

1Q FY3/20 Results Materials

(Three Months ended June 30, 2019)

July 31, 2019

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.

"FY3/20" means the fiscal year ending March 31, 2020.

The period from April 1, 2019 to June 30, 2019 is referred to as "1Q."

1Q FY3/20 Consolidated Results

<April 1, 2019 to June 30, 2019 >

Millions of yen

	FY3/19	FY3/20	YoY		FY3/20 Forecast (Announced on May 15)	1Q FY3/20 Actual/ FY3/20 Forecast	
Net Sales	144,544	149,217	4,673	3.2%	639,500	(490,282)	23.3%
Operating Income	6,114	7,519	1,404	23.0%	28,500	(20,980)	26.4%
Ordinary Income	8,517	10,430	1,913	22.5%	34,000	(23,569)	30.7%
Net income attributable to owners of the parent	5,662	21,367	15,705	277.4%	33,900	(12,532)	63.0%

Net Sales and Operating Income by Segment

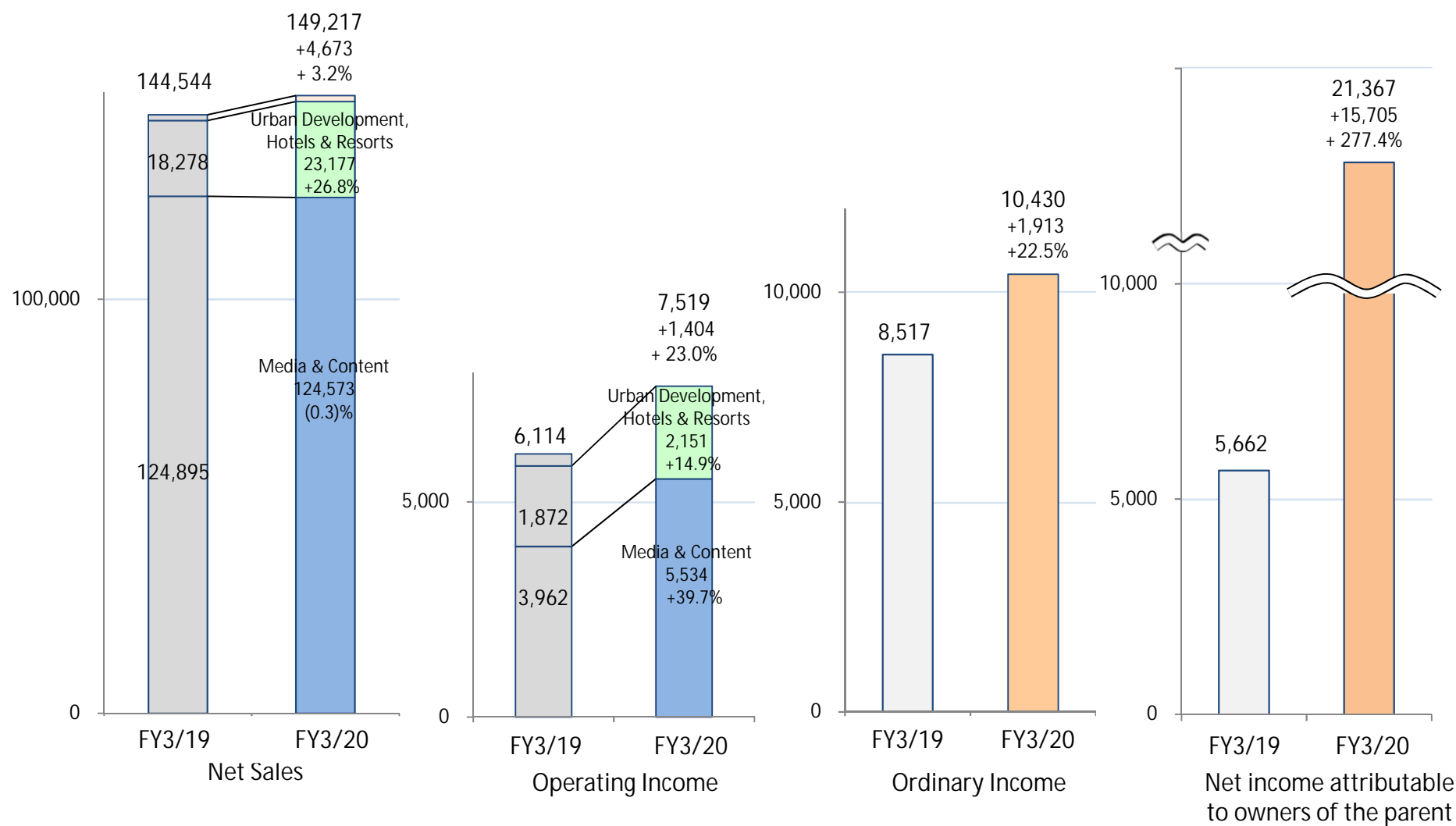
<April 1, 2019 to June 30, 2019 >

Millions of yen

	Business Segment				Total	Adjustment	Consolidated statement of income
		Media & Content	Urban Development, Hotels & Resorts	Other			
Net Sales	FY3/20	124,573	23,177	4,980	152,731	(3,514)	149,217
	FY3/19	124,895	18,278	4,555	147,729	(3,185)	144,544
	YoY	(321)	4,898	425	5,002	(328)	4,673
	YoY%	(0.3)%	26.8%	9.3%	3.4%	-	3.2%
Operating Income	FY3/20	5,534	2,151	216	7,902	(383)	7,519
	FY3/19	3,962	1,872	121	5,956	157	6,114
	YoY	1,572	278	94	1,945	(540)	1,404
	YoY%	39.7%	14.9%	77.8%	32.7%	-	23.0%

1Q FY3/20 Consolidated Results (Year-on-Year)

Millions of yen



1Q FY3/20 Financial Highlights

Consolidated operating income of ¥7.5 billion
Increase in Revenue and Operating Income

Media & Content

Fuji TV

- Sales and income increased due to the performance of other businesses, including favorable conditions in the movie business.
- Spot advertising sales increased year on year.

Pony Canyon

- The non-package area share, including streaming, distribution and other income increased, resulting in higher revenue.
- Expenses related to head office move resulted in an operating loss.

Dinos Cecile

- Television shopping performed well but the core catalog shopping business struggled, resulting in lower income overall.
- The reduction of costs controlled expenses.

Urban Development, Hotels & Resorts

Sankei Building/GRANVISTA

- Sankei Building: Asset development business property sales contributed to increase in revenue
- GRANVISTA: Sales and income increased due to new hotel opening and favorable conditions in the marine leisure facilities business.

Summary of Media & Content Segment by Company

<April 1, 2019 to June 30, 2019 >

Millions of yen

	Net Sales			Operating Income		
	1Q FY3/19	1Q FY3/20	YoY	1Q FY3/19	1Q FY3/20	YoY
Fuji Television	63,783	64,271	488 0.8%	2,488	4,681	2,193 88.2%
BS Fuji	3,867	3,867	(0) (0.0)%	666	322	(343) (51.5)%
Nippon Broadcasting System	3,385	3,550	165 4.9%	13	59	46 340.1%
Fuji Creative Corporation	3,182	2,809	(373) (11.7)%	147	166	19 13.0%
Kyodo Television	3,978	3,274	(703) (17.7)%	47	(73)	(121) (-)
Pony Canyon	7,478	8,412	933 12.5%	18	(245)	(264) (-)
Dinos Cecile	27,368	26,307	(1,061) (3.9)%	387	339	(48) (12.4)%
Quaras	11,625	10,582	(1,042) (9.0)%	186	60	(126) (67.7)%
Others and adjustment	225	1,498	-	6	222	-
Total	124,895	124,573	(321) (0.3)%	3,962	5,534	1,572 39.7%

Summary of Urban Development, Hotels & Resorts Segment by Company

<April 1, 2019 to June 30, 2019 >

Millions of yen

	Net Sales			Operating Income		
	1Q FY3/19	1Q FY3/20	YoY	1Q FY3/19	1Q FY3/20	YoY
Sankei Building	9,157	13,517	4,359 47.6%	1,604	1,285	(319) (19.9)%
GRANVISTA Hotels & Resorts	6,139	6,538	399 6.5%	209	302	93 44.4%
Others and adjustment	2,981	3,121	-	59	563	-
Total	18,278	23,177	4,898 26.8%	1,872	2,151	278 14.9%

Operating income from "others and adjustment" in the fiscal year under review includes cost adjustments for properties sold by Sankei Building.

Main Items in Non-Operating Income and Expenses

<April 1, 2019 to June 30, 2019 >

Millions of yen

		1Q FY3/19	1Q FY3/20	YoY	
Non-operating income					
	Dividends income	1,410	1,658	248	17.6%
	Equity in earnings of affiliates	580	1,236	655	112.9%
	Other	849	486	(363)	(42.8)%
Total		2,840	3,380	540	19.0%
Non-operating expenses					
	Interests	283	259	(24)	(8.5)%
	Foreign exchange losses	24	139	114	465.0%
	Other	128	70	(58)	(45.4)%
Total		437	469	32	7.4%

Main Items in Extraordinary Gain and Loss

<April 1, 2019 to June 30, 2019 >

Millions of yen

		1Q FY3/19	1Q FY3/20	YoY	
Extraordinary gain					
	Gain on transfer of benefit obligation relating to employees' pension fund	-	18,832	18,832	-
	Gain on transfer of business	82	-	(82)	(100)%
	Other	0	66	66	-
Total		82	18,899	18,816	-
Extraordinary loss					
	Loss on valuation of investment securities	43	223	179	409.5%
	Other	221	31	(190)	(85.7)%
Total		265	254	(10)	(4.1)%

Fuji TV Results

1Q FY3/20 Fuji TV Results

<April 1, 2019 to June 30, 2019 >

Millions of yen

	FY3/19	FY3/20	YoY	
Net Sales	63,783	64,271	488	0.8%
Operating Income	2,488	4,681	2,193	88.2%
Ordinary Income	2,600	4,834	2,234	85.9%
Net Income	1,755	14,003	12,248	697.9%

Broadcasting Business: Revenues and Cost

<April 1, 2019 to June 30, 2019 >

Millions of yen

	1Q FY3/20	YoY	
Broadcasting Business Revenues	53,739	(1,225)	(2.2)%
Broadcasting	45,678	(1,247)	(2.7)%
Network time	18,884	(1,293)	(6.4)%
Local time	2,997	(213)	(6.7)%
Spot	23,797	260	1.1%
Other Broadcasting	8,061	21	0.3%
Program sales	4,116	(14)	(0.4)%
CS broadcasting and Other	3,945	36	0.9%
Cost of Broadcasting Business	35,634	(1,257)	(3.4)%

Spot Advertising YoY Trend by Industry

April – June 2019

***Administrative accounting base**

Industry	Share Last Year	Share	YoY
Cosmetic/Toiletries	18.8%	17.0%	(8.7)%
Information/ Telecommunication/ Broadcasting	10.0%	14.5%	46.9%
Foods	9.8%	9.0%	(7.5)%
Beverage (Non-Alcoholic)	10.2%	8.5%	(15.4)%
Fast Foods/Services	6.6%	7.5%	14.6%
Finance/Insurance	6.0%	6.0%	1.1%
Autos	4.9%	5.2%	7.6%
Apparel/Accessories	4.5%	4.5%	1.3%
Pharmaceuticals/ Medical Products	4.4%	4.2%	(2.3)%

Industry	Share Last Year	Share	YoY
Travel/Leisure	4.8%	4.1%	(13.6)%
Office/Precision/ Optical Equipment	3.3%	3.7%	14.0%
Publications/ Entertainment	4.3%	3.3%	(22.1)%
Distribution/Retail	3.5%	3.1%	(11.5)%
Beverage (Alcoholic)	2.5%	2.7%	10.1%
Consumer Electronics	2.3%	2.1%	(6.7)%
Telephone Services	1.1%	1.4%	26.3%
Real Estate/Housing	1.7%	1.4%	(19.1)%
Energy/Machinery	0.1%	0.6%	374.2%
Others	1.3%	1.3%	5.8%

Production Costs

Millions of yen

	FY3/19	FY3/20	YoY
1Q	19,283	18,639	(3.3)%
2Q	19,259		
1H	38,543		
3Q	18,572		
4Q	20,571		
2H	39,143		
Full Year	77,686		

* Direct costs of in-house production and program purchases

Other Businesses: Revenues and Cost

<April 1, 2019 to June 30, 2019 >

Millions of yen

	1Q FY3/20	YoY	
Other Businesses Revenues	10,531	1,714	19.4%
Event	2,307	(928)	(28.7)%
Movie	2,984	1,636	121.4%
Digital	2,456	691	39.1%
Merchandising	1,674	410	32.4%
Video	366	85	30.4%
Other	741	(180)	(19.6)%
Cost of Other Businesses	7,783	415	5.6%

SG&A and Non-Operating Income/Expenses

<April 1, 2019 to June 30, 2019 >

Millions of yen

	1Q FY3/20	YoY	
SG&A	16,171	(863)	(5.1)%
Selling expenses	11,541	(547)	(4.5)%
General and administrative expenses	4,629	(316)	(6.4)%
Operating Expenses	59,589	(1,705)	(2.8)%
Operating Income	4,681	2,193	88.2%
Non-operating income	207	9	4.7%
Non-operating expenses	55	(31)	(36.2)%
Ordinary Income	4,834	2,234	85.9%

FY3/20 Earnings Forecasts

(Revision: None)

FY3/20 Consolidated Earnings Forecast (Revision: None)

<April 1, 2019 to March 31, 2020 >

Millions of yen

	FY3/19	FY3/20	YoY	
Net Sales	669,230	639,500	(29,730)	(4.4)%
Operating Income	34,709	28,500	(6,209)	(17.9)%
Ordinary Income	41,975	34,000	(7,975)	(19.0)%
Net Income Attributable to Owners of the Parent	23,627	33,900	10,272	43.5%

Full-year Projections for Terrestrial TV Advertising Revenue

<April 1, 2019 to March 31, 2020 >

Network Time	Local Time	Spot	Total broadcasting revenues
0.7%	(1.4)%	3.6%	2.0%

(YoY)

FY3/20 Segment Forecasts (Revision: None)

<April 1, 2019 to March 31, 2020 >

Millions of yen

	Business Segment				Total	Adjustment	Consolidated statement of Income
		Media & Content	Urban Development, Hotels & Resorts	Other			
Net Sales	FY3/20 Forecast	518,000	112,800	19,600	650,400	(10,900)	639,500
	FY3/19	526,568	137,381	19,062	683,012	(13,781)	669,230
	YoY%	(1.6)%	(17.9)%	2.8%	(4.8)%	-	(4.4)%
Operating Income	FY3/20 Forecast	17,900	11,500	500	29,900	(1,400)	28,500
	FY3/19	16,987	18,029	555	35,573	(863)	34,709
	YoY%	5.4%	(36.2)%	(10.0)%	(15.9)%	-	(17.9)%

CAPEX Plan and Depreciation and Amortization

Millions of yen

		FY3/20		FY3/21 (Plan)
		1Q (Actual)	Full-Year (Plan)	
CAPEX	Consolidated	8,934	52,900	53,600
	Fuji TV	1,154	10,000	10,000
	Urban Development, Hotels & Resorts	5,457	32,800	39,100
	Fuji Media HD	97	1,100	800
Depreciation and amortization	Consolidated	3,874	17,800	19,200
	Fuji TV	1,436	6,700	7,500
	Urban Development, Hotels & Resorts	1,136	5,600	6,300
	Fuji Media HD	469	2,000	2,000

Segment Information (Consolidated Subsidiaries)

Segment	Company Name	No. of Companies
Media & Content	Fuji Television Network, Fuji Satellite Broadcasting (BS Fuji), Nippon Broadcasting System, Sendai Television, Fuji Creative Corporation, Kyodo Television, Pony Canyon, Fujipacific Music, Dinos Cecile, Quaras, Fusosha Publishing, Fuji Games, NEXTEP TV WORKSHOP, Fuji Art, Fuji Media Technology, Kyodo Edit, Vasc, Van Eight Production, Basis, Fuji Music Partners, EXIT TUNES, Shinko Music Publishers, Dinos Cecile Communications, FUJI MUSIC GROUP, ARC/CONRAD MUSIC	25
Urban Development, Hotels & Resorts	The Sankei Building, GRANVISTA Hotels & Resorts, The Sankei Building Management, The Sankei Bldg Techno, Sankei Building Well Care, Sankei Kaikan, Sankei Building Asset Management, SKB USA, SKB SEATTLE, SKB PORTLAND	10
Other	Fujimic, Nippon Broadcasting Project, FUJI CAREER DESIGN, FUJISANKEI COMMUNICATIONS INTERNATIONAL	4
Total		39