

# **3Q FY2010 Results Materials**

**(Nine months ended December 31, 2010)**

**February 3, 2011**  
**Fuji Media Holdings, Inc.**

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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.

“FY10” means the fiscal year ending March 31, 2011.

The period from October 1 to December 31 is referred to as “3Q.”

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# Highlights of 3Q FY10 Results

- **Broadcasting segment continues to post revenue and earnings gains**  
Results improve in all segments, with considerable increases in earnings
  
- ◆ **Fuji TV's broadcasting business and non-advertising businesses both positive**
  - ◆ Spot advertising sales rise considerably, as broadcasting revenues post third consecutive quarter of year-on-year gains
  - ◆ “Triple Crown” in viewer ratings for seventh consecutive year
  - ◆ Hit movies including *The Last Message Umizaru* and *SP The Motion Picture: Ambition*
  
- ◆ **Video and Music and Life Information segments registers earnings increase**
  - ◆ Pony Canyon posts revenue and earnings gains on hit anime and drama DVD titles
  - ◆ Dinos and Cecile achieve greater earnings on continued cost reductions

# Results Overview

(Millions of Yen)

Consolidated	3Q (Oct.-Dec.)			Nine months (Apr.-Dec.)		
	FY10	FY09	Change	FY10	FY09	Change
Net Sales	154,658	154,607	0.0%	447,922	435,382	2.9%
Operating Income	12,013	3,103	287.0%	23,671	5,882	302.4%
Ordinary Income	12,979	4,268	204.1%	27,065	8,899	204.1%
Net Income	7,502	3,497	114.5%	13,584	6,520	108.3%

Fuji Television	3Q (Oct.-Dec.)			Nine months (Apr.-Dec.)		
	FY10	FY09	Change	FY10	FY09	Change
Net Sales	83,350	81,546	2.2%	250,361	245,464	2.0%
Operating Income	8,554	3,014	183.8%	18,097	6,133	195.0%
Ordinary Income	8,625	3,032	184.5%	18,437	6,409	187.6%
Net Income	4,598	2,534	81.5%	9,953	4,020	147.6%

# 3Q Segment Results (Three months ended Dec. 31)

(Millions of Yen)

	Sales			Operating Income		
	3Q FY10	3Q FY09	Change	3Q FY10	3Q FY09	Change
Broadcasting	88,410	87,918	0.6%	8,406	2,954	184.5%
Production	11,406	10,272	11.0%	670	320	108.8%
Video and Music	16,696	14,236	17.3%	1,132	(288)	---
Life Information	37,021	39,288	(5.8)%	1,998	1,085	84.1%
Advertising	10,394	11,397	(8.8)%	(9)	(142)	---
Other	6,786	7,208	(5.9)%	143	(19)	---
Adjustment	(16,058)	(15,714)	---	(328)	(807)	---
Consolidated	154,658	154,607	0.0%	12,013	3,103	287.0%

## Major Consolidated Subsidiaries

<b>Broadcasting</b>	Fuji Television Network, Nippon Broadcasting System	<b>Life Information</b>	Dinos, Cecile, Sankei Living Shimbun
<b>Production</b>	Kyodo Television, Fuji Creative Corporation, Fuji Art	<b>Advertising</b>	Quaras, Kyodo Advertising
<b>Video and Music</b>	Pony Canyon, Fuji Pacific Music	<b>Other</b>	Fusosha Publishing, Fujimic, Nippon Broadcasting Project

# Apr. – Dec. Segment Results (Nine months ended Dec. 31)



(Millions of Yen)

	Sales			Operating Income		
	FY10 Apr. – Dec.	FY09 Apr. – Dec.	Change	FY10 Apr. – Dec.	FY09 Apr. – Dec.	Change
Broadcasting	264,786	261,882	1.1%	18,091	6,307	186.8%
Production	33,824	32,172	5.1%	1,538	1,267	21.4%
Video and Music	48,131	46,191	4.2%	2,557	(91)	---
Life Information	98,467	88,545	11.2%	2,071	536	286.2%
Advertising	31,478	33,564	(6.2)%	(77)	(211)	---
Other	20,226	21,866	(7.5)%	448	50	785.3%
Adjustment	(48,993)	(48,841)	---	(958)	(1,976)	---
Consolidated	447,922	435,382	2.9%	23,671	5,882	302.4%

## Major Consolidated Subsidiaries

<b>Broadcasting</b>	Fuji Television Network, Nippon Broadcasting System	<b>Life Information</b>	Dinos, Cecile, Sankei Living Shimbun
<b>Production</b>	Kyodo Television, Fuji Creative Corporation, Fuji Art	<b>Advertising</b>	Quaras, Kyodo Advertising
<b>Video and Music</b>	Pony Canyon, Fuji Pacific Music	<b>Other</b>	Fusosha Publishing, Fujimic, Nippon Broadcasting Project

- Upward revision to full-year forecast for consolidated operating income to ¥23.7 billion
  
- ◆ Fuji TV operating income forecast revised upward to over ¥20 billion
  - ◆ Full-year forecast for broadcast revenue revised to year-on-year gain; estimates raised for both time and spot advertising
  - ◆ Controls firmly maintained on program production and other costs
  
- ◆ Video and Music, and Life Information segment forecasts revised downward
  - ◆ Video and Music segment to record expenses for inventory reduction
  - ◆ Life Information segment sales expected to decline under difficult business conditions
    - Standardization of accounting methods in the catalogue sales business resulted in shift of quarterly costs

# Revision to FY10 Earnings Forecasts

(Millions of Yen)

Consolidated	Revised Forecast	Previous Forecast	Change	Change
Net Sales	592,100	592,400	(300)	(0.1)%
Operating Income	23,700	21,700	2,000	9.2%
Ordinary Income	26,700	24,000	2,700	11.3%
Net Income	11,400	9,400	2,000	21.3%

(Millions of Yen)

Fuji Television	Revised Forecast	Previous Forecast	Change	Change
Net Sales	330,200	327,600	2,600	0.8%
Operating Income	20,400	17,400	3,000	17.2%
Ordinary Income	20,700	17,700	3,000	16.9%
Net Income	11,200	8,500	2,700	31.8%

	2H Revised Forecast	2H Previous Forecast	Revised FY10 Forecast	Previous FY10 Forecast
Network Time	(4.3)%	(4.5)%	(4.1)%	(4.2)%
Local Time	(9.7)%	(23.2)%	(9.8)%	(16.5)%
Spot	8.2%	1.9%	8.7%	5.4%
Broadcasting Revenue	1.2%	(2.8)%	1.3%	(0.7)%

# Revision to FY10 Segment Forecasts

(Billions of Yen)

	Sales				Operating Income			
	Revised Forecast	Previous Forecast	Change	Change	Revised Forecast	Previous Forecast	Change	Change
Broadcasting	348.2	345.8	2.4	0.7%	20.2	17.4	2.8	16.1%
Production	44.9	43.7	1.2	2.7%	1.6	1.5	0.1	6.7%
Video and Music	65.3	62.2	3.1	5.0%	2.2	2.8	(0.6)	(21.4)%
Life Information	129.2	134.0	(4.8)	(3.6)%	0.7	1.0	(0.3)	(30.0)%
Advertising	43.2	43.5	(0.3)	(0.7)%	(0.1)	(0.1)	0.0	---
Other	27.9	28.0	(0.1)	(0.4)%	0.4	0.5	(0.1)	(20.0)%
Adjustment	(66.7)	(64.8)	---	---	(1.3)	(1.4)	---	---
Consolidated	592.1	592.4	(0.3)	(0.1)%	23.7	21.7	2.0	9.2%

# Fuji Television Results

# Fuji Television: Sales and Operating Expenses



(Millions of Yen)

	3Q (Oct.-Dec.)			Nine months (Apr.-Dec.)		
	FY10	FY09	Change	FY10	FY09	Change
<b>Broadcasting Business</b>	<b>71,489</b>	<b>71,154</b>	<b>0.5%</b>	<b>210,454</b>	<b>208,541</b>	<b>0.9%</b>
<b>Broadcasting Revenues</b>	<b>63,446</b>	<b>62,927</b>	<b>0.8%</b>	<b>186,687</b>	<b>184,497</b>	<b>1.2%</b>
<b>Other Broadcasting Business Revenues</b>	<b>8,042</b>	<b>8,227</b>	<b>(2.3)%</b>	<b>23,767</b>	<b>24,043</b>	<b>(1.2)%</b>
<b>Other Businesses</b>	<b>11,861</b>	<b>10,391</b>	<b>14.1%</b>	<b>39,907</b>	<b>36,923</b>	<b>8.1%</b>
<b>Total Sales</b>	<b>83,350</b>	<b>81,546</b>	<b>2.2%</b>	<b>250,361</b>	<b>245,464</b>	<b>2.0%</b>
<b>Cost of Sales (Broadcasting Business)</b>	<b>44,976</b>	<b>47,901</b>	<b>(6.1)%</b>	<b>136,493</b>	<b>143,971</b>	<b>(5.2)%</b>
<b>Cost of Sales (Other Businesses)</b>	<b>8,724</b>	<b>9,222</b>	<b>(5.4)%</b>	<b>33,345</b>	<b>32,539</b>	<b>2.5%</b>
<b>SG&amp;A Expenses</b>	<b>21,095</b>	<b>21,407</b>	<b>(1.5)%</b>	<b>62,424</b>	<b>62,819</b>	<b>(0.6)%</b>
<b>Operating Income</b>	<b>8,554</b>	<b>3,014</b>	<b>183.8%</b>	<b>18,097</b>	<b>6,133</b>	<b>195.0%</b>

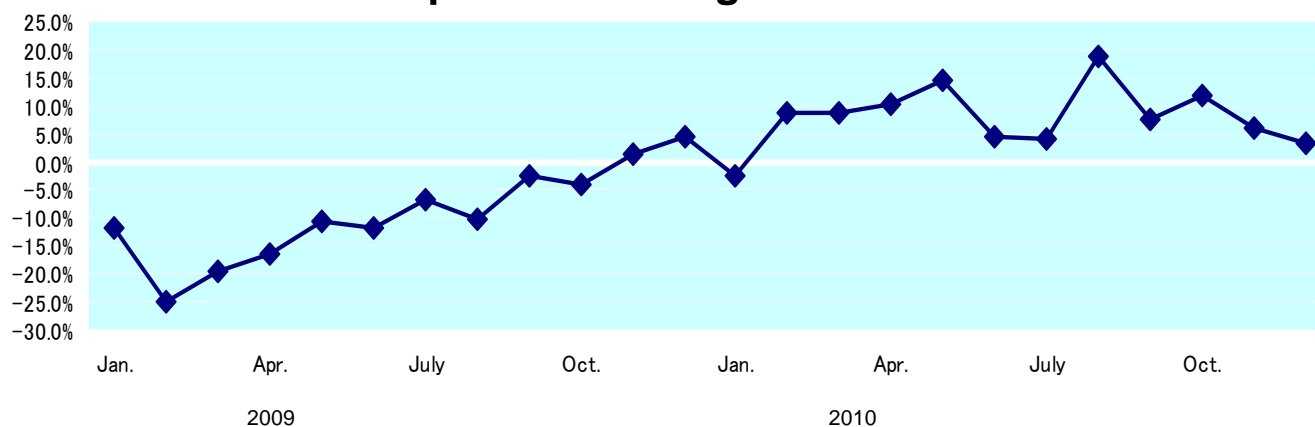
## ■ Entering a stage of steady recovery

- ◆ Gains continue in second half, for five consecutive quarters of year-on-year increases
- ◆ Strong demand expected to continue from January

(Millions of Yen)

	FY10 3Q	Change YoY	FY10 Apr.- Dec.	Change YoY
Spot Advertising	32,046	6.6%	89,292	8.3%

### Spot Advertising YoY Trend



### Kanto (Tokyo) Region Spot Advertising Share

	Share	YoY
Apr.-Dec.	28.7%	0.1%

Share is estimated value.

# Fuji Television: Spot Advertising Sales by Industry

- Spending up from previous fiscal year in many industries, including the cosmetics and toiletries industry for which Fuji TV has a large market share
- Major advertisers eager to place spots, with large-scale placements driving overall growth

## 3Q FY10 (Oct.-Dec.)

\*Administrative accounting base

Advertised More...			
Industry	Share	Last Year Share	Change YoY
Cosmetics/Toiletries	16.7%	14.5%	23.0%
Apparel/Accessories	6.8%	4.3%	70.7%
Telecommunication	6.5%	6.3%	10.0%
Precision/Optical Equipment	6.3%	4.2%	61.1%
Beverage (Non-Alcoholic)	5.3%	4.1%	37.4%
Distribution/Retail	5.2%	4.4%	26.2%
Fast Foods/Services	5.2%	5.0%	11.9%
Autos	4.7%	4.6%	10.4%
Finance/Insurance	2.9%	2.8%	8.1%
Others	1.9%	1.5%	34.1%
Energy/Machinery	0.7%	0.8%	4.8%

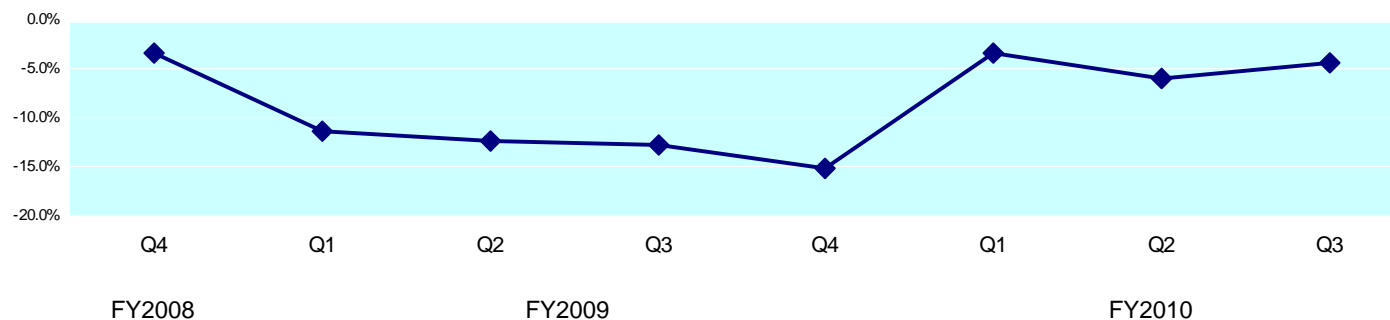
Advertised Less...			
Industry	Share	Last Year Share	Change YoY
Entertainment	9.3%	11.6%	(14.0)%
Foods	9.1%	11.0%	(11.7)%
Pharmaceuticals/ Medical Products	6.4%	7.9%	(12.8)%
Consumer Electronics	5.9%	6.9%	(8.0)%
Travel/Leisure	2.8%	3.6%	(15.3)%
Beverage (Alcoholic)	2.4%	4.7%	(46.6)%
Real Estate/Housing	1.7%	1.9%	(1.6)%

## ■ Steady improvement in revenue decline; One-off program sales remain positive

(Millions of Yen)

	FY10 3Q	Change YoY	FY10 Apr.-Dec.	Change YoY
Network Time	27,485	(4.0)%	85,679	(3.9)%
Local Time	3,914	(7.8)%	11,715	(9.2)%
Total Time Revenues	31,400	(4.5)%	97,394	(4.6)%

### Time Advertising Sales YoY Trend



# Fuji Television: Production Costs

- Systematic measures to control production costs continued during 3Q (Oct.-Dec.)

(Billions of yen)

	FY10	FY09	Change YoY
1Q	25.8	27.0	(4.4)%
2Q	24.1	26.1	(7.7)%
1H	50.0	53.2	(6.0)%
3Q	24.9	26.0	(4.3)%
4Q		25.6	
2H		51.7	
FY		104.9	

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

## ■“Triple Crown” in viewer ratings for seventh consecutive year

Household viewing rates for CY10 (Jan.4, 2010 to Jan. 2, 2011)

	<b>Fuji TV</b>	NTV	TBS	TV Asahi	TV Tokyo
GT	13.0	12.3	9.5	11.2	6.3
PT	12.9	12.5	9.7	11.8	6.0
All	8.3	8.1	6.5	7.3	2.9

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

(Source: Video Research Ltd.)

- ◆ **New October programming schedule revitalizes dramas, boosting ratings in Golden Time and Prime Time slots**

**Viewer ratings up all time slots during 3Q**

	FY2010	2Q	<b>3Q</b>	Change
GT		12.3	13.0	+0.7
PT		12.2	12.9	+0.7
All		8.1	8.2	+0.1

- ◆ **Top ratings for established daily programs boost All Day slot rating**

**Mezamashi TV**

**Two years at No. 1**

**Tokudane!**

**Ten years at No. 1**

**Waratte litomo!**

**Eight years at No. 1**

**FNN Super News**

**Nine years at No. 1**

# Fuji Television: Other Businesses Revenue

## ■ Other Broadcasting Business

(Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Other Broadcasting Business Revenue	23,767	24,043	(276)
Program Sales Revenue	13,650	13,911	(260)
CS Broadcasting Revenues and Other	10,117	10,132	(15)

## ■ Other Businesses

(Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Other Businesses	39,907	36,923	2,983
Event	10,072	14,430	(4,357)
Movie	10,533	4,282	6,251
Video	6,598	6,054	544
MD	5,481	5,598	(116)
Digital	3,029	2,778	251
Other	4,190	3,780	410

## ■ Cirque du Soleil's *KOOZA*

Excellent start with opening performance in Tokyo on February 2

◆ Long run planned through June 2012

Performances in Tokyo, Osaka (from August), Nagoya (from November), Fukuoka (from February 2012), and Sendai (from April 2012)



## ■ Furusato Festival Tokyo 2011 a success (January 8 – 16 at Tokyo Dome)

◆ Introduction to festivals and local dishes from regions across Japan attracted visitors from a broad range of ages

Attendance of over 380,000 exceeds expectations

◆ Festival to be a regular event aimed at adults and families



# Fuji Television: Movie Business

## ■ Fuji TV productions or investments accounted for six of the top ten Japanese movies by box office revenue in 2010

(Billions of yen)

1	The Borrower Arrietty	9.2	6	<b>Nodame Cantabile Finale Part 1</b>	<b>4.1</b>
2	<b>THE LAST MESSAGE Umizaru</b>	<b>8.0</b>	7	Kokuhaku	3.8
3	<b>Bayside Shakedown 3</b>	<b>7.3</b>	8	<b>Nodame Cantabile Finale Part 2</b>	<b>3.7</b>
4	<b>One Peace Film Strong World</b>	<b>4.8</b>	9	<b>SP The Motion Picture: Ambition</b>	<b>3.6</b>
5	Pokémon Zoroark: Master of Illusions	4.1	10	Detective Conan The Lost Ship in The Sky	3.2

Source: Motion Picture Producers Association of Japan, Inc.

## ■ Simultaneous online distribution and DVD releases for major hits

### ◆ *Bayside Shakedown 3*

- Release on iTunes (sale and rental) and Fuji TV On Demand service (rental) simultaneous with DVD sales (February 2)
- We plan to actively expand outlets for movie content

## ■ Upcoming Major Productions

SP The Motion Picture: Revolution	March	Final installment of a large-scale production in which terrorists occupy the national Diet building	Junichi Okada, Shinichi Tsutsumi
Princess Toyotomi	May	Groundbreaking entertainment from writer Manabu Makime imagining the creation of an Osaka nation	Shinichi Tsutsumi, Haruka Ayase
Andalucía	Summer	New movie on the adventures of Japanese diplomat Kosaku Kuroda, building on the serial TV drama	Yuji Oda
Rock	Summer	Moving story depicting the ties between a family and its dog during the volcanic eruption on Miyake-jima, based on a true story	Ryuta Sato, Kumiko Aso
Unfair 2	Autumn	Sequel to the unpredictable suspense story in which no one can be trusted	Ryoko Shinohara
Once in a Blue Moon	Autumn	A fantasy / courtroom drama / comedy by playwright and director Koki Mitani about a witness who's also a ghost	Eri Fukatsu, Toshiyuki Nishida



Princess Toyotomi  
May 28 releasing

## ■Video Business

- ◆ *Tunnels Thanks to Everybody: Hakase to Joshu – Komakasugite Tsutawaranai Monomane Senshuken*

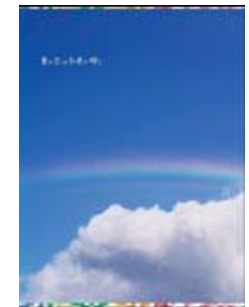
First DVD release of the series a major hit with over 300,000 copies sold



- ◆ DVD releases of television dramas popular

- Monday 9:00 drama *Summer Romance Shines in Rainbow Color* a hit

- Korean dramas remain popular, including *Brilliant Legacy* and *The Great Queen Seondeok*



## ■Merchandising Business

- ◆ Products related to One Piece remain popular during 3Q, making a significant contribution to earnings

## ■ Fuji TV On Demand set to achieve full-year profitability

- ◆ New service “Passport” introduced in February for unlimited viewing for a monthly fee

Adoption of an ongoing charge system will further expand market



## ■ Digital Game Business

- ◆ Joint development with DeNA of social network game “Ooku” (provisional name) Release set for spring 2011

- ◆ Brisk sales for “The Love Bus 2,” a romance observance game linked with satellite broadcasts

More than 400,000 users registered as of the end of January 2011



## ■ Full-scale start of new initiatives for smartphones

- ◆ 1,000 game titles scheduled for release over next three years Sales commenced in January 2011

- ◆ Free downloads of *Haruyasumi no Koibito*, a serial drama for smartphones

Users purchase a dedicated application on a monthly basis, with the drama updated daily and running for March to April (also available on fee basis through Mobile Fuji TV On Demand)



# Performance of Major Subsidiaries Excluding Fuji Television

## Nippon Broadcasting System (Broadcasting) (Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Sales	14,435	16,481	(12.4)%
Operating Income	8	(24)	---
Ordinary Income	(14)	(24)	---
Net Income	(219)	(52)	---

- ◆ Broadcasting revenue down as the radio advertising market remains tight
- ◆ Operating income surplus maintained through efforts to curb production costs, and cut SG&A expenses

## Pony Canyon (Video and Music) (Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Sales	38,887	36,427	6.8%
Operating Income	2,600	(213)	---
Ordinary Income	2,766	(30)	---
Net Income	1,515	(350)	---

- ◆ Revenue up on products related to anime titles *One Piece* and *K-ON!!*, along with hit DVD titles such as Korean dramas
- ◆ Considerable profitability achieved though improvement in cost rate and reductions in SG&A expenses

# Life Information/ Dinos and Cecile

## Dinos (Life Information)

(Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Sales	41,587	43,809	(5.1)%
Operating Income	852	572	49.0%
Ordinary Income	829	566	46.4%
Net Income	773	592	30.5%

- ◆ Catalogue sales up on popularity of fashion items, but television shopping and event revenue down
- ◆ Earnings up as a result of continued cost reductions for catalogue production, shipping and logistics

## Cecile (Life Information) \*Consolidated

(Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Sales	44,233	47,050	(6.0)%
Operating Income	1,592	308	415.6%
Ordinary Income	1,669	176	848.3%
Net Income	1,496	(1,388)	---

- ◆ Revenue down overall, as efforts to expand sales channels and attract new customers were offset by sluggish consumer spending
- ◆ Earnings up as a result of continued cost reductions for catalogue production, shipping and logistics

Previous year figures are reference only, as Cecile was made a consolidated subsidiary in July 2009.

Previous year figures are the April to December portion of the 15-month fiscal period arising from a change in the fiscal year

## Quaras (Advertising)

(Millions of Yen)

	FY10 Apr.-Dec.	FY09 Apr.-Dec.	Change
Sales	24,778	24,575	0.8%
Operating Income	60	(45)	---
Ordinary Income	66	(47)	---
Net Income	(171)	(84)	---

- ◆ Revenue up on increase in TV and newspaper advertising
- ◆ Operating profitability achieved through cuts in SG&A expenses

# CAPEX Plan

# CAPEX Plan

(Billions of Yen)

CAPEX Plan		FY10 Apr.-Dec. (Actual)	FY10 (Plan)	FY11 (Plan)
CAPEX	Consolidated	9.9	15.1	11.7
	Fuji Television	7.7	12.0	8.0
	Fuji Media HD	0.0	0.1	0.3
Depreciation & Amortization	Consolidated	16.7	23.1	22.5
	Fuji Television	10.6	14.7	14.0
	Fuji Media HD	3.5	4.7	4.7

P16 : Photos: OSA Images Costumes: Marie-Chantale Vaillancourt © 2007 Cirque du Soleil © 2010 Fuji Television  
P17 : © 2011 Fuji Television, Kansai Telecasting, Toho