

# 1Q FY15 Results Materials

(Three Months ended June 30, 2015)

July 30, 2015  
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.

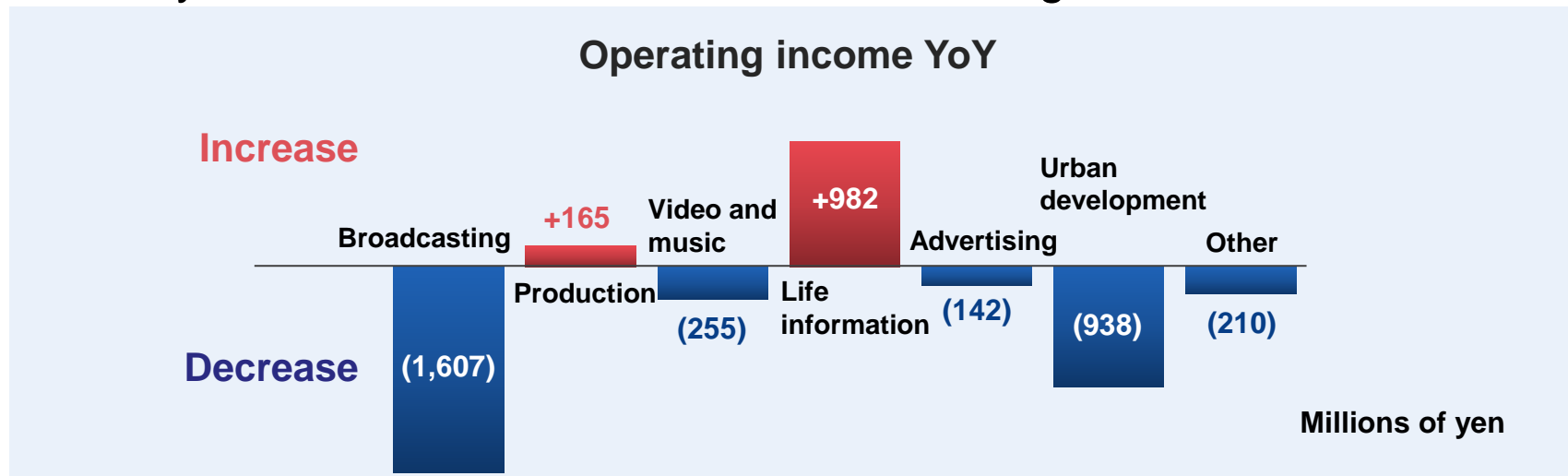
These materials may contain information about financial targets, forecasts, and other forward looking statements regarding Fuji Media Holdings, Inc., its affiliates, and investees. Actual results may differ substantially due to a variety of factors, including changes in business management, economic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

“FY15” means the fiscal year ending March 31, 2016.

The period from April 1, 2015 to June 30, 2015 is referred to as “1Q.”

# 1Q FY15 Financial Highlights

Consolidated operating income of ¥4.4 billion  
Year-on-year decline in both revenue and earnings



## Fuji TV

- Broadcast revenues lower on rebound decline from last year's World Cup Soccer
- Decline in movies and events on rebound decline from major productions last year

## Life Information

- Considerable improvement at Cecile business, Dinos business also performing well
- Success of new measures raised revenue, profitability regained

## Video and Music

- No major hits in 1Q, revenue decline and operating loss
- Focused amortization of poorly received and unprofitable titles

## Urban Development

- Residential sales and building leases firm, though revenue decreased on rebound decline from asset sales in previous year
- Contribution from strong performance at GRANVISTA, hotels and leisure facilities
- One-time recording of acquisition-related expenses for GRANVISTA

# 1Q FY15 Business Results

Millions of yen

Consolidated	1Q FY15	1Q FY14	YoY
Net Sales	148,859	151,307	(1.6)%
Operating Income	4,476	6,667	(32.9)%
Ordinary Income	6,612	8,617	(23.3)%
Net Income Attributable to Owners of the Parent	4,232	5,045	(16.1)%

Millions of yen

Fuji TV	1Q FY15	1Q FY14	YoY
Net Sales	71,856	79,596	(9.7)%
Operating Income	3,663	5,174	(29.2)%
Ordinary Income	3,970	5,306	(25.2)%
Net Income	2,618	3,321	(21.2)%

# 1Q Segment Results

Millions of yen

	Net sales			Operating income		
	1Q FY15	1Q FY14	YoY	1Q FY15	1Q FY14	YoY
Broadcasting	78,608	86,162	(8.8)%	4,293	5,900	(27.2)%
Production	11,616	11,184	3.9%	535	370	44.7%
Video and Music	11,459	12,249	(6.4)%	(643)	(387)	---
Life Information	33,341	32,400	2.9%	121	(860)	---
Advertising	8,927	10,291	(13.2)%	(40)	102	---
Urban Development	14,255	8,627	65.2%	130	1,069	(87.8)%
Other	6,326	6,432	(1.7)%	13	223	(93.9)%
Adjustment	(15,677)	(16,041)	---	64	249	---
Consolidated	148,859	151,307	(1.6)%	4,476	6,667	(32.9)%

## Major Consolidated Subsidiaries

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

<b>Advertising</b>	Quaras*
<b>Urban Development</b>	Sankei Building, GRANVISTA Hotels & Resorts
<b>Others</b>	Fusosha Publishing, Fujimic, Nippon Broadcasting Project

\*Quaras and Kyodo Advertising are merged in October 2014.

# FY15 Earnings Forecasts (Revision: None)

Millions of yen

Consolidated	1H	YoY	2H	YoY	Full-year	YoY
Net Sales	324,000	5.7%	346,000	2.8%	670,000	4.1%
Operating Income	8,000	(16.0)%	22,200	37.8%	30,200	17.8%
Ordinary Income	10,500	(39.4)%	24,700	39.0%	35,200	0.3%
Net Income Attributable to Owners of the Parent	6,200	(49.0)%	16,100	107.8%	22,300	12.0%

Millions of yen

Fuji TV	1H	YoY	2H	YoY	Full-year	YoY
Net Sales	154,800	(1.4)%	156,500	2.3%	311,300	0.4%
Operating Income	2,400	(40.3)%	8,600	27.7%	11,000	2.3%
Ordinary Income	2,800	(32.5)%	9,100	34.1%	11,900	8.8%
Net Income	1,600	(35.4)%	5,700	93.8%	7,300	34.7%

# 1H FY15 Segment Earnings Forecasts (Revision: None) FUJI MEDIA HOLDINGS, INC.

Millions of yen

	Net sales			Operating income		
	1H FY15 (Forecast)	1H FY14 (Actual)	YoY	1H FY15 (Forecast)	1H FY14 (Actual)	YoY
Broadcasting	169,000	170,305	(0.8)%	4,100	5,641	(27.3)%
Production	25,000	25,082	(0.3)%	1,100	1,285	(14.4)%
Video and Music	28,200	27,699	1.8%	400	(56)	---
Life Information	63,200	62,169	1.7%	(1,100)	(1,550)	---
Advertising	20,800	21,400	(2.8)%	200	224	(10.8)%
Urban Development	37,800	21,355	77.0%	2,900	3,186	(9.0)%
Other	13,200	12,992	1.6%	400	493	(18.9)%
Adjustment	(33,200)	(34,363)	---	0	294	---
Consolidated	324,000	306,641	5.7%	8,000	9,518	(16.0)%

## Major Consolidated Subsidiaries

<b>Broadcasting</b>	Fuji Television Network, Nippon Broadcasting System, Fuji Satellite Broadcasting (BS Fuji)
<b>Production</b>	Kyodo Television, Fuji Creative Corporation, Fuji Art
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\*Quaras and Kyodo Advertising are merged in October 2014.

# FY15 Segment Earnings Forecasts (Revision: None)



Millions of yen

	Net sales			Operating income		
	FY15 (Forecast)	FY14 (Actual)	YoY	FY15 (Forecast)	FY14 (Actual)	YoY
Broadcasting	340,200	341,925	(0.5)%	13,800	13,331	3.5%
Production	50,700	51,405	(1.4)%	2,500	2,658	(6.0)%
Video and Music	55,600	56,873	(2.2)%	1,800	1,160	55.2%
Life Information	138,300	134,538	2.8%	1,200	(607)	---
Advertising	42,500	43,201	(1.6)%	400	472	(15.3)%
Urban Development	82,100	57,129	43.7%	9,500	7,319	29.8%
Other	27,100	27,289	(0.7)%	800	943	(15.2)%
Adjustment	(66,500)	(69,049)	---	200	351	---
Consolidated	670,000	643,313	4.1%	30,200	25,628	17.8%

## 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*
Urban Development	Sankei Building, GRANVISTA Hotels & Resorts
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# Fuji Television Results

Millions of yen

	1Q FY15	1Q FY14	YoY
<b>Broadcasting Business</b>	<b>63,003</b>	<b>67,938</b>	<b>(7.3)%</b>
<b>Broadcasting Revenues</b>	<b>54,964</b>	<b>59,995</b>	<b>(8.4)%</b>
<b>Other Broadcasting Business Revenues</b>	<b>8,038</b>	<b>7,942</b>	<b>1.2%</b>
<b>Other Businesses</b>	<b>8,853</b>	<b>11,657</b>	<b>(24.1)%</b>
<b>Total Net Sales</b>	<b>71,856</b>	<b>79,596</b>	<b>(9.7)%</b>
<b>Cost of Sales (Broadcasting Business)</b>	<b>40,851</b>	<b>44,381</b>	<b>(8.0)%</b>
<b>Cost of Sales (Other Businesses)</b>	<b>7,296</b>	<b>8,947</b>	<b>(18.5)%</b>
<b>SG&amp;A Expenses</b>	<b>20,044</b>	<b>21,093</b>	<b>(5.0)%</b>
<b>Operating Income</b>	<b>3,663</b>	<b>5,174</b>	<b>(29.2)%</b>

# Fuji TV: Time and Spot Advertising Revenues

	1Q FY15	1Q FY14	YoY
Network time	24,053	27,463	(12.4)%
Local time	3,351	3,526	(5.0)%
Spot	27,559	29,005	(5.0)%
<b>Total broadcasting revenues</b>	<b>54,964</b>	<b>59,995</b>	<b>(8.4)%</b>

Millions of yen

## Spot Advertising YoY Trend by Industry April to June 2015 \*Administrative accounting base

Industry	Share	Last Year Share	YoY	Industry	Share	Last Year Share	YoY
Cosmetic/Toiletries	19.2%	17.7%	1.4%	Apparel/Accessories	4.4%	4.9%	(16.2)%
Telecommunication	10.7%	11.9%	(15.3)%	Travel/Leisure	4.1%	4.7%	(19.0)%
Beverage (Non-Alcoholic)	10.3%	10.9%	(11.5)%	Precision/Optical Equipment	4.1%	2.8%	37.0%
Foods	9.6%	8.3%	7.2%	Beverage (Alcoholic)	3.8%	5.0%	(28.5)%
Fast Foods/Services	6.5%	4.8%	24.7%	Distribution/Retail	3.8%	4.7%	(24.2)%
Entertainment	5.3%	5.1%	(2.9)%	Real Estate/Housing	1.5%	1.3%	9.9%
Finance/Insurance	5.2%	6.1%	(20.8)%	Consumer Electronics	1.3%	1.8%	(32.1)%
Autos	5.0%	5.3%	(12.2)%	Energy/Machinery	0.2%	0.4%	(65.5)%
Pharmaceuticals/ Medical Products	4.7%	3.5%	24.6%	Others	0.3%	0.6%	(57.2)%

## Continued strengthening of programming timetable with new shows and projects

- Daytime variety programs, afternoon and evening news and information programs aiming further established
- Strong regular variety programs being developed for Golden Time

We are incorporating major one-off programs, and creating buzz through links with events and movies.

Major sporting events to be broadcast in summer



FIVB VOLLEYBALL  
WORLD CUP JAPAN 2015



EAFF EAST ASIAN CUP 2015

# Fuji TV: Production Costs

Billions of yen

	FY15	FY14	YoY
1Q	22.2	26.0	(14.6)%
2Q		25.6	
1H		51.6	
3Q		25.1	
4Q		24.0	
2H		49.1	
Full-year		100.7	

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

## Other Businesses

Millions of yen

	1Q FY15	1Q FY14	YoY
Other Businesses	8,853	11,657	(2,804)
Event	2,467	3,258	(790)
Movie	1,665	3,488	(1,822)
Video	614	988	(373)
Merchandising	1,247	1,383	(135)
Digital	1,855	1,601	254
Other	1,001	938	62

## Other Broadcasting Business

Millions of yen

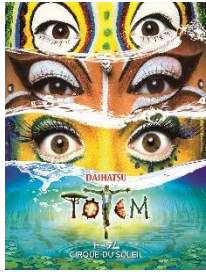
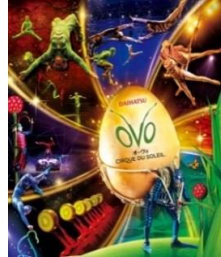
	1Q FY15	1Q FY14	YoY
Other Broadcasting Business Revenue	8,038	7,942	96
Program Sales Revenue	4,480	4,486	(5)
CS Broadcasting Revenues and Other	3,558	3,456	101

## Event Business

### ■ Cirque du Soleil

**OVO**

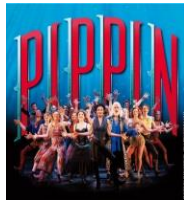
From Feb. 2014 to June 2015  
Total audience: 1,324,800 viewers



Next production: **Totem**  
Starts Feb. 2016

### Broadway musical *Pippin*

2013 Tony Award  
winning work  
From Sept. 4 to 20



### **ULTRA JAPAN**

Large-scale dance music  
event that was a major  
success last year  
Held in the Odaiba area



From Sept. 19 to 21



### Super Kabuki II **ONE PIECE**

The world of the popular  
manga **ONE PIECE** performed  
on the kabuki stage  
From Oct. 7 to Nov. 25

## Movie Business

### ■ Contribution to earnings expected from *HERO* and other major works

# HERO

Box office revenues exceed  
¥2.0 billion (as of July 28)

Increase buzz with various promotions,  
including supporting advertising and  
events



**Our little sister**  
Film by director Hirokazu  
Koreeda

Box office revenues exceed  
¥1.5 billion (as of July 28)

### **Dragon Ball Z Resurrection 'F'**



Box office revenues exceed ¥3.7 billion  
Overseas sales also positive

### Lineup of upcoming titles

Sep. 5	<b>UNFAIR – the end</b> Third and final segment of the film adaptation of the hit drama Starring: Ryoko Shinhara
Oct. 24	<b>Galaxy Turnpike</b> Latest work from director Koki Mitani, who has created numerous hits including <i>SUITE DREAMS</i> , which generated ¥6.08 billion in box office revenues Starring: Shingo Katori, Haruka Ayase
Dec. 23	<b>CHIBI MARUKO CHAN</b> 25th anniversary movie for the nationally popular anime series
Winter	<b>Nobunaga Concerto - Fuji TV 55th anniversary project</b> Major production following the anime series and serial drama Starring: Shun Oguri

## Digital Businesses

### Program Streaming



- **Achieve growth as an independent platform by expanding charged and free content, and launching new services**

Sales of more than 100,000 e-book titles (comics and novels), including the original works of dramas and movies

Magazine content service launched for paying members



### アニメ見放題

Anime unlimited viewing service launched in summer 2015

Over 1,000 episodes / Monthly fee-based service

- **Sell advertising slots as a new source of revenue for the streaming business**

Free streaming of programs with advertisements immediately following terrestrial broadcast

### Games

- **In-house developed games making steady contribution to earnings**

Original game titles rising in popularity  
New title *Mangrove and Mysterious Bears*

Titles such as *THERMAE ROMAE* and *GeGeGe no Kitaro-Yokai Yokocho* continue to perform well



- **High expectations for sequels to major hit series**

*Run for Money 2*

NINTENDO 3DS Soft released on July 9



- **Fuji&gumi Games**

*Phantom of the Kill* –

More than 2 million downloads

Next title in development





# Performance of Major Subsidiaries Excluding Fuji Television

## Broadcasting BS Fuji

- Time ad sales driving revenue gains

New programs launched in April contributing to revenues



Saturdays 21:00

Popularity established for live information program launched in April

Sales positive

- Continual introduction of potent new programs and one-off programming

Starting in Oct. – 15th anniversary drama  
**BAR LEMON•HART**



Live-action version of the popular comic with series cumulative sales of 8.4 million copies

Broadcast planned for fall 2015  
Nobuyuki Tsujii / World Music Travel Series  
**Vienna, Beethoven, Yutaka Sado**



5th installment in the popular music travel series hosted by Nobuyuki Tsujii, the “pianist most difficult to get tickets to see”

## Video and music Pony Canyon

- Expand business beyond package products

Develop diverse revenue sources, including live performances, events, streaming, and merchandise



**Free!-Eternal Summer-**

Participate and invest in anime projects from the production stage  
Acquire broad range of rights

Special event held at the National Sumo Stadium

Around 20,000 fans gathered, ticket and merchandise sales positive



Plans for release of Blu-ray/  
DVD recording of the special event (Aug. 19 release)

**Free!-Eternal Summer-  
Special event Iwatobi and Samezuka  
Joint Cultural Festival**



- Continue effective cost management, and improve profitability

## Life information Dinos Cecile

Cecile business performance improving

- Major revision to product lineup and catalogue  
Revenue gain on recover in sales centered on newly offered high-quality products
- Profitability regained through lower manufacturing costs, efficient promotions, and other cost control measures

### ■ Contribution from high quality, higher price range products

Beauty and health products selling well



Weight-loss beauty instruments a hit

Sales of innerwear also rising



New original products with improved materials are popular

*Ladies' Cecile*



Cover design revised

## Urban development Sankei Building/GRANVISTA

Newly consolidated GRANVISTA contributing to earnings

### [Sankei Building]

- Building leasing and residential sales firm
- 1Q earnings down YoY on rebound decline from sales of assets last year

### [GRANVISTA Hotels & Resorts]

- Capturing inbound demand from foreign visitors, positive performance for major hotels in Sapporo and Kamogawa Seaworld, high utilization rates expected for summer



## ■ Nippon Broadcasting System (Broadcasting)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	3,462	3,572	(3.1)%
Operating Income	58	87	(32.8)%
Ordinary Income	135	167	(18.8)%
Net Income	132	152	(13.1)%

## ■ Pony Canyon (Video and Music)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	8,022	8,381	(4.3)%
Operating Income	(714)	(629)	---
Ordinary Income	(613)	(535)	---
Net Income	(719)	(620)	---

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

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	3,874	3,590	7.9%
Operating Income	613	702	(12.7)%
Ordinary Income	643	732	(12.0)%
Net Income	430	469	(8.4)%

## ■ Dinos Cecile (Life Information)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	29,808	28,388	5.0%
Operating Income	365	(521)	---
Ordinary Income	393	(500)	---
Net Income	374	(212)	---

## ■ Quaras (Advertising)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	8,927	10,861	(17.8)%
Operating Income	(40)	99	---
Ordinary Income	79	142	(44.1)%
Net Income	39	29	31.7%

Note: Figures prior to the merger in October 2014 are the combined total of Quaras and Kyodo Advertising.

## ■ Sankei Building (Urban Development)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	5,315	6,840	(22.3)%
Operating Income	344	919	(62.5)%
Ordinary Income	134	716	(81.2)%
Net Income	104	543	(80.7)%

## ■ GRANVISTA Hotels & Resorts (Urban Development)

Millions of yen

	1Q FY15	1Q FY14	YoY
Net Sales	6,516	---	---
Operating Income	480	---	---
Ordinary Income	372	---	---
Net Income	226	---	---

Note: Consolidated subsidiary from April 2015.

Billions of yen

		FY15		FY16 (Plan)
		1Q (Actual)	Full-year (Plan)	
CAPEX	Consolidated	14.6	47.6	35.8
	Fuji TV	1.7	7.5	7.5
	Urban development	12.3	35.8	25.8
	Fuji Media HD	0.0	0.4	0.5
Depreciation and amortization	Consolidated	4.7	20.2	20.2
	Fuji TV	2.1	8.9	8.8
	Urban development	1.1	5.2	5.1
	Fuji Media HD	0.5	2.4	2.4

P. 15: Photos: Matt Beard Costumes: Kym Barrett © 2014 Cirque du Soleil  
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