs such as the London 2012 Olympic Games, and in the second half to such program as The Manzai 2012 and the 2013 Tokyo Marathon, offsetting the rebound decline from last year's 2011 FIVB World Cup Volleyball tournament.

Local time advertising sales (time advertising for the Kanto region) declined 4.4% from the previous fiscal year to ¥15,289 million. The standard fee for regular program sponsorships remained on a par with the previous fiscal year for the April programming season, but declined for the October program lineup, due mainly to a change in sales categories. One-off programming sales, despite a boost from 18 broadcasts of single-sponsor programs throughout the period, declined as well mainly as a result of the rebound from last year's 2011 FIVB World Cup Volleyball tournament.

Spot advertising sales declined 4.2% from the previous fiscal year to ¥114,494 million. First-half results were up sharply from the same period of the previous fiscal year following the previous year's earthquake disaster-related falloff, but performance in the second half declined with the downturn in the market and a drop in viewer ratings, and full-year sales fell short of the result in the previous fiscal year. By industry category, spending was up sharply in "Autos" on placements for eco-cars and light motor vehicles, "Telecommunication" for content-related advertising, "Distribution/Retail" on a considerable rise in placements for mail-order businesses, and "Pharmaceuticals/Medical Products." By contrast, year-on-year spending was down for "Beverage (Alcoholic)" on a slump in beer, shochu highball and cocktail products, "Fast Food/Services" on a decline in placements by restaurant chains, and "Cosmetics/Toiletries."

Revenue from other broadcasting business increased 4.5% year-on-year to ¥33,841 million, due mainly to steady gains in program sales income, as well as income from communication satellite (CS) broadcasting, which exceeded ¥10 billion for the first time since its inception on the success of sports programming and original dramas.

Revenue from other businesses decreased 3.6% from the previous fiscal year to ¥46,750 million. In the movie business, revenue was up sharply as Fuji TV productions captured the top three spots for box office revenue for Japanese movies in 2012, with BRAVE HEARTS Umizaru (¥7.33 billion in box office revenues) in first place, THERMAE ROMAE (¥5.98 billion) in second place, and BAYSIDE SHAKEDOWN THE FINAL (¥5.97 billion) in third place. In the event business, despite the popularity of "Tutankhamun and The Golden Age of The Pharaohs" held in Osaka and Tokyo, and the large-scale live summer event "a-nation," revenue was down year-on-year due to the rebound decline from the hit production "Cirque du Soleil's *KOOZA*" in the previous fiscal year. Year-on-year gains were also recorded in the digital business, driven by the popularity of the Fuji TV On Demand service that allows viewers to download missed drama episodes, as well as in the merchandising business.

In terms of expenses, effective cost controls resulted in year-on-year decreases in costs for both broadcasting and other operations. As a result, operating expenses overall declined from the previous fiscal year.

Fuji Satellite Broadcasting, Inc. (BS Fuji) posted an increase in revenue on strong sales in both time and spot advertising, but earnings declined from the previous fiscal year as a result of aggressive efforts to expand and improve program content, and a rise in broadcasting costs.

Nippon Broadcasting System, Inc. recorded a decline in broadcast revenue as business conditions remained harsh, but revenue rose overall on gains from event and merchandise sales. Earnings also rose on declines in program production costs and selling and other expenses.

As a result, for the Broadcasting segment overall, net sales declined 0.9% from the previous fiscal year to ¥352,088 million, with segment operating income down 6.7% to ¥25,342 million.

Net Sales by Broadcasting Operations

Years ended March 31

	Millions of yen		
	2012	**2013**	Change from the previous fiscal year
Fuji Television Network, Inc.			
Broadcasting businesses	280,501	**276,831**	(1.3)
Broadcasting	248,105	**242,989**	(2.1)
Network time	112,553	**113,205**	0.6
Local time	15,986	**15,289**	(4.4)
Spot	119,564	**114,494**	(4.2)
Other broadcasting business	32,395	**33,841**	4.5
Program sales	18,335	**18,925**	3.2
Other	14,060	**14,915**	6.1
Other businesses	48,512	**46,750**	(3.6)
Subtotal	329,013	**323,581**	(1.7)
Fuji Satellite Broadcasting, Inc. (BS Fuji)	9,587	**11,816**	23.2
Nippon Broadcasting System, Inc.	18,837	**19,203**	1.9
Elimination in the segment	(2,222)	**(2,513)**	—
Total	355,215	**352,088**	(0.9)

Production

Net sales in the Production segment rose 15.9% from the previous fiscal year to ¥51,720 million. This was due mainly to a steady rise in order for programs and events, resulting in an increase in revenue group-wide, along with the addition of NEXTEP TV WORKSHOP Co., Ltd. from the subject fiscal year. In terms of expenses, outsourcing costs rose on the broad expansion in orders, but due to efforts to secure earnings through improvement in the cost rate, segment operating income increased 30.2% from the previous fiscal year to ¥2,940 million.

Video and Music

Pony Canyon, Inc. posted a decline in revenue overall, as contributions in the music division from aiko's new album, and in the video division from Fuji TV productions such as BRAVE HEARTS Umizaru and The Locked Room, were unable to offset a sharp decline in titles in the video division overall. In terms of expenses, the cost rate rose due mainly to a rise in amortization of production investments, which along with increases in advertising and promotional costs, led to a decline in Pony Canyon's earnings overall.

Fujipacific Music Inc., despite a decline in the copyright division's JASRAC distributions, recorded a record high revenue on income from hit products related to the AKB48 group produced by its house artists, as well as video title income. Earnings were also up from the previous fiscal year.

As a result, net sales in the Video and Music segment overall fell 1.4% from the previous fiscal year to ¥58,690 million, with segment operating income down 0.5% to ¥2,572 million.

Life Information

Dinos Inc.'s television shopping business was sluggish due to the lack of hit products to rival the previous fiscal year's One Piece-themed car navigation system, but revenue rose overall as a result of measures in the catalogue shopping business to gain new customers and stimulate business among existing customers, along with strong performance in fashion items and household goods. Earnings, however, declined as a result of an increase in promotional costs.

Cecile Co., Ltd. posted decreases in both revenue and earnings, due mainly to sluggish sales of fashion items as a result of the unseasonable weather conditions from the start of the subject fiscal year, and a slowdown from the previous fiscal year in sales of power-saving and emergency products.

Sankei Living Shimbun Inc. recorded a decrease in revenue as a result of the sluggishness in advertising sales in the Osaka area, though operating income increased on efforts to cut expenses.

As a result, net sales in the Life Information segment overall decreased 1.8% from the previous fiscal year to ¥132,323 million, with segment operating income down 25.6% to ¥1,072 million.

Advertising

Quaras Inc. recorded an increase in revenue on steady advertising sales revenue from television and radio, along with a substantial gain in event sales, while earnings also rose on efforts to curb increases in selling, general and administrative expenses.

Kyodo Advertising Co., Ltd. recorded a revenue decline stemming from a falloff in ad placements from major clients, and despite cuts in expenses, posted an operating loss.

As a result, net sales in the Advertising segment overall increased 4.0% from the previous fiscal year to ¥41,127 million, though segment operating income declined 39.2% to ¥82 million.

Urban Development

The Sankei Building Co., Ltd., incorporated into consolidated earnings from the subject fiscal year, recorded sales on a par with the previous fiscal year, as revenue declines in the mainstay building business were offset by positive performance in the residential business. Earnings, however, declined as a result of an increase in selling costs and other factors. As a result, net sales in the Urban Development segment overall amounted to ¥40,172 million, with segment operating income of ¥5,444 million.

Other

Fujimic, Inc. recorded gains in both revenue and earnings on a rise in orders for IT system development. Fusosha Publishing, Inc. posted declines in both revenue and earnings, as strong advertising sales in the magazine division were offset by fewer hit titles in the book division compared to a year earlier.

As a result, net sales in the Other segment overall rose 1.0% from the previous fiscal year to ¥27,430 million, though segment operating income declined 3.7% to ¥741 million.

Equity-Method Affiliates

Fee-based broadcaster Nihon Eiga Satellite Broadcasting Corporation posted gains in both revenue and earnings on rising revenue from subscribers to SKY PerfecTV! e2, offsetting greater expenses related to expansion into BS broadcasts, and adaptation to high-definition formats. Sankei Shimbun Co., Ltd. recorded a slight decline in revenue, and although operating income increased, year-on-year earnings were down as a result of the rebound from a gain on sales of stock recorded in the previous fiscal year. In addition, the 10 stations affiliated with Fuji TV included in consolidated financial results from the subject fiscal year all secured earnings despite harsh conditions for broadcast revenue, contributing to equity in earnings of affiliates.

[Outlook for FY2013 (Ending March 31, 2014)]

Amid signs of improvement in the economy as a result of the government's economic policy, business conditions for advertising are expected to recover, centered on spot advertising, and we anticipate gains in revenue and earnings for Fuji TV in the Broadcasting segment. We expect an earnings decline in the Urban Development segment, but gains in both revenue and earnings in the Life Information segment on healthy performance in the catalogue shopping business.

As a result, for the consolidated group as a whole, Fuji Media Holdings is forecasting increases in net sales and operating income from fiscal 2012. However, because of the negative goodwill generated in fiscal 2012 by acquisition of shares in Kansai Telecasting Corporation, we are forecasting declines in recurring profit and net income.

Accordingly, for the fiscal year ending March 31, 2014, Fuji Media Holdings is forecasting consolidated net sales of ¥642.7 billion, with operating income of ¥38.2 billion, recurring profit of

¥40.1 billion, and net income of ¥24.0 billion.

(2) Analysis of Financial Position

Total assets at the end of the subject fiscal year (March 31, 2013) amounted to ¥952,335 million, a decrease of ¥1,201 million from the end of the previous fiscal year (March 31, 2012).

Total current assets amounted to ¥341,691 million, a decrease of ¥24,517 million from the end of the previous fiscal year. This was due mainly to decreases of ¥19,523 million in marketable securities; and ¥5,680 million in notes and accounts receivable-trade. Noncurrent assets totaled ¥610,644 million, an increase of ¥23,315 million. This was due mainly to an increase of ¥30,062 million in investment securities; against decreases of ¥5,077 million in buildings and structures; and ¥4,228 million in construction in progress.

Total liabilities amounted to ¥384,135 million, a decrease of ¥34,876 million from the end of the previous fiscal year. This was due mainly to decreases of ¥30,017 million for the current portion of bonds payable included in the “Other” category of current liabilities; ¥4,415 million in short-term loans payable; and ¥3,732 million in notes and accounts payable-trade; against an increase of ¥6,489 million in deferred tax liabilities.

Total net assets at the end of the subject fiscal year amounted to ¥568,200 million, an increase of ¥33,674 million from the end of the previous fiscal year. This was the result of the recording of ¥31,337 million in net income for the subject period; along with increases of ¥14,349 million in valuation difference on available-for-sale securities; and ¥3,001 million in revaluation reserve for land; against decreases of ¥11,709 million in retained earnings due to dividend payments; and ¥2,340 million in minority interests resulting from The Sankei Building Co., Ltd. becoming a wholly-owned subsidiary.

Cash flows during the subject period were as follows.

Cash provided by operating activities amounted to ¥45,771 million, an increase of ¥6,519 million from cash provided during the previous fiscal year. This was due mainly to a decrease of ¥29,088 million in gain on negative goodwill; an ¥11,902 million increase in proceeds from notes and accounts receivable-trade; and an ¥8,964 million decrease in equity in earnings of affiliates; against a decrease of ¥30,775 million in income before income taxes; a ¥4,853 increase in expenditures for notes and accounts payable-trade; and a ¥3,981 increase in expenditures for accounts payable included in the “Other” item.

Cash used in investing activities totaled ¥13,649 million, a decrease of ¥2,152 million from cash used in the previous fiscal year. This was due mainly to decreases of ¥29,199 million in payments on acquisition of subsidiaries’ stock resulting in change in scope of consolidation; ¥6,922 million in purchase of securities; and ¥6,536 million in payments on purchase of investment securities; against a decrease of ¥38,087 million in proceeds from sales and redemption of securities; and an increase of ¥11,849 million in payments on purchase of property, plant and equipment.

Cash used in financing activities totaled ¥43,363 million, an increase of ¥37,991 million from cash used in the previous fiscal year. This was due mainly to increases of ¥29,729 million in payments on redemption of bonds; ¥16,615 million in payments on repayments of long-term loans payable; and ¥7,527 million in dividends paid; against an increase of ¥16,600 million in proceeds from long-term loans payable.

As a result, including an additional ¥99 million increase in cash and cash equivalents resulting from merger, and a decrease of ¥111 million in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation, the balance of cash and cash equivalents at the end of FY2012 (March 31, 2013) amounted to ¥61,879 million, a decrease of ¥10,875 million from the end of FY2011 (March 31, 2012).

(Reference) Trends in cash flow indices are shown below:

Years ended March 31

	2009	2010	2011	2012	**2013**
Equity ratio (%)	65.7	61.0	63.1	55.3	**59.1**
Equity ratio, based on market value (%)	37.1	42.4	37.0	34.8	**39.7**
Ratio of Interest-bearing debt to cash flow (times)	0.7	5.3	1.2	4.2	**2.9**
Interest coverage ratio (times)	94.8	16.3	50.8	45.4	**23.6**

Notes: Equity ratio: shareholders' equity/ total assets
Market-based rate of equity ratio: total market capitalization/ total assets
Ratio of interest-bearing debt to cash flow: interest-bearing debt/ cash flows
Interest coverage ratio: cash flows/ interest expense

*1. All indices are calculated on a consolidated basis.
*2. The total market value of stocks is calculated by multiplying market value at the balance sheet date by the number of shares issued (with shares of treasury stock deducted) by the balance sheet date.
*3. "Cash flows" refers to cash flows provided by (used in) operating activities as shown in the consolidated statements of cash flows.
*4. "Interest-bearing debt" refers to all debts listed in the consolidated balance sheets on which the Company pays interest. "Interest payments" denotes interest payments as reflected in the consolidated statements of cash flows.

(3) Basic Policy on Distribution of Company Profits, and Dividends for FY2012 and FY2013

Fuji Media Holdings regards the disbursement of profits to shareholders as one of its most important management responsibilities. Our basic policy is to pay a dividend commensurate with performance, while making proactive investments in Group restructuring, equipment, content and entry into new business fields, in order to provide for Group growth and expansion of corporate value under the certified broadcast holding company structure.

Year-end dividends for FY2012 (ended March 31, 2013), in accordance with Fuji Media Holdings' earnings distribution policy of a target payout ratio of 40% on a consolidated basis, and in consideration of the special factor of a gain on negative goodwill during the subject fiscal year, will be ¥2,200 per share. Together with the interim dividend of ¥2,200 per share, this amounts to a full-year payout of ¥4,400 per share. The dividend payment will be an item on the agenda of the 72nd Ordinary General Meeting of Shareholders scheduled for June 27, 2013.

For FY2013 (ending March 31, 2014), Fuji Media Holdings will follow the same policy. Effective October 1, 2013, the Company plans to implement a share split at the ratio of 100 shares for each share of common stock, and to adopt a unit share system with 100 shares per unit. For FY2013 dividends, the Company plans to pay an interim dividend of ¥2,200 per share, calculated using the figure prior to the share split, and a year-end dividend of ¥22 per share, calculated using the figure subsequent to the share split (¥2,200 per share calculated using the figure prior to the share split).

2. ORGANIZATION OF THE FUJI MEDIA HOLDINGS GROUP

The Fuji Media Holdings Group comprises the certified broadcast holding company Fuji Media Holdings, Inc., together with 95 subsidiaries and 50 affiliates. The Group's activities include the mainstay business of broadcasting as prescribed by Japan's Broadcast Act; the planning, production, engineering and relay of programs for broadcast; the video and music business; the life information business comprising such activities as direct marketing and free paper publication; the advertising business; and the urban development business comprising office building leasing and real estate transactions.

The major companies by business category are shown below.

Category	Major Companies
Broadcasting TV broadcasting and radio broadcasting	Fuji Television Network, Inc. Nippon Broadcasting System, Inc. Fuji Satellite Broadcasting, Inc. (BS Fuji)
Production Planning, production, engineering and relay of programs for broadcast, etc.	Kyodo Edit, Inc. Kyodo Television, Ltd. Vasc, Co., Ltd. Happo Television, Inc. Van Eight Production, Inc. Fuji Art, Inc. Fuji Creative Corporation Fuji Lighting and Technology, Inc. Basis, Ltd. NEXTEP TV WORKSHOP Co., Ltd.
Video and Music Production and sale of music and video content, management of music copyrights, etc.	Shinko Music Publishers Co., Ltd. Fujipacific Music Inc. "Fuji Music Partners" Pony Canyon Inc. Ponycanyon Enterprise Inc. ARC/CONRAD MUSIC, LLC ARC MUSIC, INC. FUJI ENTERTAINMENT AMERICA, INC.
Life Information Direct marketing and newspaper publication, etc.	ALMADO inc. Sankei Living Shimbun Inc. Cecile Co., Ltd. cecile communications co., ltd. Dinos Inc. Fuji Direct Marketing, Inc. Living Pro-Seed, Inc.
Advertising Advertising, etc.	Kyodo Advertising Co., Ltd. Quaras Inc.
Urban Development Office building leasing, real estate transactions, etc.	Sankei Kaikan Co., Ltd. The Sankei Building Co., Ltd. Sankei Bldg. Techno Co., Ltd. Sankei Building Maintenance Co., Ltd.
Other Publishing, temporary agency services, movables leasing, software development, etc.	Nippon Broadcasting Projects, Inc. FUJI CAREER DESIGN INC. Fujimic, Inc. Fusosha Publishing, Inc. FUJISANKEI COMMUNICATIONS INTERNATIONAL, INC.

3. MANAGEMENT POLICIES

(1) Fuji Media Holdings' Basic Management Policy

The Fuji Media Holdings Group is a leading company in the media and content industry, with operations centered on Fuji Television Network, Inc. Our basic management policy is to contribute to the enrichment of the everyday lives of citizens through various fields, centered on broadcasting, and including movies, events, video and music, publishing and books, as well as life information and urban development. Further, the Fuji Media Holdings Group, under its certified broadcast holding company structure, will strive to continue to meet the expectations of citizens and viewers by fulfilling its public mission as a broadcaster and its corporate social responsibilities.

The Fuji Media Holdings Group, under its holding company structure, while responding in a flexible manner to changes in the business environment, has worked to build an earnings structure capable of achieving sustainable growth. Further, by incorporating the satellite broadcast and urban development businesses into the corporate group, we have stabilized earnings and strengthened our management foundation. By gaining a strong business foundation, utilizing our range of competitive and exceptional content to our advantage, and enhancing this media value, we will maximize the value and earnings that are so generated. Further, we will actively pursue measures to expand our earnings base, including in new business fields such as digital content and overseas businesses.

Going forward, the Fuji Media Holdings Group will strengthen its businesses and achieve growth, and actively cultivate future growth fields centered on the media content business, in order to foster growth for the corporate group, enhance its corporate value and earn the trust and meet the expectations of our shareholders and investors.

(2) Management Goals and Indicators

The Fuji Media Holdings Group, from the standpoint of enhancing the corporate value of the Group, will work to ensure proper selection and concentration of internal Group resources, the efficient utilization of shareholders' equity, and effective management of expenses. Reflecting a timely recognition of changes in the business environment, we will achieve improvement in the operating margin and other indicators of operational efficiency.

(3) Medium- to Long-Term Management Strategies, and Issues to Be Addressed

The Fuji Media Holdings Group, since its transition to a certified broadcast holding company structure in 2008, has supported the growth of each Group company, and worked to consolidate management resources and provide for efficient operations for the corporate group as a whole. Fuji Satellite Broadcasting Inc. (BS Fuji), which operates in a growth field, and The Sankei Building Co., Ltd., which is expected to contribute to stable earnings, were made wholly-owned subsidiaries in 2011 and 2012, respectively, strengthening the earnings foundation for the corporate group.

In the Broadcast business, at Fuji Television Network Inc., we will make efforts to produce appealing content with the aim of improving viewer ratings and enhancing media value, and securing a high level of broadcast revenue. Also, centered on our mainstay free-to-air terrestrial commercial broadcasting, and in conjunction with the two satellite mediums, the free-to-air commercial broadcast satellite (BS) service that is steadily expanding revenues, and the subscription-based communication satellite (CS) service, the Fuji Media Holdings Group will efficiently manage its three television mediums in a unified manner, and further enhance the earnings capacity of the broadcast business. We will also expand the earnings of the entire corporate group by utilizing content in the various businesses of Group companies.

In the Life Information business, efforts to strengthen management have created a business able to generate steady earnings. We plan to merge Dinos Inc. and Cecile Co., Ltd. in July 2013, with the aim of further growth through joint development of products and business plans, and the streamlining of operations. In the Production business as well, we plan to merge Happo Television, Inc. and Fuji Lighting and Technology Co., Ltd. in order to enhance technological skills and further streamline operations. In the Video and Music business, we will broaden tie-ups among Group companies, concentrating on bolstering our lineup of video and music titles.

In the Urban Development business, centered on The Sankei Building Co., Ltd., we will secure stable earnings in the mainstay office building business, and promote growth in residential housing and other businesses, with the aim of expanding earnings for the corporate group and contributing to earnings stability.

The Fuji Media Holdings Group will also make proactive efforts for new businesses. The digital content business, for online distribution of programs, games and other content, a field in which Fuji Television Network Inc. was an early entrant, has already grown to a scale that contributes to earnings. With rapid growth in this field expected in the future, in January 2013 we established a venture capital firm Fuji Startup Ventures, Inc. to provide investment support for newly-established, promising companies with original technologies or ideas. We have expectations that this will lead to business expansion in the Fuji Media Holdings Group’s growth fields in the future.

For overseas markets, we will strengthen overseas sales of content centered on Fuji Television Network Inc., and pursue new business development. FI Media Project, Inc., jointly established by Fuji Media Holdings and ITOCHU Corporation in November 2012, is forming operational tie-ups with overseas broadcasters and conducting test marketing aimed at commercialization of the music rights and mail order businesses.

As a major project for the future, Fuji Media Holdings is progressively considering ways to utilize the area around Daiba, which is ideally suited for international tourism strategies, to realize the Tokyo Metropolitan Government’s Asia Headquarters Special Zone Project.

The Fuji Media Holdings Group, in its core terrestrial television broadcasting, and various other business fields, including movies, events, video and music, life information and urban development, will take steps to further enhance earnings and develop and capture new businesses, to achieve growth for the entire corporate group. We also keenly recognize that as a mainstay media company, we have a public mission and social responsibility, and utilizing the distinctive features of the corporate group, will contribute to the revitalization of the Japanese economy and recovery from the earthquake disaster.

4. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

At March 31 — Millions of yen

	2012	**2013**
ASSETS		
Current assets:		
Cash and deposits	43,829	**42,107**
Notes and accounts receivable-trade	125,477	**119,797**
Marketable securities	118,211	**98,687**
Inventories	38,159	**39,149**
Deferred tax assets	5,622	**5,555**
Other	35,501	**37,033**
Allowance for doubtful accounts	(592)	**(639)**
Total current assets	366,208	**341,691**
Noncurrent assets:		
Property, plant and equipment		
Buildings and structures	143,833	**138,755**
Machinery, equipment and vehicles	11,669	**10,516**
Land	155,331	**158,248**
Construction in progress	6,150	**1,921**
Other	7,924	**8,462**
Total property, plant and equipment	324,909	**317,904**
Intangible assets		
Goodwill	2,737	**1,327**
Leasehold right	16,896	**16,896**
Software	13,808	**13,128**
Other	10,340	**10,204**
Total intangible assets	43,783	**41,556**
Investments and other assets		
Investment securities	188,811	**218,873**
Deferred tax assets	12,517	**13,594**
Other	19,492	**20,654**
Allowance for doubtful accounts	(2,184)	**(1,940)**
Total investments and other assets	218,636	**251,182**
Total noncurrent assets	587,329	**610,644**
Total assets	953,537	**952,335**

At March 31		Millions of yen
	2012	**2013**
LIABILITIES		
Current liabilities:		
Notes and accounts payable-trade	53,969	**50,237**
Short-term loans payable	33,033	**28,618**
Accrued income taxes	8,461	**8,169**
Provision for sales returns	771	**785**
Provision for directors' bonuses	376	**359**
Provision for point card certificates	854	**858**
Provision for transmitting station transfer	—	**1,080**
Other	105,490	**70,751**
Total current liabilities	202,957	**160,860**
Noncurrent liabilities:		
Bonds payable	60,000	**60,000**
Long-term loans payable	38,119	**41,690**
Deferred tax liabilities	35,381	**41,870**
Deferred tax liabilities on land revaluation	14,612	**10,819**
Provision for retirement benefits	43,585	**45,834**
Provision for directors' retirement benefits	1,786	**1,630**
Provision for loss on interest repayment	74	**40**
Provision for environmental measures	18	**18**
Negative goodwill	7,674	**7,039**
Other	14,802	**14,329**
Total noncurrent liabilities	216,054	**223,274**
Total liabilities	419,012	**384,135**
NET ASSETS		
Shareholders' equity:		
Capital stock	146,200	**146,200**
Capital surplus	173,664	**173,664**
Retained earnings	214,135	**233,723**
Treasury stock	(7,355)	**(9,228)**
Total shareholders' equity	526,645	**544,360**
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	5,080	**19,429**
Deferred gains or losses on hedges	55	**69**
Revaluation reserve for land	(20)	**2,980**
Foreign currency translation adjustment	(4,491)	**(3,556)**
Total accumulated other comprehensive income	624	**18,923**
Minority interests	7,256	**4,915**
Total net assets	534,525	**568,200**
Total liabilities and net assets	953,537	**952,335**

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

Years ended March 31 — Millions of yen

	2012	**2013**
Net sales	593,645	**632,029**
Cost of sales	383,527	**415,266**
Gross profit	210,117	**216,762**
Selling, general and administrative expenses:		
Selling expense	114,037	**116,624**
General and administrative expenses	62,875	**62,528**
Total selling, general and administrative expenses	176,913	**179,153**
Operating income	33,204	**37,608**
Non-operating income:		
Interest income	273	**466**
Dividends income	1,876	**1,937**
Equity in earnings of affiliates	17,433	**8,469**
Amortization of negative goodwill	645	**634**
Other	1,435	**1,285**
Total	21,663	**12,792**
Non-operating expenses:		
Interests	866	**2,043**
Loss on investments in partnership	1,120	**524**
Other	560	**623**
Total	2,548	**3,191**
Recurring profit	52,320	**47,209**
Extraordinary gain:		
Gain on sales of noncurrent assets	18	**669**
Gain on negative goodwill	30,705	**1,617**
Gain on donation of noncurrent assets	—	**329**
Other	520	**507**
Total	31,244	**3,123**
Extraordinary loss:		
Impairment loss	465	**1,529**
Special retirement expenses	33	**1,763**
Loss on transmitting station transfer measures	—	**1,376**
Other	7,771	**1,145**
Total	8,270	**5,814**
Income before income taxes	75,294	**44,518**
Income taxes-current	14,542	**15,002**
Income taxes-deferred	(585)	**(2,187)**
Total	13,956	**12,814**
Income before minority interests	61,337	**31,703**
Minority interests in income	123	**366**
Net income	61,213	**31,337**

Consolidated Statements of Comprehensive Income

Years ended March 31 — Millions of yen

	2012	**2013**
Income before minority interests	61,337	**31,703**
Other comprehensive income:		
Valuation difference on available-for-sale securities	11,116	**13,790**
Deferred gains or losses on hedges	61	**14**
Revaluation reserve for land	—	**3,793**
Foreign currency translation adjustment	(395)	**934**
Share of other comprehensive income of associates accounted for using equity method	917	**(162)**
Total other comprehensive income	11,700	**18,370**
Comprehensive income	73,037	**50,073**
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	72,875	**49,639**
Comprehensive income attributable to minority interests	161	**433**

(3) Consolidated Statements of Changes in Net Assets

Years ended March 31		Millions of yen
	2012	**2013**
Shareholders' equity:		
Capital stock:		
Balance at the beginning of current period	146,200	**146,200**
Changes of items during the period:		
Total	—	**—**
Balance at the current year-end	146,200	**146,200**
Capital surplus:		
Balance at the beginning of current period	173,664	**173,664**
Changes of items during the period:		
Total	—	—
Balance at the current year-end	173,664	**173,664**
Retained earnings:		
Balance at the beginning of current period	162,548	**214,135**
Changes of items during the period:		
Dividends from surplus	(4,176)	**(11,709)**
Net income	61,213	**31,337**
Disposal of treasury stock	(5,468)	**—**
Reversal of revaluation reserve for land	14	**4**
Change of scope of consolidation	3	**(5)**
Increase by merger	—	**(37)**
Total	51,587	**19,588**
Balance at the current year-end	214,135	**233,723**
Treasury stock:		
Balance at the beginning of current period	(15,505)	**(7,355)**
Changes of items during the period:		
Disposal of treasury stock	9,842	**—**
Change in equity in affiliates accounted for by equity method - treasury stock	(1,692)	**(1,872)**
Total	8,149	**(1,872)**
Balance at the current year-end	(7,355)	**(9,228)**
Total shareholders' equity:		
Balance at the beginning of current period	466,908	**526,645**
Changes of items during the period:		
Dividends from surplus	(4,176)	**(11,709)**
Net income	61,213	**31,337**
Disposal of treasury stock	4,374	**—**
Change in equity in affiliates accounted for by equity method - treasury stock	(1,692)	**(1,872)**
Reversal of revaluation reserve for land	14	**4**
Change of scope of consolidation	3	**(5)**
Increase by merger	—	**(37)**
Total	59,737	**17,715**
Balance at the current year-end	526,645	**544,360**

(Continued on page 21)

	2012	**2013**
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities:		
Balance at the beginning of current period	(6,255)	**5,080**
Changes of items during the period:		
Net changes of items other than shareholders' equity	11,336	**14,349**
Total	11,336	**14,349**
Balance at the current year-end	5,080	**19,429**
Deferred gains or losses on hedges:		
Balance at the beginning of current period	(6)	**55**
Changes of items during the period:		
Net changes of items other than shareholders' equity	61	**14**
Total	61	**14**
Balance at the current year-end	55	**69**
Revaluation reserve for land:		
Balance at the beginning of current period	333	**(20)**
Changes of items during the period:		
Net changes of items other than shareholders' equity	(353)	**3,001**
Total	(353)	**3,001**
Balance at the current year-end	(20)	**2,980**
Foreign currency translation adjustments		
Balance at the beginning of current period	(4,096)	**(4,491)**
Changes of items during the period:		
Net changes of items other than shareholders' equity	(395)	**934**
Total	(395)	**934**
Balance at the current year-end	(4,491)	**(3,556)**
Total accumulated other comprehensive income:		
Balance at the beginning of current period	(10,024)	**624**
Changes of items during the period:		
Net changes of items other than shareholders' equity	10,649	**18,299**
Total	10,649	**18,299**
Balance at the current year-end	624	**18,923**
Minority interests:		
Balance at the beginning of current period	4,748	**7,256**
Changes of items during the period:		
Net changes of items other than shareholders' equity	2,508	**(2,340)**
Total	2,508	**(2,340)**
Balance at the current year-end	7,256	**4,915**

(Continued on page 22)

	2012	**2013**
Total net assets:		
Balance at the beginning of current period	461,631	**534,525**
Changes of items during the period:		
Dividends from surplus	(4,176)	**(11,709)**
Net income	61,213	**31,337**
Disposal of treasury stock	4,374	**—**
Change in equity in affiliates accounted for by equity method - treasury stock	(1,692)	**(1,872)**
Reversal of revaluation reserve for land	14	**4**
Change of scope of consolidation	3	**(5)**
Increase by merger	—	**(37)**
Net changes of items other than shareholders' equity	13,157	**15,958**
Total	72,894	**33,674**
Balance at the current year-end	534,525	**568,200**

(4) Consolidated Statements of Cash Flows

Years ended March 31 Millions of yen

	2012	**2013**
Cash flows from operating activities:		
Income before income taxes	75,294	**44,518**
Depreciation and amortization	21,606	**21,715**
Impairment loss	465	**1,529**
Amortization of goodwill	1,306	**777**
Increase (decrease) in allowance for doubtful accounts	124	**69**
Increase (decrease) in other provision	1,988	**3,302**
Interest and dividends income	(2,149)	**(2,403)**
Interest expense	866	**2,043**
Equity in (earnings) losses of affiliates	(17,433)	**(8,469)**
Gain on negative goodwill	(30,705)	**(1,617)**
Gain on donation of noncurrent assets	—	**(329)**
Special retirement expenses	33	**1,763**
Loss on transmitting station transfer measures	—	**1,376**
Decrease (increase) in notes and accounts receivable-trade	(5,969)	**5,933**
Decrease (increase) in inventories	(608)	**2,764**
Increase (decrease) in notes and accounts payable-trade	743	**(4,109)**
Other	10,574	**(8,879)**
Subtotal	56,136	**59,987**
Interest and dividends income received	2,283	**2,638**
Interest expenses paid	(863)	**(1,935)**
Income taxes paid	(20,236)	**(18,215)**
Income taxes refunded	1,930	**3,296**
Net cash provided by operating activities	39,251	**45,771**
Cash flows from investing activities:		
Proceeds from withdrawal of time deposits	10,776	**14,702**
Payments into time deposits	(10,025)	**(9,500)**
Payments on purchase of marketable securities	(243,945)	**(237,022)**
Proceeds from sales and redemption of securities	280,679	**242,592**
Payments on purchase of property, plant and equipment	(5,453)	**(17,303)**
Proceeds from sale of property, plant and equipment	116	**4,259**
Payments on purchase of intangible assets	(3,193)	**(4,750)**
Payments on purchase of investment securities	(10,273)	**(3,737)**
Proceeds from sales and redemption of investment securities	1,306	**867**
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	—	**690**
Payments on acquisition of subsidiaries' stock resulting in change in scope of consolidation	(29,199)	**—**
Other	(6,590)	**(4,446)**
Net cash used in investing activities	(15,802)	**(13,649)**

(Continued on page 24)

	2012	**2013**
Cash flows from financing activities:		
Net decrease in short-term loans payable	—	**(100)**
Proceeds from long-term loans payable	—	**16,600**
Repayments of long-term loans payable	(728)	**(17,343)**
Redemption of bonds	(290)	**(30,019)**
Dividends paid	(4,192)	**(11,719)**
Dividends paid to minority shareholders	(75)	**(76)**
Other	(85)	**(704)**
Net cash used in financing activities	(5,371)	**(43,363)**
Effect of exchange rate changes on cash and cash equivalents	(175)	**377**
Net increase (decrease) in cash and cash equivalents	17,902	**(10,863)**
Cash and cash equivalents at the beginning of the year	48,142	**72,754**
Increase in cash and cash equivalents from newly consolidated subsidiaries	137	**—**
Increase in cash and cash equivalents resulting from merger	—	**99**
Increase in cash and cash equivalents resulting from share exchanges	6,602	**—**
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(29)	**(111)**
Cash and cash equivalents at the end of the year	72,754	**61,879**

(5) Notes to Consolidated Financial Statements

Changes in Accounting Policies Difficult to be Distinguished from Changes in Accounting Estimates

In accordance with revisions to the Corporation Tax Act, from the first quarter of the subject fiscal year, the Company and its domestic consolidated subsidiaries changed the accounting policy for property, plant and equipment acquired on or after April 1, 2012, to the depreciation method based on the revised Corporation Tax Act.

The effect on operating income, recurring profit and income before income taxes for the subject fiscal year as a result of this change is negligible.

Segment Information

1. Overview of Reported Segments

Fuji Media Holdings’ reported segments allow it to acquire financial data separated into the various components of the corporate group. The scope of the segments is reviewed on a regular basis in order to allow the Board of Directors to determine the allocation of management resources, and evaluate earnings performance.

The Fuji Media Holdings Group comprises affiliated companies under the certified broadcast holding company Fuji Media Holdings. These affiliates conduct broadcast-related business activities centering on the mainstay business of broadcasting as prescribed by the Broadcast Act. The group’s six reported segments are “Broadcasting,” “Production,” “Video and Music,” “Life Information,” “Advertising” and “Urban Development.”

The “Broadcasting” segment includes the TV broadcasting business and radio broadcasting business; the “Production” segment includes planning, production, engineering and relay of programs for broadcast; the “Video and Music” segment includes the production and sale of music and video content, and management of music copyrights; the “Life Information” segment includes direct marketing and free paper publication; the “Advertising” segment includes the advertising business and the “Urban Development” segment includes office building leasing and real-estate transactions.

2. Calculation Methods for Amounts of Reported Segment Net Sales Profit or Loss, Assets and Other Items

The accounting methods for reported business segments are basically the same as the significant items that form the basis for preparation of the consolidated financial statements. Profit figures for reported segments are on an operating income basis. Inter-segment net sales and transfers are based on prevailing market prices.

3. Information on Net Sales, Profit or Loss, Assets and Other Items by Reported Segment

Year ended March 31, 2012

Millions of Yen

	Reported segment							Other (Note 1)	Total	Adjust-ment (Notes 2 and 3)	Consolidated statements of income (Note 4)
	Broad-casting	Produc-tion	Video and Music	Life Informa-tion	Advertis-ing	Urban Develop-ment	Total				
Net sales:											
Net sales to third parties	333,963	18,143	58,434	134,026	36,700	—	581,268	12,376	593,645	—	593,645
Inter-segment net sales and transfers	21,251	26,467	1,113	718	2,862	—	52,413	14,784	67,197	(67,197)	—
Total sales	355,215	44,611	59,547	134,744	39,562	—	633,682	27,160	660,842	(67,197)	593,645
Segment operating income	27,166	2,259	2,583	1,440	135	—	33,586	769	34,355	(1,151)	33,204
Segment assets	383,207	30,433	56,002	59,931	12,408	233,034	775,017	51,653	826,671	126,866	953,537
Other:											
Depreciation	18,074	943	827	1,295	44	—	21,185	713	21,899	(292)	21,606
Amortization of goodwill	—	5	713	1,161	46	—	1,926	25	1,951	—	1,951
Increase in property and equipment and intangible assets	6,415	1,630	815	1,700	4	—	10,565	395	10,961	44	11,006

Notes: 1. The “Other” category is a business segment not included in reported segments. It includes such operations as publishing, temporary agency services, movables leasing, and software development.

2. The segment earnings adjustment of minus ¥1,151 million mainly comprises ¥2,906 million in eliminations of inter-segment business, together with minus ¥4,057 million in company-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.

3. The segment assets adjustment of ¥126,866 million mainly comprises minus ¥464,319 million in inter-segment credit eliminations, together with ¥591,186 million in group-wide assets not allocated to a particular reported segment. Group-wide assets mainly included the Company’s surplus funds (cash and cash equivalents, marketable securities, etc.), funds for long-term investment (investment securities, etc.), and assets for divisions connected with management divisions.

4. Segment operating income (loss) is adjusted to the operating income figure on the Consolidated Statements of Income.

Year ended March 31, 2013

Millions of Yen

	Reported segment							Other (Note 1)	Total	Adjust-ment (Notes 2 and 3)	Consolidated statements of income (Note 4)
	Broad-casting	Produc-tion	Video and Music	Life Informa-tion	Advertis-ing	Urban Develop-ment	Total				
Net sales:											
Net sales to third parties	333,061	20,782	57,565	131,807	37,842	39,750	620,810	11,219	632,029	—	632,029
Inter-segment net sales and transfers	19,027	30,938	1,124	515	3,285	422	55,313	16,211	71,525	(71,525)	—
Total sales	352,088	51,720	58,690	132,323	41,127	40,172	676,123	27,430	703,554	(71,525)	632,029
Segment operating income	25,342	2,940	2,572	1,072	82	5,444	37,453	741	38,194	(586)	37,608
Segment assets	380,103	34,073	57,465	57,357	12,020	239,167	780,187	20,154	800,342	151,993	952,335
Other:											
Depreciation	14,888	856	890	1,393	29	3,402	21,460	544	22,005	(289)	21,715
Amortization of goodwill	—	5	233	1,134	24	1	1,398	12	1,411	—	1,411
Increase in property and equipment and intangible assets	7,889	976	289	2,063	1	10,185	21,405	781	22,187	(353)	21,833

Notes: 1. The "Other" category is a business segment not included in reported segments. It includes such operations as publishing, temporary agency services, movables leasing, and software development.

2. The segment earnings adjustment of minus ¥586 million mainly comprises ¥3,409 million in eliminations of inter-segment business, together with minus ¥3,996 million in company-wide expenses not allocated to a particular reported segment. Group-wide expenses are the expenses of the parent company as a certified broadcast holding company.

3. The segment assets adjustment of ¥151,993 million mainly comprises minus ¥439,959 million in inter-segment credit eliminations, together with ¥591,953 million in group-wide assets not allocated to a particular reported segment. Group-wide assets mainly included the Company's surplus funds (cash and cash equivalents, marketable securities, etc.), funds for long-term investment (investment securities, etc.), and assets for divisions connected with management divisions.

4. Segment operating income (loss) is adjusted to the operating income figure on the Consolidated Statements of Income.

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