

# 1H FY12 Results Materials

(Six Months ended September 30, 2012)

**November 12, 2012**

**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.

“FY12” means the fiscal year ending March 31, 2013.

The period from April 1 to September 30 is referred to as “1H.”

The period from July 1 to September 30 is referred to as “2Q.”

- First half increase in consolidated revenue, and substantial rise in earnings – operating income of ¥18.9 billion
  - Sales fell short of forecasts, but operating income exceeded expectations
- ◆ Fuji TV posted revenue and earnings gains
  - Broadcast revenue up year on year in 1H, though 2Q spot advertising sales slowed for a decline
  - Operating income exceeded forecasts, boosted by movie and event gains
- ◆ Newly consolidated Urban Development segment made a significant contribution to performance
  - 1H operating income of ¥2.4 billion exceeded forecasts
- ◆ Production segment posted revenue and earnings gains
  - Sales and profit exceeded forecasts on steady orders for program production and related business
- ◆ Life Information and Video and Music segments posted declines in revenue and earnings
  - Life Information segment affected by poor weather, while the Video and Music segment suffered a year-on-year decline due to rebound from major hits in the previous fiscal year

# 1H FY12 Results Overview

Millions of yen

Consolidated	1H FY12	1H FY11	YoY	Previous Forecasts	Change
Net sales	304,809	284,618	7.1%	305,800	(0.3)%
Operating income	18,973	13,918	36.3%	17,400	9.0%
Ordinary income	27,302	15,054	81.4%	25,800	5.8%
Net income	18,046	8,997	100.6%	17,800	1.4%

Note: Ordinary income includes non-operating income comprising negative goodwill (¥6.8 billion) on acquisition of shares in Kansai Telecasting Corporation.

Millions of yen

Fuji Television	1H FY12	1H FY11	YoY	Previous Forecasts	Change
Net sales	164,295	160,369	2.4%	165,600	(0.8)%
Operating income	13,370	9,876	35.4%	12,600	6.1%
Ordinary income	13,615	10,321	31.9%	12,700	7.2%
Net income	8,010	5,792	38.3%	7,400	8.2%

# 2Q FY12 Results Overview

Millions of yen

Consolidated	2Q FY12	2Q FY11	YoY
Net sales	153,737	144,511	6.4%
Operating income	4,982	6,400	(22.2)%
Ordinary income	5,311	6,128	(13.3)%
Net income	2,797	2,978	(6.1)%

Millions of yen

Fuji Television	2Q FY12	2Q FY11	YoY
Net sales	83,124	83,076	0.1%
Operating income	2,776	5,385	(48.4)%
Ordinary income	2,863	5,656	(49.4)%
Net income	1,627	3,139	(48.2)%

# 1H FY12 Segment Results

	Net Sales					Millions of yen
	1H FY12	1H FY11	YoY	Previous Forecasts	Change	
Broadcasting	176,802	172,257	2.6%	178,200	(0.8)%	
Production	25,734	21,376	20.4%	24,600	4.6%	
Video and music	28,169	29,716	(5.2)%	28,900	(2.5)%	
Life information	61,831	63,580	(2.8)%	64,600	(4.3)%	
Advertising	18,771	18,536	1.3%	17,000	10.4%	
Urban development	15,867	---	---	15,400	3.0%	
Others	12,913	13,093	(1.4)%	13,000	(0.7)%	
Adjustment	(35,280)	(33,942)	---	(35,900)	---	
Consolidated	304,809	284,618	7.1%	305,800	(0.3)%	

## Major Consolidated Subsidiaries

Broadcasting	Fuji Television Network, Fuji Satellite Broadcasting (BS Fuji), Nippon Broadcasting System	Advertising	Quaras, Kyodo Advertising
Production	Kyodo Television, Fuji Creative Corporation, Fuji Art	Urban development	Sankei Building
Video and music	Pony Canyon, Fuji Pacific Music	Others	Fusosha Publishing, Fujimic, Nippon Broadcasting Project
Life information	Dinos, Cecile, Sankei Living Shimbun		

# 1H FY12 Segment Results

	Operating Income					Millions of yen
	1H FY12	1H FY11	YoY	Previous Forecasts	Change	
Broadcasting	14,683	10,963	33.9%	13,700	7.2%	
Production	1,645	862	90.7%	1,100	49.6%	
Video and music	1,212	1,784	(32.0)%	1,200	1.1%	
Life information	(565)	363	---	0	---	
Advertising	(85)	1	---	(100)	---	
Urban development	2,420	---	---	1,900	27.4%	
Others	372	417	(10.7)%	300	24.2%	
Adjustment	(711)	(474)	---	(700)	---	
Consolidated	18,973	13,918	36.3%	17,400	9.0%	

## Major Consolidated Subsidiaries

Broadcasting	Fuji Television Network, Fuji Satellite Broadcasting (BS Fuji), Nippon Broadcasting System	Advertising	Quaras, Kyodo Advertising
Production	Kyodo Television, Fuji Creative Corporation, Fuji Art	Urban development	Sankei Building
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Life information	Dinos, Cecile, Sankei Living Shimbun		

## ■ Consolidated operating income lowered to ¥33.8 billion on downward revisions at Fuji Television

### ◆ Fuji TV

Outlook for 2H broadcast revenue lowered to reflect recent downward trend in spot advertising sales

In non-broadcast revenues, income from movies and other sources expected to remain strong

### ◆ BS Fuji, Production and Urban Development Segments

Steady contribution to earnings expected to continue in 2H

### ◆ Life Information Segment

Whole-year forecasts lowered due to sluggish 1H

However, we maintain our expectation of a year-on-year increase in earnings

### ◆ Video and Music Segment

Whole-year forecasts lowered in response to the plan for 2H releases and other factors



# Revision to FY12 Earnings Forecasts

Millions of yen

Consolidated	Revised Forecast	Previous Forecast	Change
Net sales	622,700	634,500	(11,800)
Operating income	33,800	39,900	(6,100)
Ordinary income	43,200	49,200	(6,000)
Net income	28,000	31,700	(3,700)

Millions of yen

Fuji Television	Revised Forecast	Previous Forecast	Change
Net sales	320,400	332,400	(12,000)
Operating income	20,100	27,000	(6,900)
Ordinary income	20,400	27,200	(6,800)
Net income	11,700	16,000	(4,300)

YoY	2H Revised Forecast	2H Previous Forecast	Full-Year Revised Forecast	Full-Year Previous Forecast
Network time	(2.5)%	(2.0)%	0.2%	0.0%
Local time	(13.4)%	(6.4)%	(6.0)%	(3.0)%
Spot	(11.9)%	(0.9)%	(4.6)%	4.6%
Total	(7.9)%	(1.7)%	(2.5)%	2.0%

# FY12 Segment Forecasts

Millions of yen	Net Sales			Operating Income		
	Revised Forecast	Previous Forecast	Change	Revised Forecast	Previous Forecast	Change
Broadcasting	346,500	357,800	(11,300)	22,200	29,100	(6,900)
Production	49,000	47,400	1,600	2,200	1,800	400
Video and music	59,900	59,600	300	2,400	2,800	(400)
Life information	133,900	136,500	(2,600)	1,500	2,200	(700)
Advertising	38,500	37,800	700	0	100	(100)
Urban development	39,600	39,100	500	5,000	4,600	400
Others	26,200	26,400	(200)	600	600	0
Adjustment	(70,900)	(70,100)	---	(100)	(1,300)	---
Consolidated	622,700	634,500	(11,800)	33,800	39,900	(6,100)

## Major Consolidated Subsidiaries

Broadcasting	Fuji Television Network, Fuji Satellite Broadcasting (BS Fuji), Nippon Broadcasting System	Advertising	Quaras, Kyodo Advertising
Production	Kyodo Television, Fuji Creative Corporation, Fuji Art	Urban development	Sankei Building
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# Fuji Television Results

# Fuji Television: Sales and Operating Expenses

Millions of yen

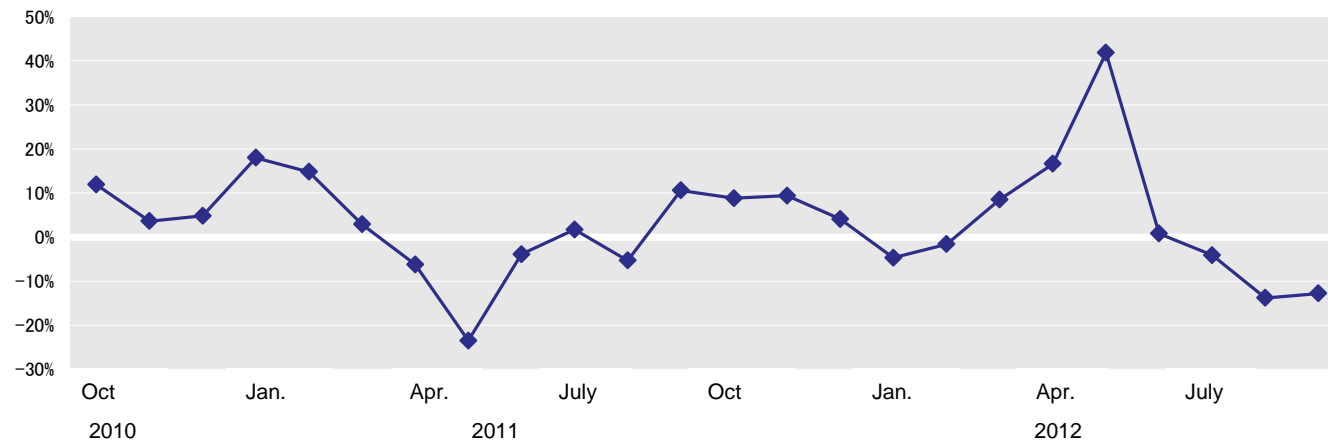
	1H FY12	1H FY11	YoY
<b>Broadcasting Business</b>	<b>139,234</b>	<b>134,106</b>	<b>3.8%</b>
<b>Broadcasting Revenues</b>	<b>122,341</b>	<b>118,326</b>	<b>3.4%</b>
<b>Other Broadcasting Business Revenues</b>	<b>16,892</b>	<b>15,780</b>	<b>7.1%</b>
<b>Other Businesses</b>	<b>25,061</b>	<b>26,262</b>	<b>(4.6)%</b>
<b>Total Sales</b>	<b>164,295</b>	<b>160,369</b>	<b>2.4%</b>
<b>Cost of Sales (Broadcasting Business)</b>	<b>89,002</b>	<b>87,672</b>	<b>1.5%</b>
<b>Cost of Sales (Other Businesses)</b>	<b>20,197</b>	<b>22,991</b>	<b>(12.2)%</b>
<b>SG&amp;A Expenses</b>	<b>41,725</b>	<b>39,827</b>	<b>4.8%</b>
<b>Operating Income</b>	<b>13,370</b>	<b>9,876</b>	<b>35.4%</b>

## Spot Advertising Sales

Millions of yen

	2Q FY12	YoY	1H FY12	YoY
Spot Advertising	24,463	(9.8)%	56,786	4.1%

### Spot Advertising YoY Trend



# Fuji Television: Spot Advertising Sales by Industry FUJI MEDIA HOLDINGS, INC.

**July- Sept. 2012**

\*Administrative accounting base

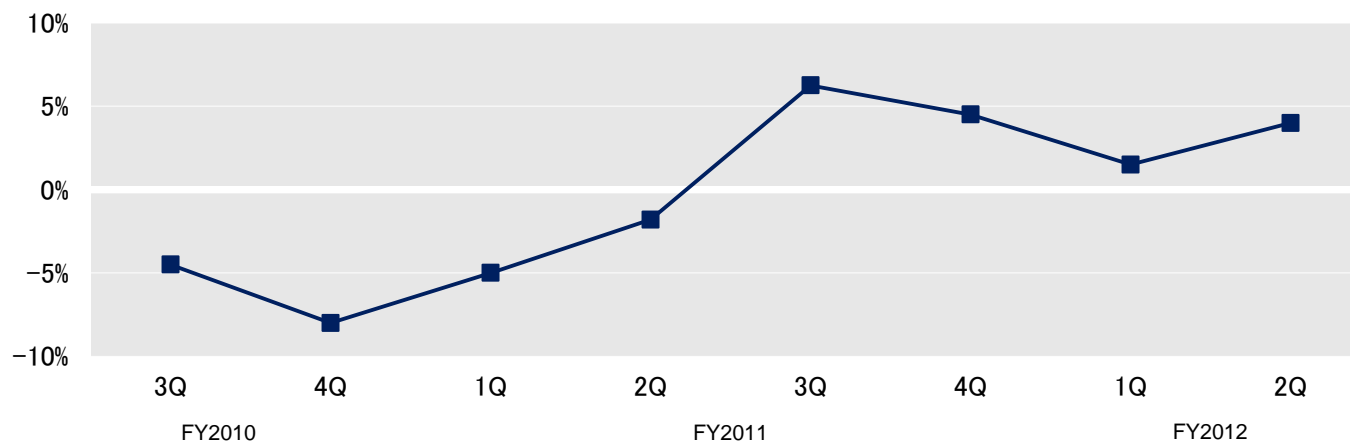
Industry	Share	Share Last Year	YoY	Industry	Share	Share Last Year	YoY
Cosmetics/Toiletries	14.1%	15.3%	(15.9)%	Pharmaceuticals/ Medical Products	5.9%	5.5%	(3.1)%
Telecommunication	9.1%	7.7%	6.6%	Apparel/accessories	5.0%	4.9%	(6.1)%
Entertainment	8.8%	8.7%	(7.6)%	Finance/Insurance	4.3%	3.4%	15.8%
Foods	8.3%	8.2%	(7.8)%	Beverage (Alcoholic)	3.4%	5.0%	(38.3)%
Fast Food/Services	7.3%	8.2%	(18.7)%	Travel/Leisure	3.3%	2.4%	26.1%
Beverage (Non- Alcoholic)	7.0%	8.1%	(20.8)%	Real Estate/Housing	2.9%	2.9%	(8.4)%
Autos	6.4%	5.8%	0.6%	Consumer Electronics	0.8%	0.8%	(16.9)%
Precision/Optical Equipment	6.4%	6.6%	(12.0)%	Energy/Machinery	0.4%	0.3%	(2.4)%
Distribution/Retail	5.9%	4.7%	14.3%	Others	0.7%	1.4%	(52.3)%

## Time Advertising Sales

Millions of yen

	2Q FY12	YoY	1H FY12	YoY
<b>Time Advertising</b>	<b>33,951</b>	<b>4.0%</b>	<b>65,555</b>	<b>2.8%</b>
<b>Network Time</b>	<b>29,872</b>	<b>4.7%</b>	<b>57,577</b>	<b>3.0%</b>
<b>Local Time</b>	<b>4,079</b>	<b>(0.3)%</b>	<b>7,977</b>	<b>1.7%</b>

### Time Advertising Sales YoY Trend



## ■ Renewal of programming and production structure

Sweeping changes to begin from October program lineup

## ■ Clarify focus on young people as main target audience

Overwhelming support of young people will broaden to reach all viewer segments

**Viewer Ratings (From Jan. 2012 to Sept. 2012)**

Source: Video Research Ltd.

	Fuji TV	NTV	TBS	TV Asahi	TV Tokyo
GT	11.6	12.3	9.4	12.0	6.5
PT	11.7	12.2	9.6	12.3	6.1
All	7.5	8.1	6.7	7.6	2.9

Time Slot Definitions: GT (7pm to 10pm), PT (7pm to 11pm), All (6am to 12pm).



# Fuji TV: October Program Lineup

## New “GT” Variety Programs

- ◆ Major programs with a “sense of emergence” placed in golden time slot
- ◆ New, highly original offerings with a familiar “Fuji TV feel”

GT (7pm to 10pm)

*Iron Chef*



*THE WORDS MAKE THE WORLD.*



*Super Infiltration!  
Real Scope HYPER*



## Drama Lineup

- ◆ Strong drama lineup, with all programs off to a positive start

All dramas in the “golden/prime time” slot (19:00-23:00) with initial viewer rating of more than 13%

Drama “PRICELESS” (Mondays at 21:00) launched with 16.9% rating

*PRICELESS*



*High School Entrance Exam*



Mon. 21:00	PRICELESS	Takuya Kimura, Karina, Kiichi Nakai
Tue. 21:00	Late blooming Sunflower – My life renewed-	Toma Ikuta, Yoko Maki
Tue. 22:00	Going My Home	Hiroshi Abe, Tomoko Yamaguchi
Thu. 22:00	Wonderful Single Life	Miho Kanno, Yuki Amami, Hiroshi Tamaki
Sat. 23:10	High School Entrance Exam	Masami Nagasawa Screenplay: Kanae Minato
Sun. 21:00	TOKYO Airport – Air Traffic Service Department	Kyoko Fukada, Asaka Seto, Saburo Tokito

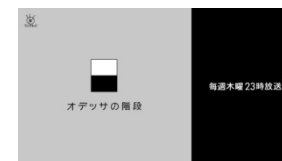
## COOL TV

- ◆ Refreshing of variety programs in the 23:00 slot, with innovative offerings targeting young people in particular
- ◆ Tie-ups with the digital business field, including YouTube, games and mobile apps

*NumerOn*



*Oddesa Steps*



*TERRACE HOUSE*



Billions of yen			
	FY12	FY11	YoY
1Q	23.5	24.1	(2.8)%
2Q	25.7	24.0	7.0%
1H	49.2	48.2	2.1%
3Q		26.6	
4Q		24.3	
2H		51.0	
Full-Year		99.3	

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

- ◆ Production costs for Olympics-related broadcasts recorded in 2Q
- ◆ Costs controlled for whole-year period, in line with initial policy

## ■ Other Broadcasting Business

Millions of yen

	1H FY12	1H FY11	Change
Other Broadcasting Business Revenue	16,892	15,780	1,112
Program Sales Revenue	9,382	9,148	234
CS Broadcasting Revenues and Other	7,510	6,631	878

## ■ Other Businesses

Millions of yen

	1H FY12	1H FY11	Change
Other Businesses	25,061	26,262	(1,201)
Event	6,617	9,717	(3,099)
Movie	6,497	4,841	1,655
Video	2,908	3,588	(679)
Merchandizing	4,131	3,812	318
Digital	2,197	1,971	225
Other	2,709	2,331	377

## Top three movies in terms of box-office revenue

2012 ranking of total annual revenues, including both Japanese and foreign movies

As of Nov. 11, 2012		(Box-Office Revenues)	(Audience)
1	<i>BRAVE HEARTS Umizaru</i>	¥7.2 bn	5.8 mn
2	<i>THERMAE ROMAE</i>	¥5.9 bn	4.7 mn
3	<i>BAYSIDE SHAKEDOWN THE FINAL</i>	¥5.7 bn	4.57 mn



*CARE WORKER GANG*



*One Piece Film Z*



*Strawberry Night*

## ◆ Release plans for other major and highly-anticipated productions

Nov. 17	<i>CARE WORKER GANG</i>	Tsuyoshi Kusanagi, Narumi Yasuda, Kaho, Teruyuki Kagawa
Dec. 15	<i>One Piece Film Z</i>	General producer Eiichiro Oda
Jan. 26	<i>Strawberry Night</i>	Yuko Takeuchi, Hidetoshi Nishijima, Takao Osawa



First strategic joint project  
*Despicable Me 2* (tentative title)  
 Release planned for summer 2013

## Strategic alliances for overseas business development

## ◆ Tie-up with U.S. movie production company Illumination Entertainment

Scope of deal includes joint production of movies and animated features for worldwide distribution, and character development

## King Tut Exhibition

- ◆ Following success in Osaka, Tokyo venue a major hit, with a total of 1.6 million visitors (Osaka and Tokyo)

Popularity of show among broad range of people driving earnings—  
exhibition period extended

The Ueno Royal Museum From Aug. 4 to Jan. 20, 2013

A variety of merchandise sales contributing to earnings



Canopic jar shaped like  
Tutankhamun's coffin  
(Vessel to store viscera)

## One Piece

Large-scale exhibition event “Grand Arena Tour”

Major success in Saitama, Ehime and Fukui in Aug. and Sept.

Shows planned in six cities nationwide, including Sendai,  
Kumamoto and Hiroshima From Nov. 2012 to Sept. 2013



One Piece Grand Arena Tour

## Furusato Matsuri Tokyo

Planned for January 12-20, 2013 at Tokyo Dome

Regular family-oriented event expected to generate steady earnings

## Video Business

- ◆ Earnings driven by Blu-ray and DVD sales of dramas

*No More Kidnapping, Second to Last Love*

Sales of Blu-ray box sets of the serial drama of *Umizaru* increased following the hit movie release



Blu-ray and DVD release of *Second to Last Love*

## Merchandising Business

- ◆ Popular programs and hit movies contribute to earnings

*One Piece, What A COOL we are!, Tunnels Thanks to Everybody*

*BRAVE HEARTS Umizaru, BAYSIDE SHAKEDOWN THE FINAL*

- ◆ Range of merchandise planned for the new *Iron Chef* program launched in October

- ◆ *Chuggington* growing to become well-known railway character

Expansion of product lineup, including full-scale development of PLA RAIL toy series



*Tunnels Thanks to Everybody*  
Hit product tied to program offering



## Online Program Distribution Business

### ◆ Hit dramas popular with young viewers boost earnings

Online distribution revenue for *Rich Man, Poor Woman*, broadcast in the July-September programming quarter, reached record highs\*

\*Online reruns of missed episodes of Fuji TV dramas, three-month cumulative figure

### ◆ Distributions for smartphones popular, attracting new customers

## Game Business

### ◆ The first tie-up project with game company Gree, “IDOL☆J@M” a hit

Coordination with various real events and live shows broadens fan base



Players create their own pop idols with the “IDOL☆J@M” card game

### ◆ In-house game titles long-running hits, generating stable revenue

Updates and expanded content sustains popularity over long term (*Moyashimon: Tales of Agriculture*, *THERMAE ROMAE*, etc.)

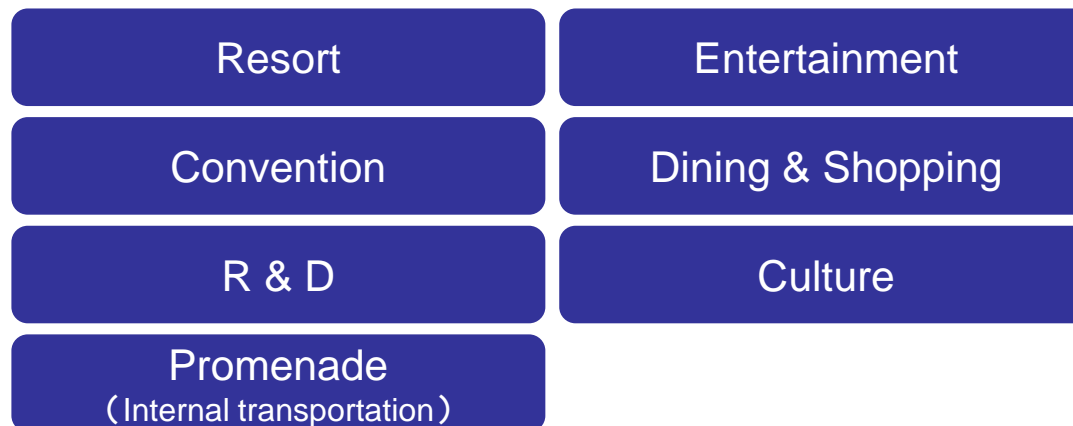
### ◆ Game tie-up for *Numer0n*, a new regular program from October

Total downloads exceed one million, rising sharply after start of regular broadcasts

## Tokyo DAIBA・MICE/IR Joint proposal for an International Tourism Strategy Comprehensive Zone

- ◆ Strengthen structure of the dedicated team for the Special Zone business
- ◆ Create a draft proposal for the current stage with project summary and other information, and submit it to the Tokyo metropolitan government  
Continue to analyze business schemes and other ideas

### Business image in the Zone



**MICE/IR: Meeting Incentive Convention Event/Exhibition Integrated Resort**



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

## Nippon Broadcasting System (Broadcasting)

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	8,039	8,606	(6.6)%
Operating income	256	192	33.1%
Ordinary income	336	164	104.5%
Net income	317	155	103.7%

## Pony Canyon (Video and Music)

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	21,765	23,634	(7.9)%
Operating income	814	1,917	(57.5)%
Ordinary income	887	2,019	(56.1)%
Net income	507	1,364	(62.8)%

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

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	5,759	4,323	33.2%
Operating income	979	829	18.0%
Ordinary income	999	852	17.3%
Net income	720	850	(15.2)%

## Dinos (Life Information)

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	28,184	28,126	0.2%
Operating income	27	480	(94.3)%
Ordinary income	41	533	(92.2)%
Net income	86	523	(83.5)%

## Quaras (Advertising)

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	17,542	17,149	2.3%
Operating income	7	(53)	---
Ordinary income	7	(9)	---
Net income	(39)	(22)	---

## Cecile (Life Information) \*Consolidated

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	26,630	28,077	(5.2)%
Operating income	53	507	(89.5)%
Ordinary income	63	571	(88.9)%
Net income	(2,783)	489	---

## Sankei Building (Urban Development)

Millions of yen

	1H FY12	1H FY11	YoY
Net sales	12,026	9,925	21.2%
Operating income	2,093	2,183	(4.2)%
Ordinary income	1,599	1,510	5.9%
Net income	991	881	12.4%

Note: Fiscal 2011 figure are reference only, as the company was an equity-method affiliate.

# **Dividend Forecast/ CAPEX Plan**

- Annual dividend forecast maintained at ¥4,400 per share

Yen

	Interim	Year-end	Annual
<b>FY2012 (Forecast)</b>	<b>2,200</b>	<b>2,200</b>	<b>4,400</b>
<b>FY2011</b>	<b>800</b>	<b>2,800</b>	<b>3,600</b>
<b>FY2010</b>	<b>800</b>	<b>1,000</b>	<b>1,800</b>
<b>FY2009</b>	<b>800</b>	<b>800</b>	<b>1,600</b>

Billions of yen

		FY12		FY13 (Plan)
		1H (Actual)	Full-year (Plan)	
CAPEX	Consolidated	8.1	20.5	19.6
	Fuji TV	3.8	8.9	8.8
	Urban development	2.2	7.4	2.5
	Fuji Media HD	0.0	0.5	0.4
Depreciation and amortization	Consolidated	11.1	22.7	22.6
	Fuji TV	5.4	11.6	11.4
	Urban development	1.6	3.8	3.8
	Fuji Media HD	2.2	3.7	2.6

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