

# 1H FY3/17 Results Materials

(Six Months ended September 30, 2016)

November 2, 2016

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.

"FY3/17" means the fiscal year ending March 31, 2017.

The period from April 1, 2016 to September 30, 2016 is referred to as "1H."

The period from July 1, 2016 to September 30, 2016 is referred to as "2Q."

# 1H FY3/17 Consolidated Results

<April 1, 2016 to September 30, 2016>

Millions of yen

|  | FY3/16  | FY3/17  | YoY    |        | 1H<br>FY3/17<br>Forecast<br>(Announced on<br>May 12) | 1H FY3/17 Actual/<br>1H Forecast |        |
|--|---------|---------|--------|--------|--|----------------------------------|--------|
| Net Sales  | 311,736 | 327,601 | 15,864 | 5.1%   | 333,700  | (6,098)                          | (1.8)% |
| Operating<br>Income                                      | 4,905   | 13,301  | 8,395  | 171.1% | 11,200   | 2,101                            | 18.8%  |
| Ordinary<br>Income                                       | 8,170   | 17,735  | 9,565  | 117.1% | 14,200   | 3,535                            | 24.9%  |
| Net income<br>attributable<br>to owners of<br>the parent | 5,079   | 12,732  | 7,652  | 150.7% | 9,000  | 3,732                            | 41.5%  |

# 1H FY3/17 Segment Results

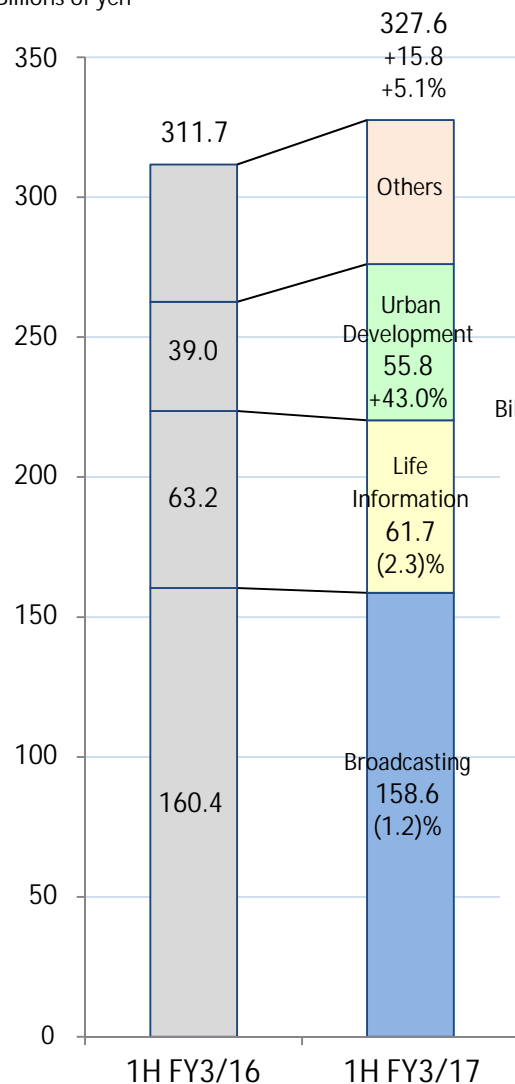
<April 1, 2016 to September 30, 2016>

Millions of yen

|                          | Business Segment |                   |                 |                       |                          |                  |                           |        | Total   | Adjust-<br>ment | Consolidated<br>statement of<br>income |
|--------------------------|------------------|-------------------|-----------------|-----------------------|--------------------------|------------------|---------------------------|--------|---------|-----------------|--|
|                          |                  | Broad-<br>casting | Produc-<br>tion | Video<br>and<br>Music | Life<br>Informa-<br>tion | Advertis-<br>ing | Urban<br>Develop-<br>ment | Other  |         |                 |  |
| Net<br>Sales             | FY3/17           | 158,641           | 24,186          | 23,134                | 61,738                   | 22,199           | 55,893                    | 14,181 | 359,975 | (32,374)        | 327,601                                |
|                          | FY3/16           | 160,492           | 26,494          | 23,862                | 63,208                   | 19,899           | 39,094                    | 12,892 | 345,945 | (34,208)        | 311,736                                |
|                          | YoY              | (1,850)           | (2,308)         | (727)                 | (1,470)                  | 2,299            | 16,799                    | 1,289  | 14,030  | 1,834           | 15,864                                 |
|                          | YoY%             | (1.2)%            | (8.7)%          | (3.0)%                | (2.3)%                   | 11.6%            | 43.0%                     | 10.0%  | 4.1%    | —               | 5.1%                                   |
| Operat-<br>ing<br>Income | FY3/17           | 3,512             | 1,008           | 180                   | (24)                     | 132              | 8,039                     | 351    | 13,200  | 100             | 13,301                                 |
|                          | FY3/16           | 442               | 1,442           | (139)                 | (478)                    | 108              | 3,157                     | 272    | 4,805   | 100             | 4,905                                  |
|                          | YoY              | 3,070             | (433)           | 320                   | 454                      | 23               | 4,882                     | 78     | 8,395   | 0               | 8,395                                  |
|                          | YoY%             | 694.6%            | (30.1)%         | —                     | —                        | 21.8%            | 154.7%                    | 28.7%  | 174.7%  | —               | 171.1%                                 |

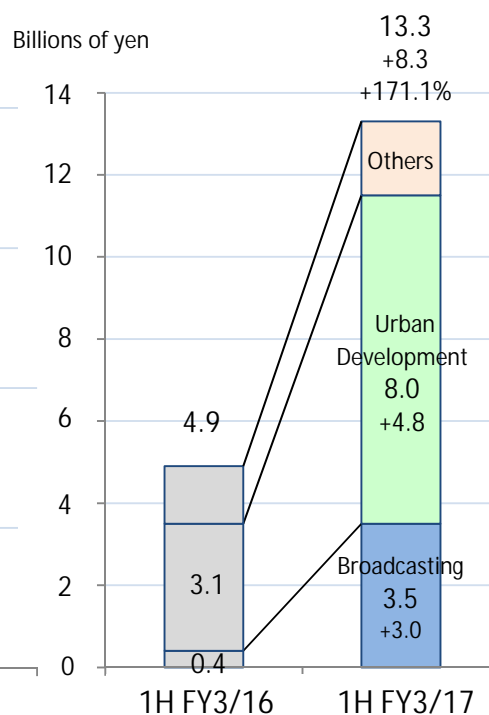
# 1H FY3/17 Consolidated Results (Year-on-Year)

Billions of yen



Net Sales

Billions of yen



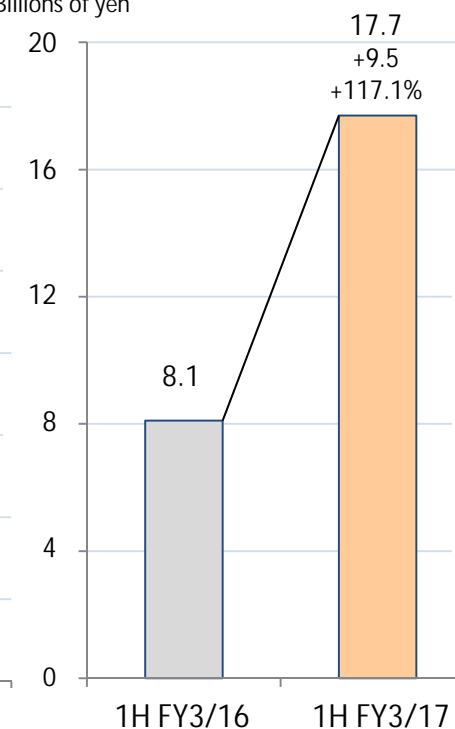
Operating Income

Operating Income of Major Subsidiaries

Billions of yen

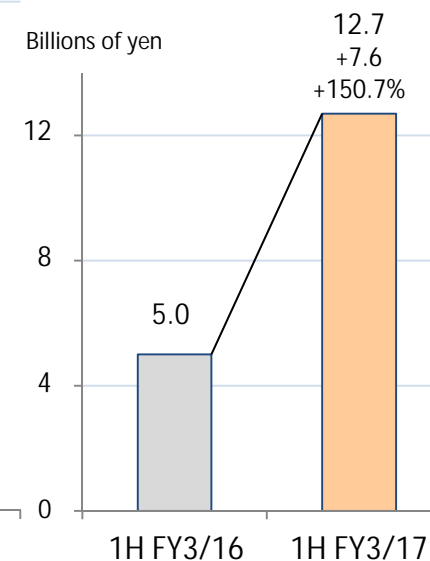
| Name                       | FY3/16 | FY3/17 | YoY   |
|----------------------------|--------|--------|-------|
| Fuji TV                    | (1.0)  | 2.3    | 3.3   |
| Sankei Building            | 1.7    | 6.1    | 4.4   |
| GRANVISTA Hotels & Resorts | 2.1    | 1.7    | (0.3) |
| BS Fuji                    | 1.2    | 1.1    | (0)   |
| Dinos Cecile               | (0.1)  | 0      | 0.1   |
| Pony Canyon                | (0.3)  | (0.2)  | 0     |

Billions of yen



Ordinary Income

Billions of yen

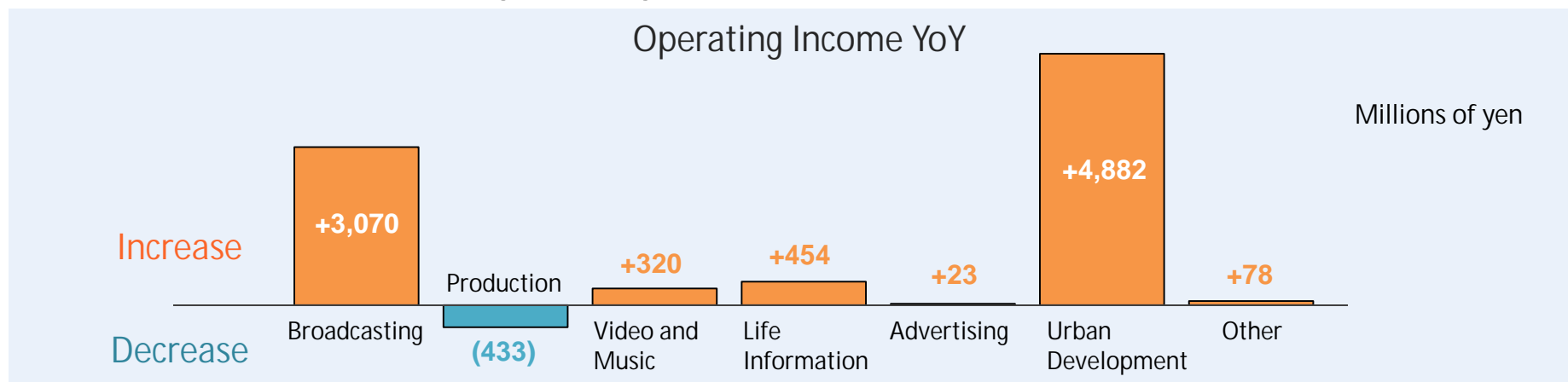


Net income attributable to owners of the parent

# 1H FY3/17 Financial Highlights

Consolidated operating income of ¥13.3 billion

Sharp increase in earnings on higher revenue



## Fuji TV

- Earnings mostly in line with plan, despite decline in broadcast revenue
- Event and movie businesses contributed to earnings
- Steadily continue cost controls

## Life Information (Dinos Cecile)

- Operating profit improved from previous fiscal year, exceeding forecasts
- Dinos business: Continued positive trend in TV shopping
- Cecile business: Firm sales of mainstay products

## Video and Music (Pony Canyon)

- Earnings improved, despite decline in package sales
- Continue structural reforms toward mainly non-package sales

## Urban Development (Sankei Building/GRANVISTA)

- Considerable earnings gain exceeding forecasts  
Solid results in building, residential, and asset development businesses
- GRANVISTA: Earnings decline due to renovation work (through July)

# Segment Information (Consolidated Subsidiaries)

| Segment           | Company Name  | No. of Companies |
|-------------------|---|------------------|
| Broadcasting      | Fuji Television Network, Fuji Satellite Broadcasting (BS Fuji), Nippon Broadcasting System  | 3                |
| Production        | Fuji Creative Corporation, Kyodo Television, Vasc, Fuji Media Technology, NEXTEP TV WORKSHOP, Fuji Art, Van Eight Production, Kyodo Edit, Basis   | 9                |
| Video and Music   | Fuji Music Partners, Pony Canyon, Ponycanyon Enterprise, EXIT TUNES, Fujipacific Music, Shinko Music Publishers, FUJI MUSIC GROUP, ARC MUSIC, ARC/CONRAD MUSIC  | 9                |
| Life Information  | Sankei Living Shimbun, Dinos Cecile, Living Pro-seed, Dinos Cecile Communications   | 4                |
| Advertising       | Quaras  | 1                |
| Urban Development | The Sankei Building, Granvista Holdings, <b>Koshien Development</b> , Sankei Kaikan, GRANVISTA Hotels & Resorts, Sankei Building Well Care, The Sankei Bldg Techno, The Sankei Building Management, <b>SKB USA</b> , <b>SKB Seattle</b> | 10               |
| Other             | Fusosha Publishing, Fujimic, Nippon Broadcasting Project, <b>Fuji Games</b> , FUJI CAREER DESIGN, FUJISANKEI COMMUNICATIONS INTERNATIONAL   | 6                |
| Total             |   | 42               |

\*Companies listed in red were included in the scoped of consolidation in FY3/17.

## [Segment Details] Summary of Broadcasting Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|                               | Net Sales |           |                   | Operating Income |           |                  |
|-------------------------------|-----------|-----------|-------------------|------------------|-----------|------------------|
|                               | 1H FY3/16 | 1H FY3/17 | YoY               | 1H FY3/16        | 1H FY3/17 | YoY              |
| Fuji Television               | 146,629   | 144,165   | (2,464)<br>(1.7)% | (1,016)          | 2,305     | 3,322<br>—       |
| Nippon<br>Broadcasting System | 7,094     | 7,092     | (1)<br>(0.0)%     | 218              | 79        | (138)<br>(63.7)% |
| BS Fuji                       | 7,830     | 8,340     | 509<br>6.5%       | 1,239            | 1,171     | (68)<br>(5.6)%   |
| Adjustment                    | (1,062)   | (957)     | —                 | 0                | (43)      | —                |
| Total                         | 160,492   | 158,641   | (1,850)<br>(1.2)% | 442              | 3,512     | 3,070<br>694.6%  |



## [Segment Details] Summary of Production Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|                           | Net Sales |           |                    | Operating Income |           |                  |
|---------------------------|-----------|-----------|--------------------|------------------|-----------|------------------|
|                           | 1H FY3/16 | 1H FY3/17 | YoY                | 1H FY3/16        | 1H FY3/17 | YoY              |
| Kyodo Television          | 8,460     | 7,211     | (1,248)<br>(14.8)% | 194              | 186       | (8)<br>(4.2)%    |
| Fuji Creative Corporation | 6,571     | 6,271     | (299)<br>(4.6)%    | 301              | 422       | 121<br>40.3%     |
| Others and adjustment     | 11,462    | 10,702    | —                  | 947              | 400       | —                |
| Total                     | 26,494    | 24,186    | (2,308)<br>(8.7)%  | 1,442            | 1,008     | (433)<br>(30.1)% |

[Segment Details] Summary of Video and Music Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|                          | Net Sales |           |                   | Operating Income |           |          |
|--------------------------|-----------|-----------|-------------------|------------------|-----------|----------|
|                          | 1H FY3/16 | 1H FY3/17 | YoY               | 1H FY3/16        | 1H FY3/17 | YoY      |
| Pony Canyon              | 16,964    | 15,885    | (1,079)<br>(6.4)% | (335)            | (269)     | 65<br>—  |
| Others and<br>adjustment | 6,897     | 7,249     | —                 | 195              | 450       | —        |
| Total                    | 23,862    | 23,134    | (727)<br>(3.0)%   | (139)            | 180       | 320<br>— |

[Segment Details] Summary of Life Information Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|                          | Net Sales |           |                   | Operating Income |           |          |
|--------------------------|-----------|-----------|-------------------|------------------|-----------|----------|
|                          | 1H FY3/16 | 1H FY3/17 | YoY               | 1H FY3/16        | 1H FY3/17 | YoY      |
| Dinos Cecile             | 55,719    | 54,335    | (1,384)<br>(2.5)% | (158)            | 3         | 161<br>— |
| Sankei Living<br>Shimbun | 4,873     | 4,785     | (87)<br>(1.8)%    | (371)            | (148)     | 222<br>— |
| Others and<br>adjustment | 2,616     | 2,616     | —                 | 50               | 120       | —        |
| Total                    | 63,208    | 61,738    | (1,470)<br>(2.3)% | (478)            | (24)      | 454<br>— |

[Segment Details] Summary of Advertising Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|            | Net Sales |           |                | Operating Income |           |             |
|------------|-----------|-----------|----------------|------------------|-----------|-------------|
|            | 1H FY3/16 | 1H FY3/17 | YoY            | 1H FY3/16        | 1H FY3/17 | YoY         |
| Quaras     | 19,899    | 22,199    | 2,299<br>11.6% | 109              | 132       | 23<br>21.8% |
| Adjustment | —         | —         | —              | (0)              | (0)       | —           |
| Total      | 19,899    | 22,199    | 2,299<br>11.6% | 108              | 132       | 23<br>21.8% |

## [Segment Details] Summary of Urban Development Segment by Company

<April 1, 2016 to September 30, 2016>

Millions of yen

|                            | Net Sales |           |                 | Operating Income |           |                  |
|----------------------------|-----------|-----------|-----------------|------------------|-----------|------------------|
|                            | 1H FY3/16 | 1H FY3/17 | YoY             | 1H FY3/16        | 1H FY3/17 | YoY              |
| Sankei Building            | 19,404    | 36,586    | 17,182<br>88.5% | 1,729            | 6,158     | 4,428<br>256.0%  |
| GRANVISTA Hotels & Resorts | 15,104    | 14,423    | (680)<br>(4.5)% | 2,117            | 1,744     | (372)<br>(17.6)% |
| Others and adjustment      | 4,585     | 4,883     | —               | (690)            | 137       | —                |
| Total                      | 39,094    | 55,893    | 16,799<br>43.0% | 3,157            | 8,039     | 4,882<br>154.7%  |

# Main Items in Non-Operating Income and Expenses

<April 1, 2016 to September 30, 2016>

Millions of yen

|                        |                                    | 1H FY3/16 | 1H FY3/17 | YoY   |         |
|------------------------|------------------------------------|-----------|-----------|-------|---------|
| Non-operating income   |                                    |           |           |       |         |
|                        | Dividends income                   | 1,254     | 1,549     | 295   | 23.6%   |
|                        | Equity in earnings of affiliates   | 1,826     | 2,048     | 221   | 12.1%   |
|                        | Other                              | 1,983     | 2,036     | 52    | 2.7%    |
| Total                  |                                    | 5,064     | 5,635     | 570   | 11.3%   |
| Non-operating expenses |                                    |           |           |       |         |
|                        | Interests                          | 888       | 760       | (127) | (14.4)% |
|                        | Loss on investments in partnership | 409       | 211       | (197) | (48.3)% |
|                        | Other                              | 501       | 228       | (273) | (54.5)% |
| Total                  |                                    | 1,800     | 1,201     | (599) | (33.3)% |

# Main Items in Extraordinary Gain and Loss

<April 1, 2016 to September 30, 2016>

Millions of yen

|                    |  | 1H FY3/16 | 1H FY3/17 | YoY |         |
|--------------------|--|-----------|-----------|-----|---------|
| Extraordinary gain |  |           |           |     |         |
|                    | Gain on sales of non-current assets    | 0         | 46        | 46  | —       |
|                    | Gain on sales of investment securities | 2         | 45        | 43  | —       |
|                    | Other                                  | 2         | 1         | (0) | (15.4)% |
| Total              |  | 4         | 93        | 89  | —       |
| Extraordinary loss |  |           |           |     |         |
|                    | Impairment loss                        | 133       | 702       | 569 | 428.2%  |
|                    | Loss on reconstruction                 | 95        | 394       | 299 | 315.2%  |
|                    | Other                                  | 270       | 341       | 71  | 26.4%   |
| Total              |  | 498       | 1,439     | 940 | 188.7%  |

# Fuji TV Results



# 1H FY3/17 Fuji TV Results

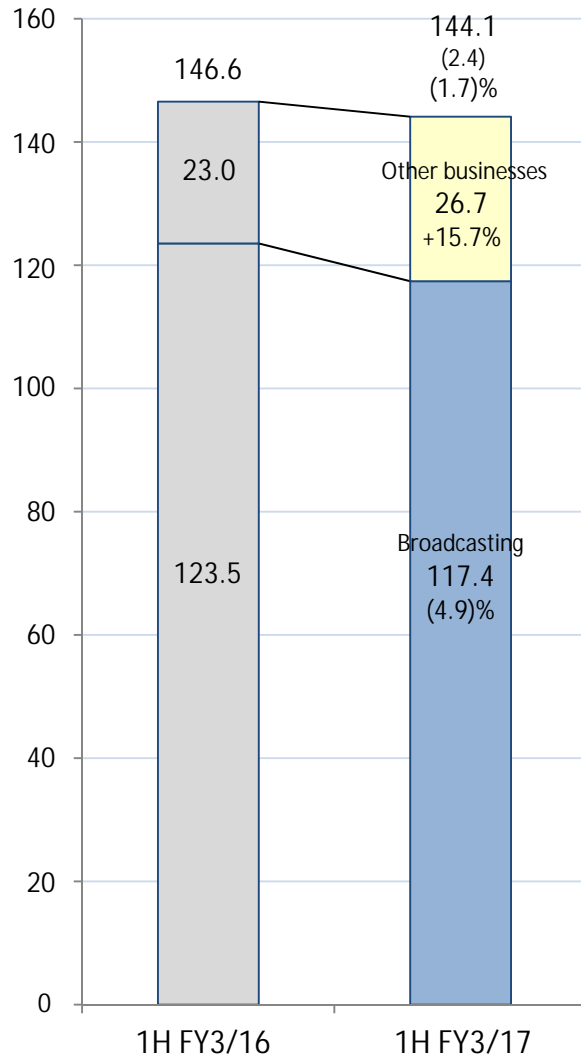
<April 1, 2016 to September 30, 2016>

Millions of yen

|                  | FY3/16  | FY3/17  | YoY     |        | FY3/17 Forecast<br>(Announced on May 12) |         | Forecast —<br>Actual |
|------------------|---------|---------|---------|--------|--|---------|----------------------|
| Net Sales        | 146,629 | 144,165 | (2,464) | (1.7)% | Full Year                                | 294,200 |                      |
|                  |         |         |         |        | 1H                                       | 146,800 | (2,634)              |
| Operating Income | (1,016) | 2,305   | 3,322   | —      | Full Year                                | 10,000  |                      |
|                  |         |         |         |        | 1H                                       | 2,500   | (194)                |
| Ordinary Income  | (203)   | 2,670   | 2,874   | —      | Full Year                                | 10,100  |                      |
|                  |         |         |         |        | 1H                                       | 2,600   | 70                   |
| Net Income       | (247)   | 1,647   | 1,895   | —      | Full Year                                | 6,400   |                      |
|                  |         |         |         |        | 1H                                       | 1,500   | 147                  |

# 1H FY3/17 Fuji TV Results (Year-on-Year)

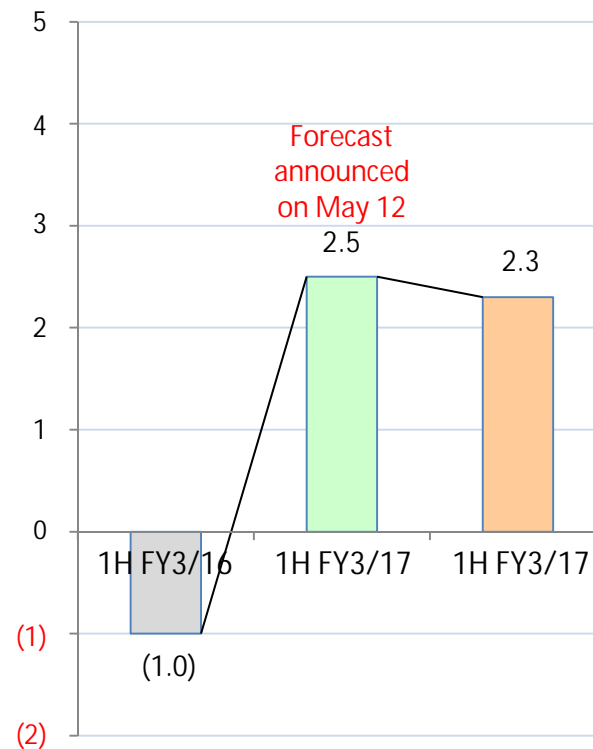
Billions of yen



Net Sales

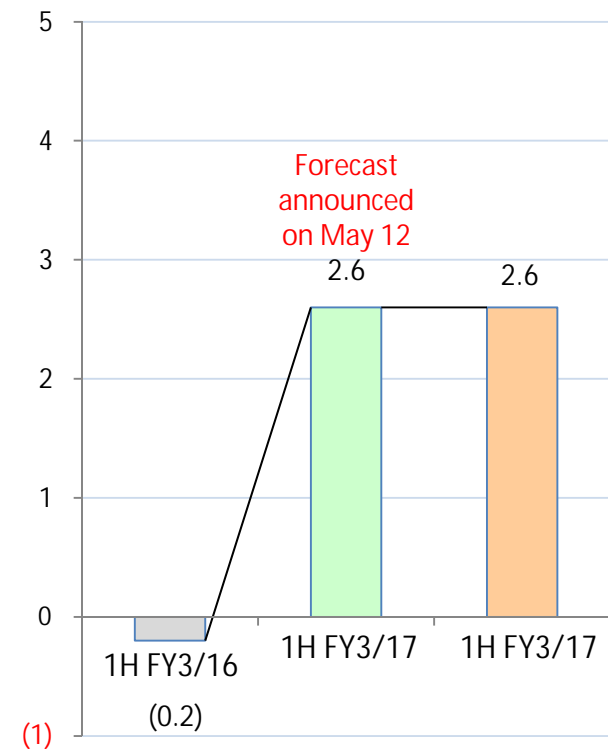
|                  | Billions of yen |       |       |
|------------------|-----------------|-------|-------|
| Operating income | 1Q              | 2Q    | 1H    |
| FY3/17           | 4.6             | (2.3) | 2.3   |
| FY3/16           | 3.6             | (4.6) | (1.0) |

Billions of yen



Operating Income

Billions of yen



Ordinary Income

# Broadcasting Business: Revenues and Cost

Millions of yen

|                                | 1H FY3/17 | YoY     |        |
|--------------------------------|-----------|---------|--------|
| Broadcasting Business Revenues | 117,447   | (6,090) | (4.9)% |
| Broadcasting                   | 100,608   | (6,490) | (6.1)% |
| Network time                   | 45,421    | (4,260) | (8.6)% |
| Local time                     | 6,420     | (520)   | (7.5)% |
| Spot                           | 48,766    | (1,709) | (3.4)% |
| Other Broadcasting             | 16,838    | 399     | 2.4%   |
| Program sales                  | 8,648     | (220)   | (2.5)% |
| CS broadcasting and Other      | 8,189     | 620     | 8.2%   |
| Cost of Broadcasting Business  | 82,547    | (5,456) | (6.2)% |

# Spot Advertising YoY Trend by Industry

July – September 2016

\*Administrative accounting base

| Industry  | Share Last Year | Share | YoY     |
|---|-----------------|-------|---------|
| Cosmetic/Toiletries                             | 14.2%           | 15.8% | 5.5%    |
| Information/<br>Communications/<br>Broadcasting | 14.9%           | 13.1% | (16.7)% |
| Beverage<br>(Non-Alcoholic)                     | 8.3%            | 8.6%  | (2.5)%  |
| Foods   | 7.5%            | 8.5%  | 6.8%    |
| Publications/<br>Entertainment                  | 7.7%            | 7.4%  | (8.7)%  |
| Autos   | 6.6%            | 6.3%  | (9.6)%  |
| Fast Foods/Services                             | 6.6%            | 5.6%  | (19.7)% |
| Pharmaceuticals/<br>Medical Products            | 5.8%            | 5.6%  | (9.2)%  |
| Finance/Insurance                               | 4.6%            | 5.3%  | 7.8%    |

| Industry                       | Share Last Year | Share | YoY     |
|--------------------------------|-----------------|-------|---------|
| Distribution/Retail            | 3.2%            | 4.3%  | 26.5%   |
| Apparel/Accessories            | 3.7%            | 3.2%  | (17.5)% |
| Real Estate/Housing            | 2.5%            | 3.1%  | 18.8%   |
| Beverage (Alcoholic)           | 3.7%            | 2.9%  | (25.2)% |
| Precision/Optical<br>Equipment | 4.4%            | 2.8%  | (41.0)% |
| Travel/Leisure                 | 3.0%            | 2.4%  | (23.2)% |
| Telephone Services             | 2.0%            | 2.0%  | (8.7)%  |
| Consumer Electronics           | 0.9%            | 1.4%  | 44.2%   |
| Energy/Machinery               | 0.0%            | 0.4%  | —       |
| Others                         | 0.4%            | 1.5%  | 244.3%  |

# Production Costs

Millions of yen

|           | 1H FY3/16 | 1H FY3/17 | YoY     |
|-----------|-----------|-----------|---------|
| 1Q        | 22,206    | 21,599    | (2.7)%  |
| 2Q        | 27,307    | 23,619    | (13.5)% |
| 1H        | 49,514    | 45,218    | (8.7)%  |
| 3Q        | 22,881    |           |         |
| 4Q        | 20,840    |           |         |
| 2H        | 43,722    |           |         |
| Full Year | 93,236    |           |         |

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

# Other Businesses: Revenues and Cost

Millions of yen

|                           | 1H FY3/17 | YoY   |         |
|---------------------------|-----------|-------|---------|
| Other Businesses Revenues | 26,718    | 3,626 | 15.7%   |
| Event                     | 12,060    | 4,499 | 59.5%   |
| Movie                     | 4,959     | 366   | 8.0%    |
| Digital                   | 3,642     | (280) | (7.2)%  |
| Merchandising             | 2,721     | (434) | (13.8)% |
| Video                     | 1,141     | (513) | (31.0)% |
| Other                     | 2,192     | (11)  | (0.5)%  |
| Cost of Other Businesses  | 21,763    | 1,960 | 9.9%    |

# SG&A and Non-Operating Income and Expenses

Millions of yen

|                                     | 1H FY3/17 | YoY     |         |
|-------------------------------------|-----------|---------|---------|
| SG&A                                | 37,548    | (2,290) | (5.7)%  |
| Selling expenses                    | 26,490    | (1,908) | (6.7)%  |
| General and administrative expenses | 11,057    | (382)   | (3.3)%  |
| Operating Expenses                  | 141,859   | (5,786) | (3.9)%  |
| Operating Income                    | 2,305     | 3,322   | —       |
| Non-operating income                | 509       | (439)   | (46.3)% |
| Non-operating expenses              | 144       | 8       | 6.1%    |
| Ordinary Income                     | 2,670     | 2,874   | —       |

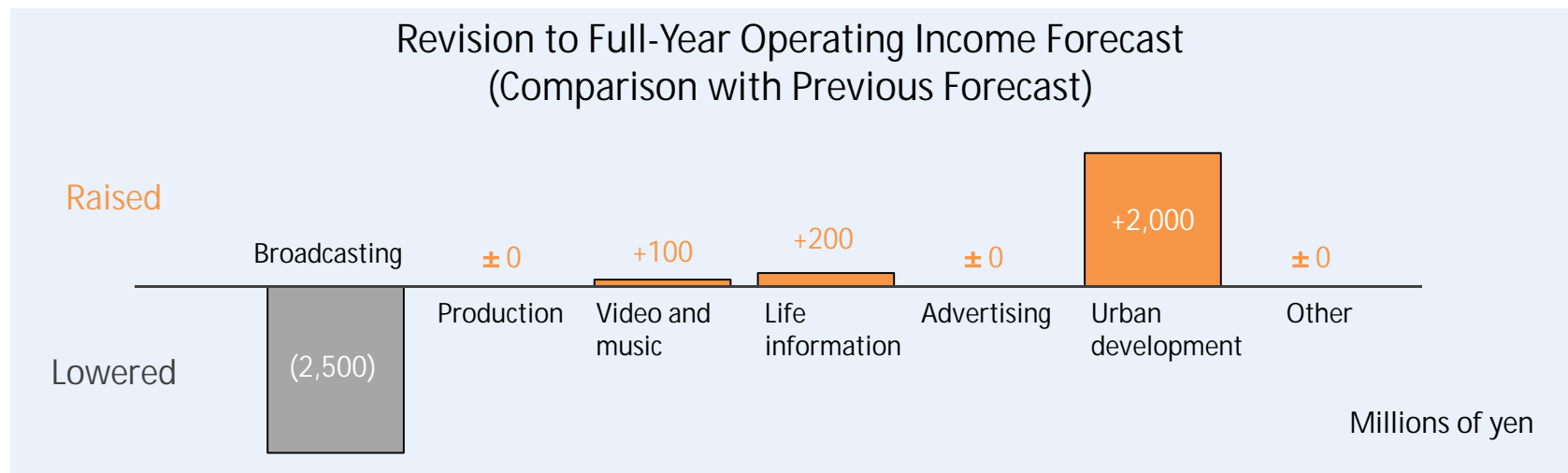
# FY3/17 Earnings Forecasts



# Highlights of Revision to FY3/17 Earnings Forecast

No change in full-year operating income forecast of ¥27.2 billion

Forecasts for Fuji TV revised downward, with upward revisions for the Urban Development, Life Information, and Video and Music segments



## Fuji TV

- Broadcast revenue forecast revised downward
- Other businesses expected to contribute to full-year results beyond initial forecast
- Continue effective cost management

## Urban Development (Sankei Building/GRANVISTA)

- Sankei Building  
Strong results expected for office leasing, residential, and asset development businesses
- GRANVISTA  
Steady contribution to earnings expected, continued high rate of hotel occupancy

# Revision to FY3/17 Earnings Forecasts

Millions of yen

| Consolidated                                    | Revised Forecast | Previous Forecast | Change  |
|---|------------------|-------------------|---------|
| Net Sales                                       | 663,200          | 670,500           | (7,300) |
| Operating Income                                | 27,200           | 27,200            | 0       |
| Ordinary Income                                 | 34,400           | 33,000            | 1,400   |
| Net Income Attributable to Owners of the Parent | 24,500           | 23,000            | 1,500   |

| Fuji TV          | Revised Forecast | Previous Forecast | Change  |
|------------------|------------------|-------------------|---------|
| Net Sales        | 288,300          | 294,200           | (5,900) |
| Operating Income | 7,500            | 10,000            | (2,500) |
| Ordinary Income  | 7,900            | 10,100            | (2,200) |
| Net Income       | 4,900            | 6,400             | (1,500) |

| YoY                         | 2H Forecast | Previous Forecast | Full-Year Forecast | Previous Forecast |
|-----------------------------|-------------|-------------------|--------------------|-------------------|
| Network Time                | (4.1)%      | 0.3%              | (6.4)%             | (3.0)%            |
| Local Time                  | (7.9)%      | (7.9)%            | (7.7)%             | (8.6)%            |
| Spot                        | 2.0%        | 4.2%              | (0.6)%             | 2.3%              |
| Total Broadcasting Revenues | (1.2)%      | 1.8%              | (3.7)%             | (0.8)%            |

# Revision to FY3/17 Segment Forecasts

<April 1, 2016 to March 31, 2017>

Millions of yen

|                   | Business Segment  |               |             |                 |                   |              |                    |        | Total   | Adjust-ment | Consolidated statement of income |
|-------------------|-------------------|---------------|-------------|-----------------|-------------------|--------------|--------------------|--------|---------|-------------|----------------------------------|
|                   |                   | Broad-casting | Produc-tion | Video and Music | Life Informa-tion | Advertis-ing | Urban Develop-ment | Other  |         |             |                                  |
| Net Sales         | Revised forecast  | 318,200       | 48,900      | 50,300          | 135,100           | 43,000       | 103,800            | 28,500 | 727,800 | (64,600)    | 663,200                          |
|                   | Previous forecast | 323,100       | 50,600      | 54,100          | 137,500           | 43,000       | 101,900            | 26,100 | 736,300 | (65,800)    | 670,500                          |
|                   | Change            | (4,900)       | (1,700)     | (3,800)         | (2,400)           | 0            | 1,900              | 2,400  | (8,500) | —           | (7,300)                          |
| Operat-ing Income | Revised forecast  | 10,100        | 1,900       | 1,800           | 1,800             | 400          | 10,500             | 700    | 27,200  | 0           | 27,200                           |
|                   | Previous forecast | 12,600        | 1,900       | 1,700           | 1,600             | 400          | 8,500              | 700    | 27,400  | (200)       | 27,200                           |
|                   | Change            | (2,500)       | 0           | 100             | 200               | 0            | 2,000              | 0      | (200)   | —           | 0                                |

# CAPEX Plan and Depreciation and Amortization

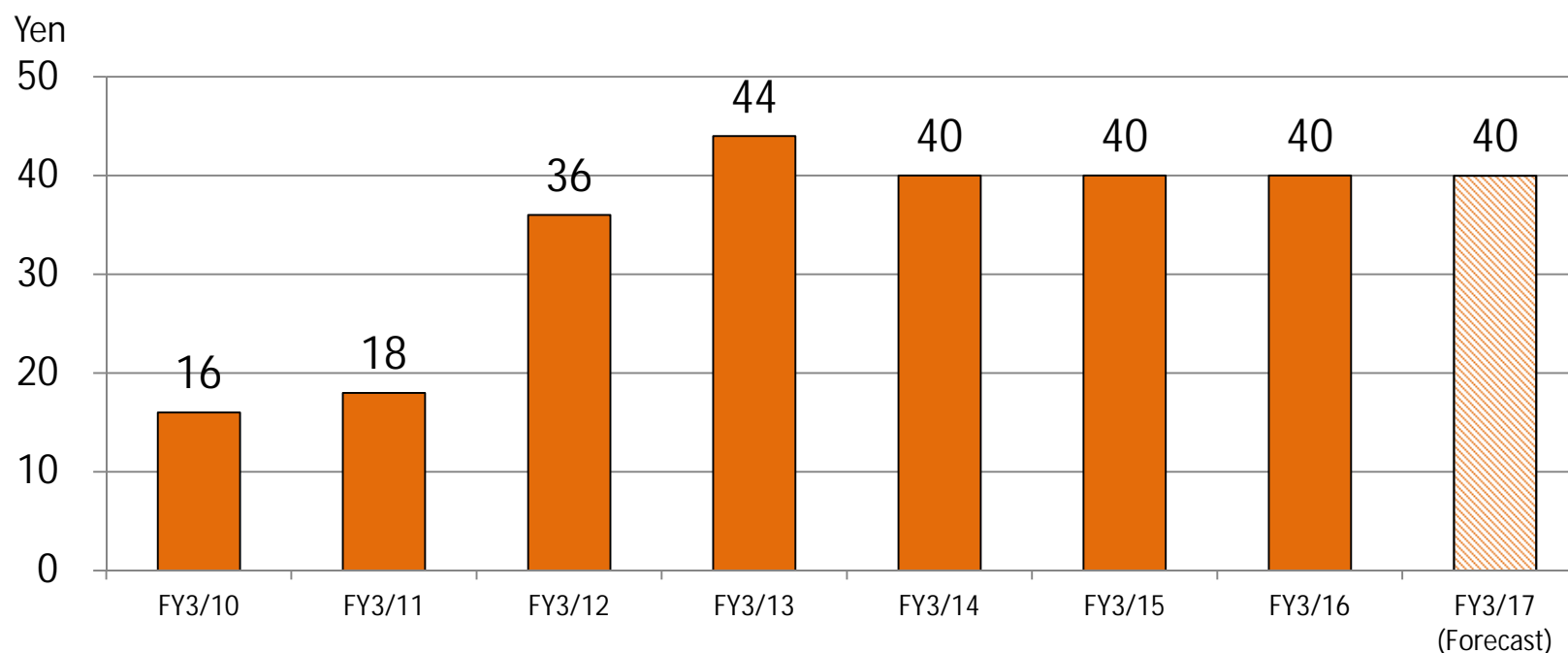
Millions of yen

|                                     |                   | FY3/17         |                     | FY3/18<br>(Plan) |
|-------------------------------------|-------------------|----------------|---------------------|------------------|
|                                     |                   | 1H<br>(Actual) | Full-Year<br>(Plan) |                  |
| CAPEX                               | Consolidated      | 19,723         | 45,200              | 51,300           |
|                                     | Fuji TV           | 2,120          | 6,700               | 11,500           |
|                                     | Urban Development | 14,914         | 33,000              | 36,700           |
|                                     | Fuji Media HD     | 56             | 500                 | 500              |
| Depreciation<br>and<br>amortization | Consolidated      | 9,067          | 19,600              | 21,000           |
|                                     | Fuji TV           | 3,840          | 8,800               | 9,200            |
|                                     | Urban Development | 2,439          | 4,800               | 5,900            |
|                                     | Fuji Media HD     | 1,137          | 2,400               | 2,400            |

# Shareholder Returns

Guiding principle of stable dividend based on a 40% target payout ratio

FY3/17 Annual Dividends ¥40 (Forecast, No Revision)



Note: Fuji Media Holdings adopted the unit share system, and implemented a share split at the ratio of 100 shares for each share of common stock, effective October 1, 2013. Previous dividend figures have been calculated with the number of shares following the split.

# Business Measures by Company

# Fuji TV: Programming

## ➤ October programming revisions: Strengthen weekend variety programs

Aim for strong support from the main viewer target of kids, teens, and adults 20s to 40s

Tuesdays 19:00



*Brain Workout*

Fridays 19:00



*The Cause is X!*

Sundays 19:00-20:54



*The Furutachi Sunday Show*

## ➤ Improved ratings for afternoon shows *High Noon TV Viking!* and *Afternoon Live Goody!*

Viewership rising since April following introduction of popular segments and scheduling changes

## ➤ Launch of new system to measure program ratings (from Oct. 3)

- Measuring both real time and time shift viewing
- Introduction of new “comprehensive rating” a shift to an indicator applicable to changes in viewing styles

“Comprehensive Rating” = “Real Time Rating” + “Time Shift Rating” – “Duplicate Viewing”

# Fuji TV: Non-Broadcasting Business

## Event Business

### ■ Cirque du Soleil's *TOTEM*

Performances in Tokyo and Osaka  
Major hit with total attendance  
of 868,500

Successive performances scheduled  
for Nagoya, Fukuoka, and Sendai  
(through May 2017)



### ■ Detroit Institute of Arts Exhibition: European Masterworks from Across the Atlantic Ocean

Oct. 7, 2016 to Jan. 21, 2017

Positive start to the Tokyo exhibition



### ■ Nitro Circus 10th Anniversary Tour



Action and sports entertainment generating  
excitement and enthusiasm around the world  
Even more thrilling than previous performance

Tokyo: Feb. 19-20, 2017  
Osaka: Feb. 25-26, 2017

## Movie Business

### ■ Expectations for strong lineup in 2H

|         |   |
|---------|---|
| Oct. 8  | <i>Good Morning Show</i><br>Latest work from director and screenwriter Ryoichi Kimizuka of the <i>Bayside Shakedown</i> films<br>Major hit now playing                |
| Dec. 23 | <i>THE MOLE SONG -Hong Kong Capriccio-</i> (provisional title)<br>Second movie adaptation of the popular comic; previous movie recorded ¥2.19bn in box office revenue |
| Jan. 14 | <i>HONNOJI HOTEL</i> (provisional title)<br>An original historical thriller based on the Honno-ji Incident, one of the biggest mysteries from Japanese history        |
| Feb. 11 | <i>Survival Family</i><br>Latest film from director Shinobu Yaguchi, producer of <i>Water Boys</i> and many other major hits  |
| Mar. 24 | <i>Daytime Shooting Star</i> (provisional title)<br>Live-action film version of the popular girls' comic that sold more than 1.7 million copies                       |



*THE MOLE SONG -Hong Kong Capriccio-* (provisional title)



*HONNOJI HOTEL* (provisional title)



*Survival Family*

- Release in-house productions on streaming platforms and other outlets  
Aim to gain stable earnings

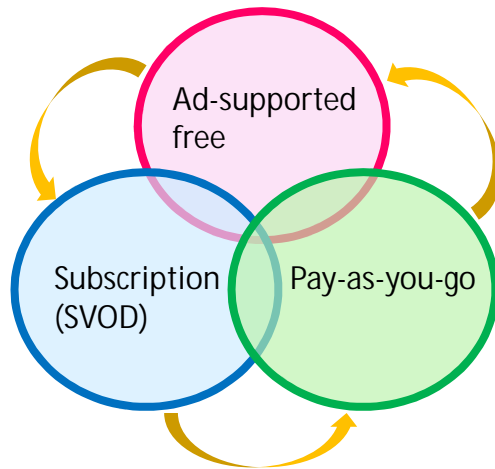


# Initiatives in Growth Areas

## Program Streaming Business

Fuji TV's digital business

- Draw on strength in in-house content to establish a position as a unique comprehensive streaming platform combining paid and free content  
Maintains a profitable business structure



### Three types of service offered

Steady increase in the number of users of the free service  
Aim to transition customers to the paid service, and gain new subscribers

- Collect and analyze viewing data independently with free ad-supported streaming  
Explore potential as new advertising medium responding to marketing needs
- Offer program content on other major platforms to secure earnings



Fuji TV On-Demand

No. of paying subscribers  
800,000

No. of monthly users  
(including free content)  
3 million

Launch of "FOD Premium" subscription (SVOD) service (¥888/mo.) (From Aug. 1)



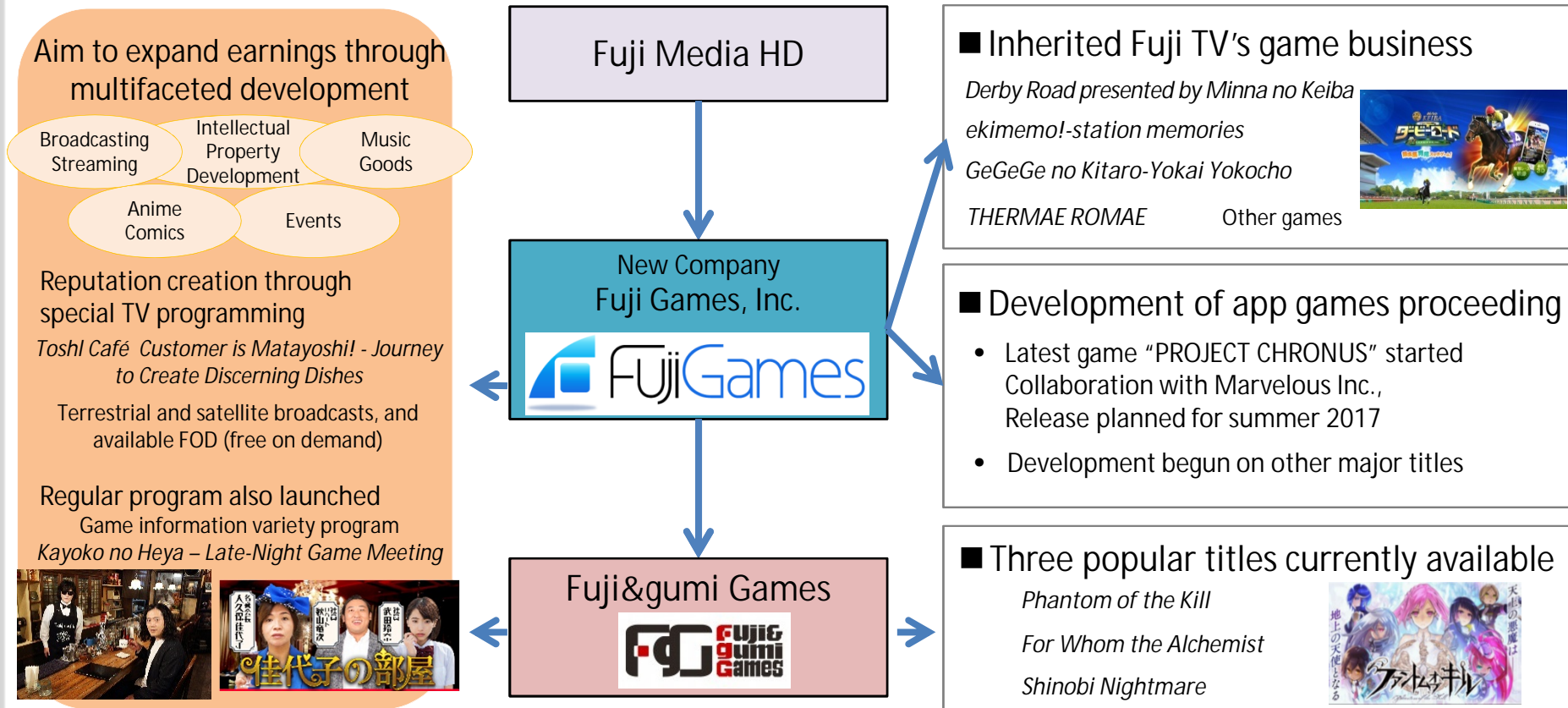
Total of 8,000 titles with unlimited viewing, including all Fuji TV programs available for streaming, such as latest dramas and variety programs, along with foreign and Japanese movies and anime titles

# Initiatives in Growth Areas

## Game Business Fuji Games, Inc. (Established in Apr. 2016)

"Other Business" segment

As a game company originating from a broadcaster, draw on expertise in planning/production, promotional tie-ins, and other functions to develop major games



# Major Subsidiaries excl. Fuji TV

## Broadcasting BS Fuji

- Strengthen timetable to expand broadcast income

Positive start for sales of new regular programs



Saturdays 21:00 to 21:55

*Prime News SUPER*

New Saturday program derived from anchor program *BS Fuji LIVE Prime News*

Cultivate new viewer segment

Mondays to Thursdays 22:00 to 22:55

*Quiz! Brain Bell SHOW*

Popular quiz program made a weekday evening regular program

New prime time regular program in an expanded broadcast slot



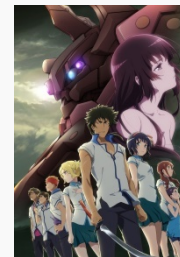
- Continue to effectively manage production costs

## Video and Music Pony Canyon

- Shift to a business structure that does not rely only on packages

Participate in production of popular works such as anime, and gain a broad range of rights

Diversify revenue streams, including TV broadcasts, cinema movies, events, online streaming, merchandizing, and overseas business



*KUROMUKURO*

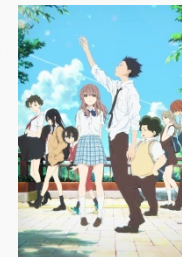
In-house production

Global streaming via major platform

Gain earnings over the long term

*A Silent Voice: The Movie*  
Sept. 17 released

Investment from the production stage  
Blu-ray/DVD sales planned



*Ace of Diamond*

Investment from the production stage

Multifaceted development, including live events and sales of goods

- Optimize scope of package (CD, DVD) releases, and ensure effective management

# Major Subsidiaries excl. Fuji TV

## Life Information Dinos Cecile

- Earnings gain on contributions from the Dinos TV shopping business, and Cecile business

Success in lowering costs, and effective sales promotions

### [Dinos Business]

- Improve the earnings structure with stronger inventory controls, and revisions to unprofitable catalogues
- TV shopping business continues to be strong, boosting revenue

### [Cecile Business]

- Steady sales of mainstay products such as ladies' innerwear

- Accelerate to strengthen ecommerce  
Aim for advancements in the business model to support future growth

## Urban Development Sankei Building/GRANVISTA

- 1H earnings exceeded forecasts in the building, residential, asset development, and hotel resort businesses

### ➤ Building Business/Residential Business

- Develop highly functional office buildings and leased residences, concentrating on prime urban areas  
Expand and stabilize the earnings base

### ➤ Hotel Resort Business

- Develop mid-sized hotels in central areas of major cities  
Aim to capture growing hotel and tourism demand, and achieve high growth
- GRANVISTA: Maintain high occupancy rate at major hotels

P. 31: Photos: OSA Images, Matt Beard Costumes: Kym Barrett © 2010, 2014 Cirque du Soleil © 2015 Fuji Television  
P. 31: Self Portrait of Vincent Willem van Gogh 1887 Oil on artist board, mounted to wood panel City of Detroit Purchase  
P. 31: Photo courtesy of Nitro Circus  
P. 31: © 2016 Fuji Television, Shogakukan, J Storm, Toho, OLM  
P. 31: © Noboru Takahashi, Shogakukan  
P. 31: © 2017 Fuji Television, Toho, HoriPro  
P. 31: © 2017 Fuji Television, Toho, Dentsu, ALTAMIRA PICTURES  
P. 33: © Fuji Games/Alt Plus inc.  
P. 33: © Fuji Television/Fuji Games  
P. 33: © Fuji&gumi Games  
P. 34: © KUROMUKURO Production Committee  
P. 34: © Yuji Terashima, Kodansha/ Ace of Diamond Production Committee, TV Tokyo  
P. 34: © Yoshitoki Oima, Kodansha/ A Silent Voice: The Movie Production Committee