

# **1Q FY13 Results Materials**

**(Three Months ended June 30, 2013)**

**July 30, 2013**  
**Fuji Media Holdings, Inc.**

These materials are an English translation of the original document in Japanese. The Company's performance forecasts and other information are based on the Company's understanding as of the time the earnings presentation materials were prepared.

These materials may contain information about financial targets, forecasts, and other forward looking statements regarding Fuji Media Holdings, Inc., its affiliates, and investees. Actual results may differ substantially due to a variety of factors, including changes in business management, economic conditions, financial markets, and other circumstances.

“FY13” means the fiscal year ending March 31, 2014.

The period from April 1, 2013 to June 30, 2013 is referred to as “1Q.”

## ■ Fuji TV

Earnings down on decline in advertising income

Event and movie businesses boosted earnings

## ■ Video and Music Segment

Operating loss as a result of delayed releases, along with production expenses and other up-front costs

## ■ Urban Development Segment

Earnings down on temporary fall in revenue during tenant turnover in major buildings

# 1Q Financial Highlights

Millions of yen

Consolidated	1Q FY13	1Q FY12	YoY
Net sales	149,690	151,071	(0.9)%
Operating income	7,908	13,990	(43.5)%
Ordinary income	9,505	21,991	(56.8)%
Net income	3,076	15,248	(79.8)%

Note: Ordinary income and net income for 1Q FY12 includes a gain on negative goodwill (¥6.8 billion) from acquisition of shares in Kansai Telecasting Corporation.

Millions of yen

Fuji TV	1Q FY13	1Q FY12	YoY
Net sales	80,639	81,171	(0.7)%
Operating income	6,488	10,593	(38.8)%
Ordinary income	6,448	10,752	(40.0)%
Net income	3,152	6,382	(50.6)%

# 1Q Segment Results

	Net sales <small>Millions of yen</small>			Operating income <small>Millions of yen</small>		
	1Q FY13	1Q FY12	YoY	1Q FY13	1Q FY12	YoY
Broadcasting	86,852	87,203	(0.4)%	6,911	11,247	(38.5)%
Production	11,270	12,580	(10.4)%	425	801	(46.9)%
Video and music	13,534	13,035	3.8%	(280)	852	---
Life information	32,925	33,962	(3.1)%	350	431	(18.8)%
Advertising	9,198	8,561	7.4%	13	(91)	---
Urban development	5,749	6,702	(14.2)%	167	1,008	(83.4)%
Others	6,526	6,378	2.3%	185	182	1.6%
Adjustment	(16,367)	(17,351)	---	135	(441)	---
Consolidated	149,690	151,071	(0.9)%	7,908	13,990	(43.5)%

## Major Consolidated Subsidiaries

Broadcasting	Fuji Television Network, Nippon Broadcasting System, Fuji Satellite Broadcasting (BS Fuji)
Production	Kyodo Television, Fuji Creative Corporation, Fuji Art
Video and music	Pony Canyon, Fuji Pacific Music
Life information	Dinos*, Cecile*, Sankei Living Shimbun

Advertising	Quaras, Kyodo Advertising
Urban development	Sankei Building
Others	Fusosha Publishing, Fujimic, Nippon Broadcasting Project

\* Dinos and Cecile merged in July to form Dinos Cecile.

# Revision to FY13 Earnings Forecast

Consolidated	1H <small>Millions of yen</small>			Full-year <small>Millions of yen</small>		
	Revised Forecast	Previous Forecast	Change	Revised Forecast	Previous Forecast	Change
Net sales	311,500	311,500	0	642,700	642,700	0
Operating income	16,200	16,200	0	38,200	38,200	0
Ordinary income	17,100	17,100	0	40,100	40,100	0
Net income	6,700	9,800	(3,100)	20,900	24,000	(3,100)

Fuji TV	1H <small>Millions of yen</small>			Full-year <small>Millions of yen</small>		
	Revised Forecast	Previous Forecast	Change	Revised Forecast	Previous Forecast	Change
Net sales	164,100	164,100	0	327,400	327,400	0
Operating income	10,600	10,600	0	24,200	24,200	0
Ordinary income	10,800	10,800	0	24,300	24,300	0
Net income	5,600	6,300	(700)	13,600	14,300	(700)

\* Revision: None

YoY	1H Forecast	2H Forecast	Full-year Forecast
Network time	(2.7)%	(0.2)%	(1.5)%
Local time	(10.0)%	0.1%	(5.2)%
Spot	0.4%	10.9%	5.7%
Broadcasting revenues	(1.8)%	5.1%	1.7%

# FY13 Segment Earnings Forecasts (Revision: None)

Millions of yen

	Net sales				Operating income			
	FY13	FY12	YoY	YoY	FY13	FY12	YoY	YoY
Broadcasting	355,100	352,000	3,000	0.9%	26,100	25,300	700	3.0%
Production	49,000	51,700	(2,700)	(5.3)%	2,400	2,900	(500)	(18.4)%
Video and music	60,000	58,600	1,300	2.2%	2,600	2,500	0	1.1%
Life information	139,400	132,300	7,000	5.3%	2,500	1,000	1,400	133.2%
Advertising	41,200	41,100	0	0.2%	100	0	0	21.0%
Urban development	40,800	40,100	600	1.6%	3,500	5,400	(1,900)	(35.7)%
Others	26,500	27,400	(900)	(3.4)%	500	700	(200)	(32.5)%
Adjustment	(69,300)	(71,500)	---	---	500	(500)	---	---
Consolidated	642,700	632,000	10,600	1.7%	38,200	37,600	500	1.6%

## Major Consolidated Subsidiaries

Broadcasting	Fuji Television Network, Nippon Broadcasting System, Fuji Satellite Broadcasting (BS Fuji)
Production	Kyodo Television, Fuji Creative Corporation, Fuji Art
Video and music	Pony Canyon, Fuji Pacific Music
Life information	Dinos Cecile, Sankei Living Shimbun

Advertising	Quaras, Kyodo Advertising
Urban development	Sankei Building
Others	Fusosha Publishing, Fujimic, Nippon Broadcasting Project

# 1H FY13 Segment Earnings Forecasts (Revision: None) FUJI MEDIA HOLDINGS, INC.

Millions of yen

	Net sales				Operating income			
	1H FY13	1H FY12	YoY	YoY	1H FY13	1H FY12	YoY	YoY
Broadcasting	176,500	176,800	(300)	(0.2)%	11,700	14,600	(2,900)	(20.3)%
Production	23,900	25,700	(1,800)	(7.1)%	1,000	1,600	(600)	(39.2)%
Video and music	30,400	28,100	2,200	7.9%	1,300	1,200	0	7.2%
Life information	63,800	61,800	1,900	3.2%	0	(500)	500	---
Advertising	20,200	18,700	1,400	7.6%	0	(0)	0	---
Urban development	17,900	15,800	2,000	12.8%	1,900	2,400	(500)	(21.5)%
Others	12,700	12,900	(200)	(1.7)%	100	300	(200)	(73.2)%
Adjustment	(33,900)	(35,200)	---	---	200	(700)	---	---
Consolidated	311,500	304,800	6,600	2.2%	16,200	18,900	(2,700)	(14.6)%



# Fuji Television Results

# Fuji TV: Net Sales and Operating Expenses

Millions of yen

	1Q FY13	1Q FY12	YoY
<b>Broadcasting Business</b>	<b>67,002</b>	<b>72,222</b>	<b>(7.2)%</b>
Broadcasting Revenues	58,865	63,926	(7.9)%
Other Broadcasting Business Revenues	8,137	8,296	(1.9)%
<b>Other Businesses</b>	<b>13,636</b>	<b>8,948</b>	<b>52.4%</b>
<b>Total Net Sales</b>	<b>80,639</b>	<b>81,171</b>	<b>(0.7)%</b>
<b>Cost of Sales (Broadcasting Business)</b>	<b>42,718</b>	<b>42,578</b>	<b>0.3%</b>
<b>Cost of Sales (Other Businesses)</b>	<b>10,502</b>	<b>6,746</b>	<b>55.7%</b>
<b>SG&amp;A Expenses</b>	<b>20,929</b>	<b>21,253</b>	<b>(1.5)%</b>
<b>Operating Income</b>	<b>6,488</b>	<b>10,593</b>	<b>(38.8)%</b>

Millions of yen

	1Q FY13	1Q FY12	YoY
Network time	26,519	27,705	(4.3)%
Local time	3,504	3,897	(10.1)%
Spot	28,841	32,322	(10.8)%
Broadcasting revenues	58,865	63,926	(7.9)%

## Spot Advertising Revenues From April to June 2013

\*Administrative accounting base

Industry	Share	Last Year Share	YoY	Industry	Share	Last Year Share	YoY
Cosmetics/Toiletries	17.4%	16.8%	(9.4)%	Distribution/Retail	5.0%	6.1%	(28.8)%
Beverage (Non-Alcoholic)	11.8%	9.2%	12.4%	Pharmaceuticals/ Medical Products	4.8%	6.3%	(32.9)%
Foods	9.0%	8.3%	(4.9)%	Finance/Insurance	4.8%	3.6%	17.0%
Autos	6.5%	7.4%	(23.2)%	Precision/Optical Equipment	4.5%	3.7%	6.2%
Telecommunication	6.3%	9.0%	(38.6)%	Travel/Leisure	3.1%	3.0%	(10.9)%
Fast Foods/Services	6.0%	5.5%	(3.0)%	Consumer Electronics	1.7%	2.4%	(39.2)%
Apparel/Accessories	6.0%	4.4%	19.0%	Real Estate/Housing	1.2%	1.8%	(40.2)%
Entertainment	5.8%	7.0%	(26.9)%	Energy/Machinery	0.2%	0.2%	(2.1)%
Beverage (Alcoholic)	5.3%	4.4%	5.9%	Others	0.6%	0.9%	(36.2)%

# Fuji TV: Production Costs

Billions of yen

	FY13	FY12	YoY
1Q	24.1	23.5	2.5%
2Q		25.7	
1H		49.2	
3Q		25.3	
4Q		24.7	
2H		50.1	
Full-year		99.3	

\* Direct costs of in-house production and program purchases

- April-June programming lineup receiving strong support from target audience  
Strong ratings for dramas, centered on teens, F1, and F2 viewer categories  
F1: Female 20-34, F2: Female 35-49

Support for variety programs also growing among families in addition to young people

- Continued strengthening of timetable to capture an even broader audience  
Reinforcing the problem time slots of weekend primetime, and weekday afternoons
- Series of major special programs to be broadcast from fall 2013 to mark Fuji TV's 55th anniversary

Viewer ratings improved from previous quarter

Source: Video Research Ltd.

2013	Jan. – Mar.	Apr. – June
GT	10.5	10.8
PT	10.6	11.2
All	6.9	7.0

GT: 7pm to 10pm, PT: 7pm to 11pm, All: 6am to 12pm

July dramas start with strong ratings



EMERGENCY ROOM 24 HOURS



Power Office Girls 2013

## ■ Other Businesses

	Millions of yen		
	1Q FY13	1Q FY12	YoY
Other Businesses	13,636	8,948	4,687
Event	5,974	969	5,005
Movie	2,664	2,184	479
Video	1,227	1,878	(650)
Merchandizing	1,412	1,424	(12)
Digital	1,323	1,064	259
Other	1,032	1,427	(394)

## ■ Other Broadcasting Business

	Millions of yen		
	1Q FY13	1Q FY12	YoY
Other Broadcasting Business Revenue	8,137	8,296	(159)
Program Sales Revenue	4,525	4,658	(132)
CS Broadcasting Revenues and Other	3,611	3,638	(27)

## ■ *Michael Jackson The Immortal World Tour* a hit event

36 performances in May/June

Ticket sales strong, making significant contribution to earnings

## ■ *WALKING WITH DINOSAURS*

From July 12 to August 25

Yokohama, Nagoya, Osaka, Saitama, Fukuoka, Hiroshima



## ■ Cirque du Soleil “OVO”

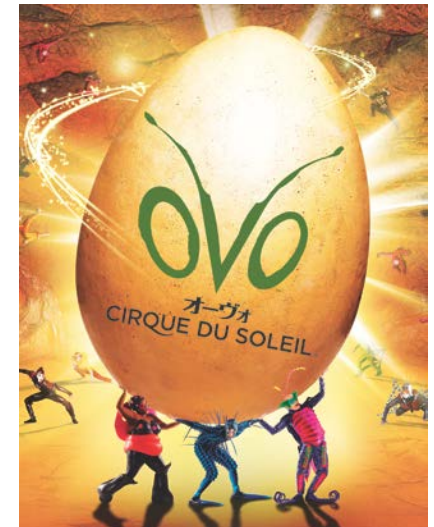
Performance scheduled for February 2014

10th installment of the “super circus”

Expected to bring in considerable earnings



Tokyo performance February 12 – April 13, 2014, at Odaiba Big Top, moving on to Osaka, Nagoya, Fukuoka, and Sendai





- Galileo Series *Midsummer Formula* brings in ¥2.7 billion in box-office revenue\*

\*As of July 29

Top grossing Japanese live-action movie of 2013

- *Dragon Ball Z* (opened March 30) set a record with ¥3.0 billion in box-office revenue

## Upcoming Major Releases

Aug. 3	<i>The After-Dinner Mysteries</i>	Sho Sakurai, Keiko Kitagawa, Kippei Shiina, Masatoshi Nakamura, Rie Miyazawa Movie version of the 2011 best-selling novel, and popular drama
Sep. 28	<i>Like Father, Like Son</i>	Masaharu Fukuyama, Machiko Ono, Yoko Maki, Lily Franky Winner of the Jury Prize at the 66th Cannes Film Festival
Nov. 9	<i>Kiyosu Conference</i>	Kouji Yakusho, You Oizumi, Fumiyo Kohinata, Koichi Sato A blockbuster historical entertainment presented by director Koki Mitani with an all-star cast
Dec. 14	<i>Kanojyo wa Uso wo Aishisugiteru</i>	Takeru Sato, Shohei Miura, Sakurako Ohara, Saki Aibu, Takashi Sorimachi Long-awaited movie version of the runaway hit comic that sold more than 2.9 million copies

- Major hit movies released in the previous fiscal year continue to contribute to earnings

*Bayside Shakedown the Final, One Piece Film Z*

Earnings boosted by package sales, paid online distribution, and sales of broadcast rights



*Like Father, Like Son*



*Kiyosu Conference*



*Kanojyo wa Uso wo Aishisugiteru*



## ■ Continued strong growth for the directly-run mobile download service

- ◆ Rapid growth in viewers using smartphones and tablets driving a new distribution market

## ■ Strong distribution content centered on dramas

- ◆ All episodes of terrestrial broadcast dramas from the April-June programming lineup made available for download

Record high sales for the Thursday 22:00 program *Last Cinderella*

\* Distribution sales during the broadcast period

- ◆ Original online content linked to a variety program was a popular topic

Free, live distribution of the *Mechaike* spinoff “Mechayuru” began at the end of March

New users acquired through mutual links from terrestrial broadcast to free distribution to paid distribution

- Steady growth in the games business

In-house productions, social games, and licensing becoming business cores

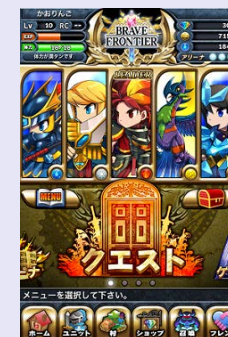
Fuji TV starting to lead business development and alliances in the digital field, including tie-ups with Fuji Startup Ventures (FSV)

- ◆ Alim Co., Ltd. established with investment from FSV fund

App Store game *Brave Frontier* a major hit

Being adapted for Google Play, and multilingual versions for overseas markets

Fuji TV and Alim to collaborate in developing new titles



Ranked 6th best-selling app in the App Store soon after release in July

- Investment in production of Nintendo 3DS game *Battle for Money*, to be released this fall

First title in the series, *Run for Money*, a major hit with total sales of 550,000 copies



# **Performance of Major Subsidiaries Excluding Fuji Television**

## ■ Nippon Broadcasting System (Broadcasting)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	3,462	3,752	(7.7)%
Operating income	79	63	24.8%
Ordinary income	160	128	25.2%
Net income	133	107	23.8%

## ■ Pony Canyon (Video and Music)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	9,822	9,858	(0.4)%
Operating income	(638)	674	---
Ordinary income	(522)	726	---
Net income	(617)	429	---

## ■ Fuji Satellite Broadcasting (BS Fuji) (Broadcasting)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	3,283	2,910	12.8%
Operating income	324	600	(45.9)%
Ordinary income	370	614	(39.8)%
Net income	227	496	(54.1)%

## ■ Dinos (Life Information)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	15,207	15,144	0.4%
Operating income	527	461	14.4%
Ordinary income	579	471	23.0%
Net income	569	510	11.7%

## ■ Quaras (Advertising)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	8,568	7,940	7.9%
Operating income	18	(67)	---
Ordinary income	66	(52)	---
Net income	17	(86)	---

## ■ Cecile (Life Information) \*Consolidated

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	14,271	15,486	(7.8)%
Operating income	104	341	(69.3)%
Ordinary income	93	345	(72.9)%
Net income	60	(862)	---

## ■ Sankei Building (Urban Development)

Millions of yen

	1Q FY13	1Q FY12	YoY
Net sales	4,104	4,950	(17.1)%
Operating income	30	968	(96.9)%
Ordinary income	(138)	772	---
Net income	(79)	507	---

Billions of yen

		FY13		FY14 (Plan)
		1Q (Actual)	Full-year (Plan)	
CAPEX	Consolidated	8.1	31.7	25.4
	Fuji TV	1.2	8.4	9.4
	Urban development	5.9	17.6	14.4
	Fuji Media HD	0.1	0.4	0.4
Depreciation and amortization	Consolidated	4.7	21.4	21.0
	Fuji TV	2.4	11.2	10.5
	Urban development	0.8	3.9	3.9
	Fuji Media HD	0.6	2.5	2.5

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