

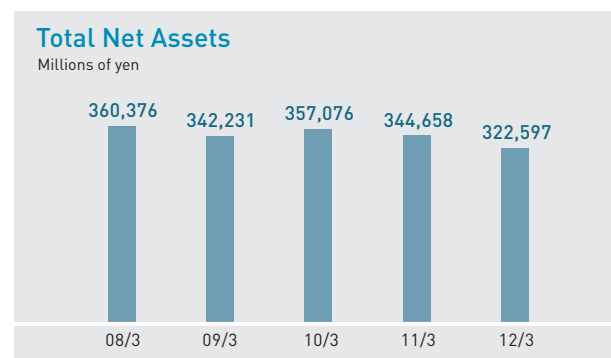
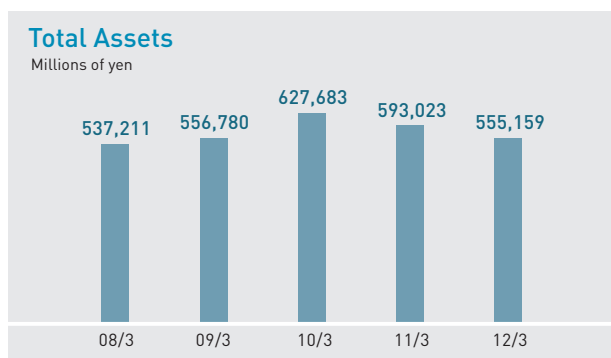
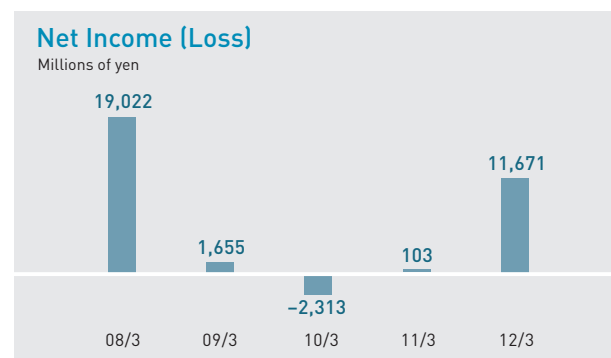
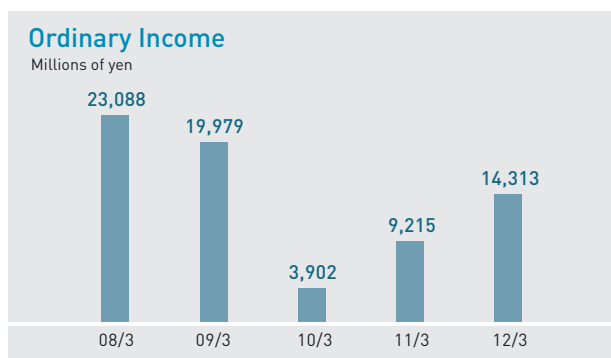
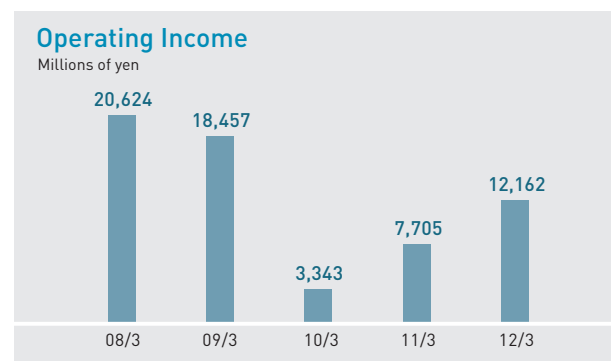
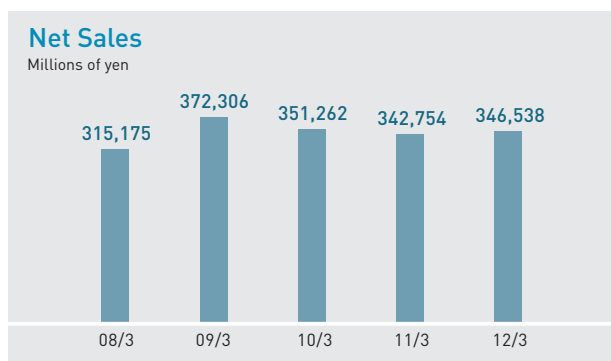


TOKYO BROADCASTING SYSTEM HOLDINGS, INC.

INVESTOR  
INFORMATION

**2012**

# Consolidated Financial Highlights



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### Financial Figures

The financial figures used in this report are those used in the Japanese "Tanshin," which has been created in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act. Thus, all figures have been rounded down to the nearest million yen.

### Forward-Looking Statements

This report contains forward-looking statements based on management's assumptions and beliefs in light of the information currently available. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this report. Such risks include, but are not limited to, market trends, economic conditions and changes in industry regulations.

# To Our Stakeholders

The business environment for the broadcasting industry is undergoing major change, factors in which are the overseas transfer of businesses, the rapid demographic trend toward smaller families and an older population structure, and the increasingly diverse range of devices made possible by digitalization.

The TBS Group will continue to target sustained growth by adapting swiftly to these changes in the business environment and working to strengthen systems across the Group.

In the consolidated fiscal year ended March 31, 2012, we purchased all Company stock held by Rakuten, Inc. We also completed the transfer of BS-TBS, INC. to consolidated subsidiary status and the divestiture of YOKOHAMA BAYSTARS BASEBALL CLUB, INC. In this way, we moved to settle outstanding operational issues in the landmark year of our 60th anniversary.

In the television business, audience ratings for the fiscal year under review showed increases—albeit slight—year on year in each of the all day, golden time, and prime time slots. Using successful programs with a regular daily slot as a growth driver, we aim to further improve audience ratings with proactive programming and strengthened content. While working to achieve efficiency in the production process, we are committed to making quality programs distinctive to TBS, thus attracting increased support from viewers and advertisers.

BS-TBS, INC., which became a consolidated subsidiary in the fiscal year under review, continued to show encouraging growth, helped by an increase in media value. By maximizing synergies among all Group companies, we aim to further consolidate the Group's revenue base.

In radio broadcasting, we successfully defended the position at the top of the ratings table, which we have held for 10 years and eight months. Business conditions in the radio industry have grown increasingly difficult, but by applying cost control ever more stringently and coordinating business projects with the broadcasting business, we are confident of securing fresh revenue streams.

Turning to our business divisions, to adapt appropriately to the rapid changes in the business environment brought by



digitalization, we are taking steps to achieve diversified expansion of revenue sources. In addition to efforts to increase revenue from existing business operations—stock movies and established events, events in Sacas Square, pay television, and shopping—we will also actively develop new businesses. At the same time, we are pressing forward with bold plans regarding content development for applications such as social games and smartphones and with content rollout to Asia

and other overseas markets. Our business partnership with Nikkei Inc. is likewise designed to further expand these new businesses.

The Group is thus facing the tasks that it needs to tackle going forward. These are to (1) strengthen the broadcasting business and lift audience ratings into the industry's top rank in the television business, which is the Group's core activity; (2) achieve diversified expansion of revenue sources by responding to the rapid growth of digital business and actively penetrating both domestic and overseas markets; and (3) improve revenue capacity across the Group. While maintaining and enhancing its special skills, each of our Group companies is determined to improve market competitiveness on the cost front and thereby raise profitability.

By tackling these three tasks, we will pursue the goal of boosting corporate value and maximizing the profits to be shared with stakeholders.

Our Group mission is to establish ourselves as the "best media Group broadcasting the most powerful content." By doing our utmost to realize this mission and thereby achieve sustained growth, we are committed to discharging the duties entrusted to us by our stakeholders.

In our efforts to realize the commitments and goals set out above, I ask for the continued understanding and support of our stakeholders.

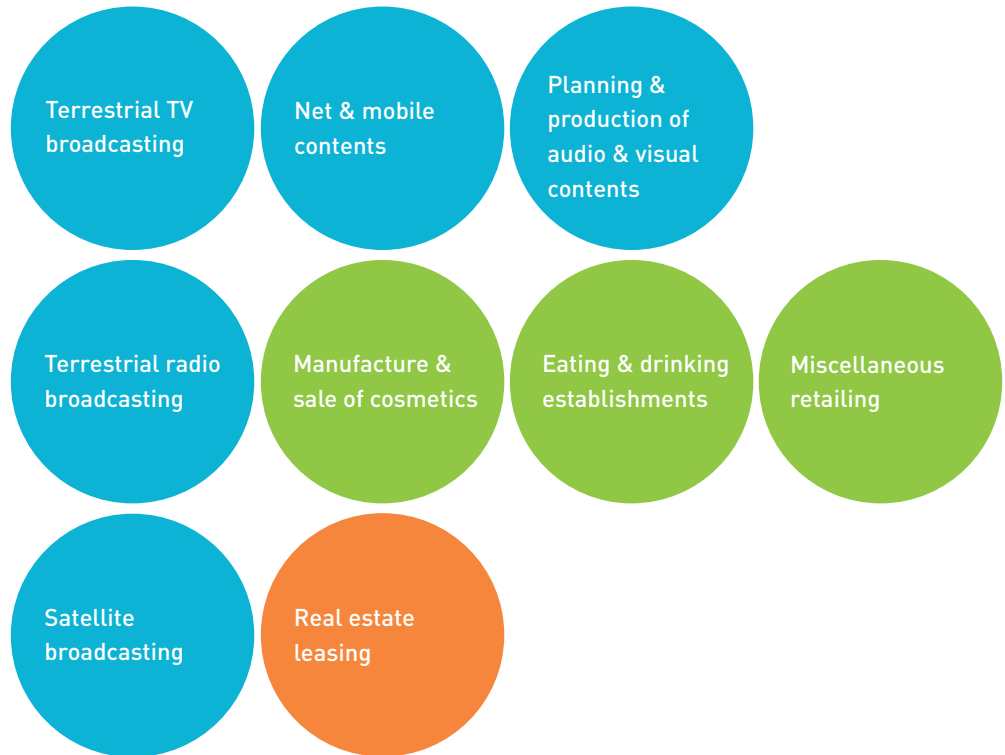
June 2012

**Toshichika Ishihara**, President  
Tokyo Broadcasting System Holdings, Inc.  
Tokyo Broadcasting System Television, Inc.

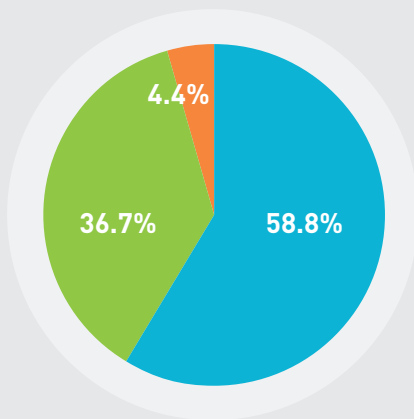
# At a Glance

## Our Business

The Group covers a wide range of businesses essentially including broadcasting. Our aim is to become the best media group that provides the most powerful contents and software in the areas of information, entertainment, lifestyle and culture.



## Business Activities (Year ended March 31, 2012)



**Broadcasting Business**  
¥203.9 billion

**Multi-Visual Ventures and Cultural Events Business**  
¥127.3 billion

**Real Estate Business**  
¥15.2 billion

# Organization

[As of January 1, 2012]

## Tokyo Broadcasting System Holdings, Inc.

### Broadcasting Business

Tokyo Broadcasting System Television, Inc.

TBS Radio & Communications, Inc.

BS-TBS, INC.

TBS-VISION, Inc.

FF TOHO INC.

ProCam, Inc.

AKASAKA Video Center Co., Ltd.

DREAMAX TELEVISION, INC.

AKASAKA GRAPHICS ART, INC.

Art Communication System, Inc.

TELECOM SOUND, Inc.

Japan Artvideo Service Collaborative, Inc.

Vucast, Inc.

TBS International, Inc.

TBS MEDIA RESEARCH INSTITUTE INCORPORATED

### Real Estate Business

Akasaka Heat Supply Co., Ltd.

Midoriyama Studio City, Inc.

TBS Sunwork, Inc.

TBS Kikaku Co., Ltd.

### Multi-Visual Ventures and Cultural Events Business

StylingLife Holdings Inc.

PLAZASTYLE CORPORATION B&C LABORATORIES

Light-up Shopping Club Inc.

CP COSMETICS

Maxim's de Paris Ltd.

Grand Marche, Inc.

TC Entertainment Incorporated

TBS TriMedia, Inc.

NICHION, Inc.

TBS Service, Inc.

OXYBOT, Inc.

### Equity-method affiliates

Tomo-Digi Corporation

Totsu Inc.

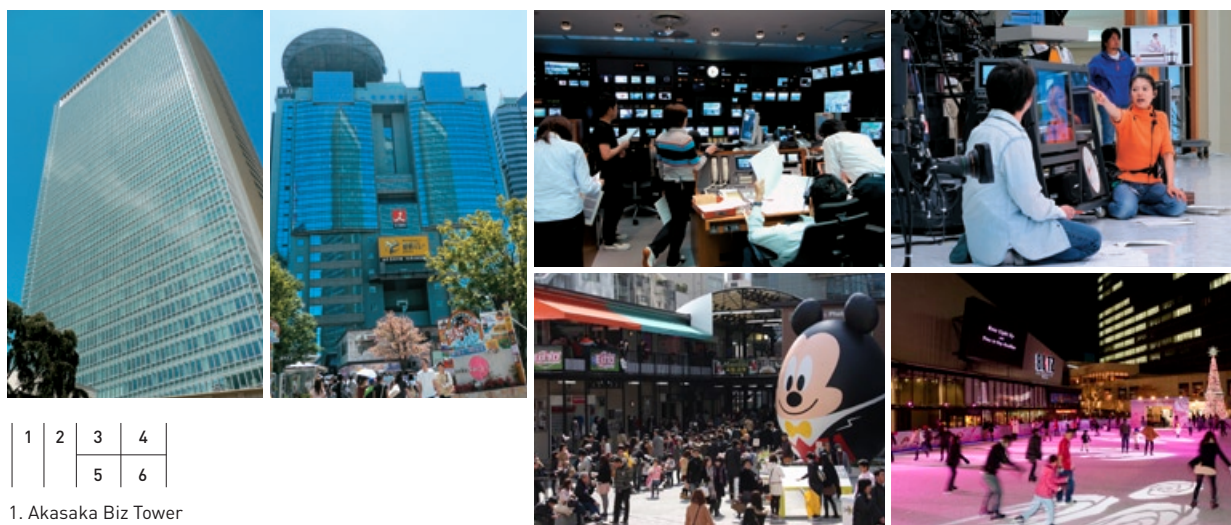
TLC Co., Ltd.

RG MARKETING CO., LTD.

# Corporate Data

[As of April 1, 2012]

<b>Date of Establishment</b>	May 10, 1951 (Registered on May 17)	
<b>Head Office</b>	5-3-6 Akasaka, Minato-ku, Tokyo 107-8006, Japan URL: <a href="http://www.tbsholdings.co.jp/">http://www.tbsholdings.co.jp/</a> Stock code: 9401, TSE First Section	
<b>Paid-in Capital</b>	¥54,986,892,896	
<b>Number of Employees</b>	Tokyo Broadcasting System Holdings, Inc.	391
	Tokyo Broadcasting System Television, Inc.	922
	TBS Radio & Communications, Inc.	56



1	2	3	4
		5	6

1. Akasaka Biz Tower
2. TBS Holdings Head Office
3. Scene of sub-control room at TBS Television
4. On set at TBS Television studio
- 5-6. Akasaka Sacas

## Major Shareholders

[as of March 31, 2012]

Name of shareholder	Number of shares held (shares)	Percentage held (%)
The Master Trust Bank of Japan, Ltd. (Pension Account-Pension Trust Account held for DENTSU INC.)	9,310,500	6.09
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,825,400	5.78
Nippon Life Insurance Company	7,367,735	4.82
Mainichi Broadcasting System, Inc.	6,166,000	4.03
Sumitomo Mitsui Banking Corporation	5,745,267	3.76
Mitsui Fudosan Co., Ltd.	5,713,728	3.74
MITSUI & CO., LTD.	4,288,000	2.80
BIC CAMERA INC.	4,190,000	2.74
Kodansha Ltd.	3,771,200	2.47
Panasonic Corporation	3,083,180	2.02

## The Current Position of Tokyo Broadcasting System Holdings, Inc. and Its Subsidiaries

### ① Business Activities and Results

During the fiscal year under review, the Japanese economy experienced a sharp downturn due to the disruption of the supply chain and power supply restrictions following the Great East Japan Earthquake, which occurred in March 2011. Since then, there have been some signs of gradual recovery in production and employment in the corporate sector, supported by all-out public-private efforts toward restoration, although downside risk remains in the economy due to rising crude oil prices and concerns about power shortages.

In the broadcasting industry, the spot advertising market slumped sharply due to the aftermath of the Great East Japan Earthquake, but started to gradually rally sometime around summer and remained firm throughout the second half of the fiscal year under review. Time sales also showed some signs of bottoming out at last after a period of continuous decline.

In this operating environment, the TBS Group (hereinafter referred to as “the Group”) made all possible efforts to further strengthen its core terrestrial television programs. Furthermore, the Group worked to build operating revenues and business development revenues through events held in the Akasaka Sacas commercial complex and made other efforts to ensure revenues from a broad range of business segments.

As a result of these developments, consolidated net sales of the Group in the fiscal year ended March 31, 2012 increased by 1.1% from the previous fiscal year to ¥346,538 million, and ordinary income increased by 55.3% to ¥14,313 million. Net income was ¥11,671 million, a considerable improvement of ¥11,568 million from the previous fiscal year, owing to factors such as gain on sales of subsidiaries and affiliates’ stocks and a decrease in the loss on valuation of investment securities.

### Broadcasting Business

Consolidated net sales from the Broadcasting Business increased by 3.6% from the previous fiscal year to ¥203,935 million, while operating income improved by ¥2,766 million to ¥600 million.

### Television

In terrestrial television time sales, regular programming sales were flat at the levels of the previous fiscal year. In spite of the contribution of IAAF World Championships Daegu 2011 in August, total terrestrial television time sales fell slightly short of the figure from the previous fiscal year in which a series of major programs in the special programming such as the FIFA World Cup, the 2010 FIVB Women’s Volleyball World Championship, and the TBS 60th anniversary drama were aired one after another.

Spot sales increased slightly from the previous fiscal year on a full-year basis, despite the significant decline in the spot advertising volume in the Tokyo area in April–May 2011 due to the effect of the Great East Japan Earthquake, as the volume has picked up since June 2011 and significantly outperformed year-on-year in the second half of the fiscal year under review.

The average audience rating of TBS Television across all time slots for the fiscal year under review increased by 0.3 percentage point from the previous fiscal year to 6.8%, led by across-the-board information programs such as *Mino Monta no Asa Zuba!*, *Hanamaru Market*, and *Hiruobi*. Moreover, the audience ratings by time slot also rose in all time slots including the golden time slot (7:00 p.m. to 10:00 p.m.) (up 0.3 percentage point to 10.0%) and the prime time slot (7:00 p.m. to 11:00 p.m.) (up 0.2 percentage point to 10.1%).

In the variety show category, *Pittanko Kankan*, *Nakai Masahiro’s SMAP Friday*, and *SECRET ARASHI’S TV SHOW* continued to deliver high ratings. In addition, *Bakuhou! THE Friday*, a new program that started in October 2012 (on Friday from 7:00 p.m.) is growing into a popular program with recent audience ratings exceeding 10%. *HONOO-NO TAIIKU-KAI TV* on Monday from 7:00 p.m. is also increasingly recognized as a popular sports variety program after revamping of the content from the time it was aired as a special program.

In the drama category, *Nichiyo Gekijo JIN—FINAL—*, aired as a TBS 60th anniversary drama series, delivered an average audience rating of 21.3%, outperforming the previous series. Other popular *Nichiyo Gekijo* dramas included *Antarctica*, which was also aired as a TBS 60th

# Business Report

From April 1, 2011 to March 31, 2012

anniversary drama series and gained an average audience rating of 18.0% as it moved the audience as a story epitomizing postwar Japan, and *Unmei no Hito*, with an average audience rating of 12.0%. One of the most recognized TBS TV dramas, *Relentlessness is Found Everywhere*, loved by many fans all through the series, came to a crowning conclusion at its two-hour special last episode, which delivered an average audience rating of 22.2%.

In the sports category, the strength of TBS TV sports programs was again demonstrated by, among others, the TBS 60th anniversary special program IAAF World Championships Daegu 2011, which recorded an average audience rating of 12.4% during the competition hours in the prime time slot. On August 10, 2011, the Kirin Challenge Cup 2011—Japan vs. South Korea (soccer) and the immediately following Boxing World Champion Kazuto Ioka's First Defending Title Match recorded average audience ratings of 22.2% and 16.6%, respectively, and the average rating for over three hours of sports broadcasting across the two programs was 20.3%. Soccer TV programs generally attracted large audiences. For example, FIFA World Cup Qualifiers Asian Third Round—Japan vs. Uzbekistan hit an average rating of 22.5% and North Korea vs. Japan in the same round, which was covered live from Pyongyang, delivered an average rating of 15.5% despite its time slot in the early evening. The Kirin Cup 2011—Japan vs. Czech Republic and the Algarve Women's Football Cup 2012—Japan vs. Norway also gained average ratings of 23.3% and 18.7%, respectively.

In the news category, *N Suta* and *NEWS23X*, among others, continued to report news on topics related to the Great East Japan Earthquake. JNN, a television network organized around TBS as a key station, established a Sanriku temporary station in Kesenuma to get footage of and report daily developments in the quake-afflicted areas and aired a 15-hour special program, *Day of News 2011—Memories, Documents, and Wishes*, at the end of 2011 to reexamine the turbulent year for Japan and to cover exhaustively the nation's efforts to rebuild itself, based on the all-out efforts of TBS/JNN in information gathering.

As of March 31, 2012, 28 companies throughout Japan were affiliated with the Group's JNN television network. The number was unchanged from the previous fiscal year.

BS digital broadcasting saw intensified competition in the fiscal year under review with new participation of 19 channels. In this operating environment, BS-TBS, INC. worked to improve profitability by providing programs with attractive contents such as a full live coverage of golf tournaments and regular broadcasting of a 3D TV program. The company became a consolidated subsidiary of the Company as of July 1, 2011 to give a fresh management start.

Note: All audience ratings are household audience ratings in the Kanto region, surveyed by Video Research Ltd.

## Radio

Supported by favorable audience ratings, time sales from advertising by major sponsors in the toiletries and communications sectors was robust, and advertising by government agencies and municipalities to promote tourist attractions increased. However, total time sales fell short of the results of the previous year due to the significant effect of the decrease in on-line program.

Spot sales increased from the previous fiscal year as revenue from live advertising by the radio personalities was brisk particularly in the areas of education and health food.

In terms of programming, long programs on weekdays continued to boast high popularity. Ranking first in audience rating surveys in the Tokyo Metropolitan Area for 64 consecutive periods (10 years and 8 months), TBS Radio has made its position as a leading radio company in the Tokyo Metropolitan Area permanent. We had a number of station opening anniversary special programs as TBS 60th anniversary projects including the reconstruction of the eve of the station opening in *Kume Hiroshi Radio Nandesukedo* with audience participation during the three days immediately before the anniversary on December 25, 2011, the invitation of past radio personalities who appeared on Sunday afternoon in *Bakusho Mondai no Nichiyo Sunday*, and 2-night broadcasting of a dramatized version of *Soremomata Chiisana Hikari* specially written for this occasion by a Naoki Prize winner Mitsuyo Kakuta, featuring Hikari Ishida and others.

In relation to the Great East Japan Earthquake, we reported the current status of the affected areas in various programs on or around March 11, 2012, which was the first anniversary of the disaster. We also aired a one-hour special program on that day from 2:30 p.m. and another two-hour



# Business Report

From April 1, 2011 to March 31, 2012

special program, *The Great East Japan Earthquake as Reported from the Afflicted Areas – Lessons to be Handed Down*, from 6:00 p.m. from Sendai in cooperation with Tohoku Broadcasting Co., Ltd. In addition, we held an event at Hibiya Park in Tokyo in which we offered to repair and/or replace batteries of radios for free jointly with Nippon Cultural Broadcasting Inc. and Nippon Broadcasting System, Inc., who agreed to cooperate with us in response to the request of TBS Radio.

In the broadcast related business, *Radicon*, through which chargeable audio contents are provided online, and the business of selling goods in collaboration with radio programs performed well. In the housing business, overall profit increased from the previous fiscal year with the increased number of subdivisions within existing sites combined with the effect of cost reduction.

As of March 31, 2012, 34 companies throughout Japan were affiliated with the TBS radio network JRN. This number is unchanged from the previous fiscal year.

## Multi-Visual Ventures and Cultural Events

Although net sales from the Multi-Visual Ventures and Cultural Events Business decreased by 1.7% from the previous fiscal year to ¥127,324 million, operating income increased by 91.9% to ¥5,144 million.

In the cultural events business, Akasaka ACT Theater presented, among others, the Broadway musical *A Chorus Line*, *Musical Roméo & Juliette*, *He is Beautiful on Theater*, and *Yakai* (“Soirée”) by Miyuki Nakajima. We also held highly successful live events for a Korean drama *Marry Me, Mary!*, starring Jang Keun-Suk, a popular Korean actor, in Tokyo and Osaka. The Tetsuya Kumakawa K-Ballet Company continued to enchant the fans by staging productions such as *Romeo and Juliet*, *Swan Lake*, *The Nutcracker*, and *Cinderella*. In the exhibition business, *The Dinosaur EXPO 2011* at the National Museum of Nature and Science drew nearly 590,000 visitors, while we have been holding *Ritratto di Venezia—Mille Anni di Storia* (“World Heritage in Venice Exhibition”) on a nationwide basis as part of TBS 60th anniversary projects. In addition, a new exhibition *The Inca Empire Revealed: Century After the Machu Picchu “Discovery”* made an excellent start on March 10, 2012.

In the video business, a DVD edition of the Friday TV drama *He is Beautiful* enjoyed strong sales at the start of the release. In addition, *3-nen B-gumi Kinpachi Sensei* DVD Complete Box has enjoyed also tremendous popularity despite its high selling price exceeding ¥200,000. Other popular DVD boxes included a TBS 60th anniversary *Nichiyo Gekijo* drama, *Antarctica, 8-ji Dayo! Zenin Shugo Golden Collection*, and *The Best Ten: Akina Nakamori Premium Box*. As for cinema films, we released *The Wings of the Kirin*, *Antoki no Inochi*, *Genji Monogatari—Sennen no Nazo*, *Nihon Retto Ikimonotachi no Monogatari*, and *Ouran High School Host Club*, among others, in addition to *K-ON! MOVIE*, which is enjoying overwhelming popularity among animation fans.



K-ON! MOVIE  
©kakikity-HOUBUNSHA/Sakura High Band

In the program syndication business, we succeeded in the pre-sales of *Nichiyo Gekijo JIN—FINAL—*, produced as a TBS 60th anniversary drama series to be aired in 80 countries worldwide. The format business (business to sell program concepts, etc.) targeted at overseas markets was also brisk as, for example, the fourth season of the U.S. version of *SASUKE* is scheduled to be on air through two U.S. national networks. One of them is NBC, one of the five major networks in the United States and the other is a cable TV station G4.

In the communication satellite business, TBS On Demand (video distribution service) expanded its services targeted at smartphones including the launch of the TBS On Demand Android video distribution service, which is directly operated by TBS On Demand. The number of subscribers for our communication satellite program TBS Channel exceeded six million households as of January 31, 2012 as a result of its efforts to enhance the content to include original dramas and K-Pop live performances.

In the license business, *Nichiyo Gekijo JIN—FINAL—*, produced as a TBS 60th anniversary drama series contributed to sales under the collaboration strategy implemented jointly with a major convenience store chain aimed at combining sales of merchandise such as *Andonatsu*, which appeared in the drama, with program promotion. In addition, a *Hiruobi* book with a shopping basket cooler bag sold 80,000 copies. Sales related to the popular animation *K-ON!* continued to grow as over 500 merchandises were

# Business Report

From April 1, 2011 to March 31, 2012

commercialized in one year including a social network game developed in conjunction with the release of the cinema film version of the animation.

In the shopping business, we produced four special shopping programs and achieved the highest sales ever despite the concerns about the effect of the earthquake disaster. In addition, the StylingLife Group, a group of companies engaging mainly in the retail business, ensured a considerable revenue increase by making efforts to control costs under the tough operating environment.

In the digital business, on-campus digital signage services, which started in major universities in the Tokyo metropolitan area, have grown into a medium with an exposure to a potential audience of over 450,000 people in approximately 60 universities all over Japan using approximately 100 digital displays. In addition, we entered into the game development business as a new source of revenue and are providing a social network game adaptation of the TV drama *SPEC* on Mobage, GREE, etc.

## Real Estate Business

Net sales from the Real Estate Business decreased by 6.5% from the previous fiscal year to ¥15,277 million, and operating income decreased by 10.6% to ¥6,421 million.

Akasaka Sacas, which has reached the third anniversary of its opening, has established itself as a popular cultural and entertainment center through the provision of various performances and events held in Sacas Square.

## ② Capital Investment

Total capital investment in the fiscal year under review was ¥9,900 million. The principal investment item was facilities related to digital terrestrial broadcasting.

The Company completed the transition to digital terrestrial broadcasting in the Kanto region in July 2011 and continued to make efforts to upgrade and expand broadcasting facilities and program production facilities in the fiscal year under review.

With regard to broadcasting facilities, we are preparing for the start of the terrestrial digital broadcasting scheduled for spring 2013 targeted at nearly 16 million households in the Kanto area by replacing the current TV transmitter station installed at Tokyo Tower with broadcasting facilities

for use in terrestrial digital broadcasting installed at Tokyo Skytree. We are also upgrading the facilities in the digital terrestrial relay stations in cooperation with other commercial TV broadcasting companies and NHK in order to accommodate new technologies for broadcasting in the areas where access to terrestrial digital broadcasting is limited and frequency resetting (repacking) after the termination of analog broadcasting.

In addition, we upgraded the No. 1 transmitter at TBS Radio Toda Transmitter Station, which is more than 20 years old (installed in 1989), as well as the main line/control facilities for the purpose of ensuring stable radio broadcasting program administration.

As for program production facilities, we upgraded the visual/audio system of Midoriyama M2 Studio (the main facility for drama production) in addition to the renewal of the camera system carried out in the previous fiscal year in order to ensure smooth operation. In addition, we introduced HD technologies to the medium-sized broadcasting helicopter and relay facilities that have been in service since 1998. As a result, the combination of a high-sensitivity camera, vibration control equipment, and a 40x high magnification lens enables us to film the scene more clearly and with less blurring from high up in the sky even under unfavorable conditions such as in twilight.

## ③ Capital Procurement

Interest-bearing debt of the Group at the end of the fiscal year under review was approximately ¥128,700 million (excluding lease obligations), consisting of ¥50,000 million in bonds payable, approximately ¥58,700 million in long-term loans payable (including the current portion), and ¥20,000 million in short-term loans payable.

In order to ensure flexible access to business funds and operating capital, as of the end of the fiscal year under review, the Company and StylingLife Holdings Inc. had established the commitment line agreements, totaling ¥25,000 million with multiple financial institutions (the balance of the funds drawn is ¥20,000 million, and the available balance is ¥50,000 million).

Besides the above, with the aim of streamlining of funds, some of the account receivables are in the process of liquidation.

# Consolidated Financial Statements

## Consolidated Balance Sheets (Unaudited)

As of March 31, 2012 and 2011	Millions of yen	
	2011	2012
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	¥ 71,510	¥ 79,001
Notes and accounts receivable—trade	33,496	36,767
Merchandise and finished goods	7,006	6,726
Program rights and work in process	6,305	6,142
Raw materials and supplies	778	627
Prepaid expenses	8,890	8,410
Deferred tax assets	1,946	2,696
Deposits received	48,875	—
Other	6,212	6,112
Allowance for doubtful accounts	(97)	(116)
<b>Total current assets</b>	<b>184,924</b>	<b>146,368</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	190,577	190,731
Accumulated depreciation	(75,535)	(79,621)
Buildings and structures, net	115,041	111,109
Machinery, equipment and vehicles	85,651	83,281
Accumulated depreciation	(74,758)	(74,906)
Machinery, equipment and vehicles, net	10,892	8,375
Tools, furniture and fixtures	21,076	22,588
Accumulated depreciation	(18,504)	(20,262)
Tools, furniture and fixtures, net	2,571	2,326
Land	84,720	84,553
Lease assets	6,610	6,725
Accumulated depreciation	(2,933)	(3,513)
Lease assets, net	3,677	3,211
Construction in progress	3,322	4,467
<b>Total property, plant and equipment</b>	<b>220,227</b>	<b>214,044</b>
<b>Intangible assets</b>		
Software	4,796	5,024
Goodwill	25,571	23,966
Lease assets	441	458
Other	2,095	2,048
<b>Total intangible assets</b>	<b>32,905</b>	<b>31,497</b>
<b>Investments and other assets</b>		
Investment securities	139,958	149,363
Long-term loans receivable	338	414
Deferred tax assets	2,370	1,472
Long-term prepaid expenses	1,649	1,046
Other	11,216	11,767
Allowance for doubtful accounts	(567)	(815)
<b>Total investments and other assets</b>	<b>154,965</b>	<b>163,248</b>
<b>Total noncurrent assets</b>	<b>408,098</b>	<b>408,790</b>
<b>Total assets</b>	<b>¥ 593,023</b>	<b>¥ 555,159</b>

# Consolidated Financial Statements

## Consolidated Balance Sheets (Unaudited)

As of March 31, 2012 and 2011	Millions of yen	
	2011	2012
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable—trade	¥ 32,548	¥ 34,688
Short-term loans payable	36,722	20,000
Current portion of long-term loans payable	1,750	11,750
Current portion of bonds	20,000	—
Accounts payable—other	9,886	11,782
Income taxes payable	2,757	3,123
Accrued consumption taxes	764	827
Accrued expenses	6,052	5,070
Provision for directors' bonuses	114	184
Other provision	885	1,058
Other	5,577	6,672
<b>Total current liabilities</b>	<b>117,058</b>	<b>95,156</b>
<b>Noncurrent liabilities</b>		
Bonds payable	30,000	50,000
Long-term loans payable	58,750	47,000
Provision for retirement benefits	12,573	12,978
Lease obligations	3,064	2,235
Deferred tax liabilities	10,406	10,121
Other	16,510	15,069
<b>Total noncurrent liabilities</b>	<b>131,305</b>	<b>137,405</b>
<b>Total liabilities</b>	<b>248,364</b>	<b>232,561</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	54,986	54,986
Capital surplus	60,254	60,254
Retained earnings	211,948	222,303
Treasury stock	(96)	(48,972)
<b>Total shareholders' equity</b>	<b>327,094</b>	<b>288,572</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	8,399	20,329
Deferred gains or losses on hedges	(1,002)	(357)
Foreign currency translation adjustment	(180)	(186)
<b>Total valuation and translation adjustments</b>	<b>7,216</b>	<b>19,785</b>
<b>Minority interests</b>	<b>10,348</b>	<b>14,238</b>
<b>Total net assets</b>	<b>344,658</b>	<b>322,597</b>
<b>Total liabilities and net assets</b>	<b>¥ 593,023</b>	<b>¥ 555,159</b>

# Consolidated Financial Statements

## Consolidated Statements of Income (Unaudited)

Years ended March 31, 2012 and 2011	Millions of yen	
	2011	2012
<b>Net sales</b>	¥ 342,754	¥ 346,538
Cost of sales	245,305	244,086
<b>Gross profit</b>	<b>97,448</b>	<b>102,451</b>
Selling, general and administrative expenses	89,742	90,288
<b>Operating income</b>	<b>7,705</b>	<b>12,162</b>
<b>Non-operating income</b>		
Interest income	112	78
Dividends income	2,622	3,182
Equity in earnings of affiliates	500	79
Other	916	1,089
<b>Total non-operating income</b>	<b>4,151</b>	<b>4,429</b>
<b>Non-operating expenses</b>		
Interest expenses	1,671	1,407
Loss on retirement of noncurrent assets	282	228
Other	687	643
<b>Total non-operating expenses</b>	<b>2,641</b>	<b>2,279</b>
<b>Ordinary income</b>	<b>9,215</b>	<b>14,313</b>
<b>Extraordinary income</b>		
Gain on sales of subsidiaries and affiliates' stocks	—	5,959
Gain on sales of investment securities	6,814	302
Gain on step acquisitions	—	210
Gain on liquidation of subsidiaries and affiliates	89	—
<b>Total extraordinary income</b>	<b>6,904</b>	<b>6,471</b>
<b>Extraordinary loss</b>		
Loss on valuation of investment securities	11,644	1,913
Loss on liquidation of subsidiaries and affiliates	—	462
Early extra retirement payments	—	333
Loss on valuation of golf club membership	—	250
Impairment loss	138	201
Loss on purchase of treasury stock	—	149
Loss on revision of retirement benefit plan	38	20
Loss on adjustment for changes of accounting standard for asset retirement obligations	516	—
Loss on disaster	149	—
<b>Total extraordinary losses</b>	<b>12,487</b>	<b>3,330</b>
<b>Income before income taxes and minority interests</b>	<b>3,632</b>	<b>17,454</b>
<b>Income taxes—current</b>	<b>3,657</b>	<b>3,956</b>
<b>Income taxes—deferred</b>	<b>258</b>	<b>362</b>
<b>Total income taxes</b>	<b>3,916</b>	<b>4,319</b>
<b>Income (loss) before minority interests</b>	<b>(284)</b>	<b>13,135</b>
<b>Minority interests in income (loss)</b>	<b>(387)</b>	<b>1,463</b>
<b>Net income</b>	<b>¥ 103</b>	<b>¥ 11,671</b>

# Consolidated Financial Statements

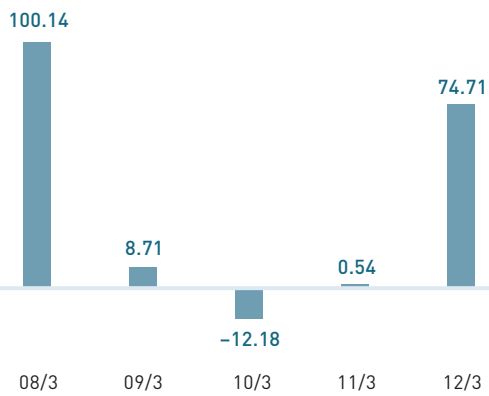
## Consolidated Statements of Cash Flows (Unaudited)

Year ended March 31, 2012 and 2011	Millions of yen	
	2011	2012
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	¥ 3,632	¥ 17,454
Depreciation and amortization	16,759	15,078
Amortization of long-term prepaid expenses	616	545
Amortization of goodwill	1,605	1,946
Gain on valuation of investment securities	11,644	1,913
Gain on sales of investment securities	(6,814)	(302)
Gain on sales of stocks of subsidiaries and affiliates	—	(5,959)
Retirement benefit expenses	431	576
Loss on retirement of noncurrent assets	282	377
Increase in allowance for doubtful accounts	30	265
Interest and dividends income	(2,734)	(3,261)
Interest expenses	1,671	1,407
Equity in (earnings) losses of affiliates	(500)	(79)
Decrease (increase) in notes and accounts receivable—trade	2,718	(2,272)
Decrease in inventories	151	961
Decrease in prepaid expenses	2,331	572
Increase (decrease) in notes and accounts payable—trade	(3,471)	2,014
Decrease (increase) in consumption taxes refund receivable	812	(13)
Loss on adjustment for changes of accounting standard for asset retirement obligations	516	—
Other, net	649	223
Subtotal	30,333	31,450
Interest and dividends income received	2,744	3,263
Interest expenses paid	(1,670)	(1,476)
Income taxes refund	1,401	525
Income taxes paid	(2,771)	(3,689)
Net cash provided by operating activities	30,036	30,072
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,597)	(6,057)
Purchase of intangible assets	(3,041)	(2,346)
Purchase of investment securities	(239)	(2,703)
Proceeds from sales of investment securities	16,113	466
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(1,389)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	—	5,911
Other, net	43	387
Net cash provided by (used in) investing activities	6,278	(5,731)
<b>Cash flows from financing activities</b>		
Increase in short-term loans payable	6,288	2,283
Decrease in short-term loans payable	(21,528)	(14,842)
Repayment of long-term loans payable	(1,500)	(1,750)
Proceeds from issuance of bonds	—	19,899
Redemption of bonds	—	(20,000)
Proceeds from sale and leaseback	1,351	—
Purchase of treasury stock	(3)	(1)
Cash dividends paid	(956)	(1,336)
Cash dividends paid to minority shareholders	(77)	(44)
Other, net	(610)	(1,201)
Net cash used in financing activities	(17,037)	(16,993)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(92)	18
<b>Net increase in cash and cash equivalents</b>	19,185	7,367
<b>Cash and cash equivalents at beginning of period</b>	52,249	71,434
<b>Cash and cash equivalents at end of period</b>	¥ 71,434	¥ 78,801

# Major Indices

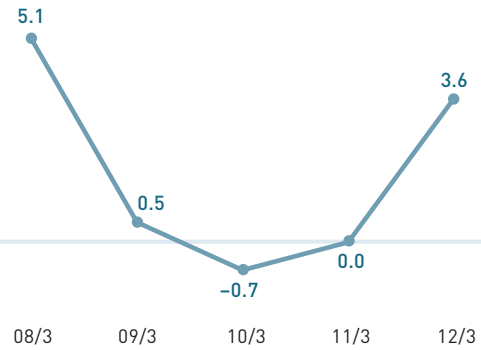
## Net Income per Share

Unit: yen



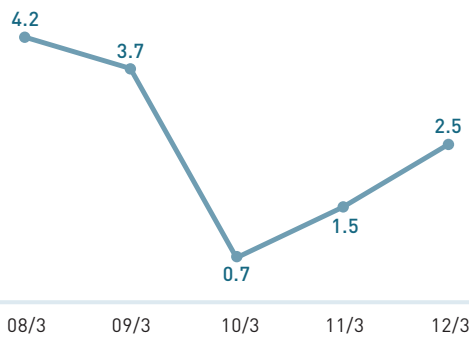
## Return on Equity

Unit: %



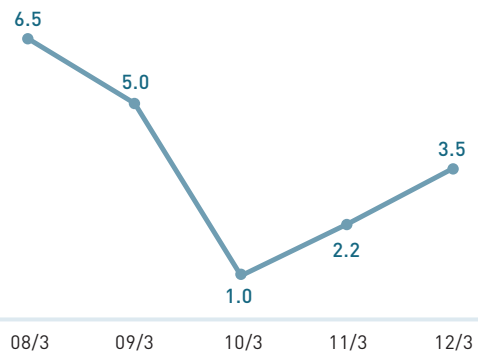
## Ratio of Ordinary Income to Net Assets

Unit: %



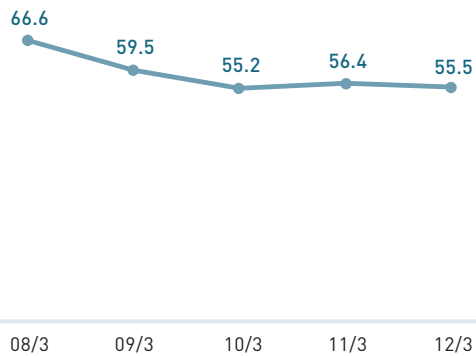
## Ratio of Operating Income to Net Sales

Unit: %



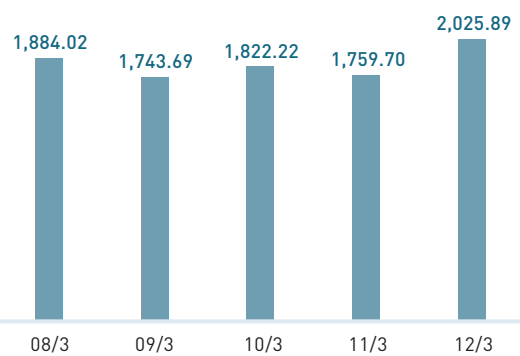
## Equity Ratio

Unit: %



## Net Assets per Share

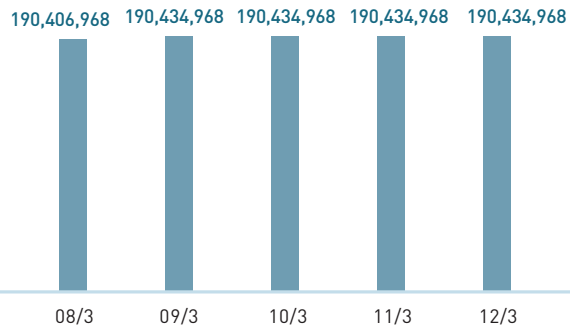
Unit: yen



# Major Indices

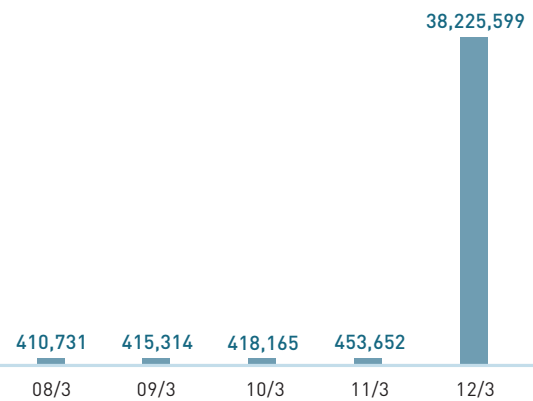
## Number of Shares Issued at the End of the Term (Including Treasury Stock)

Unit: shares



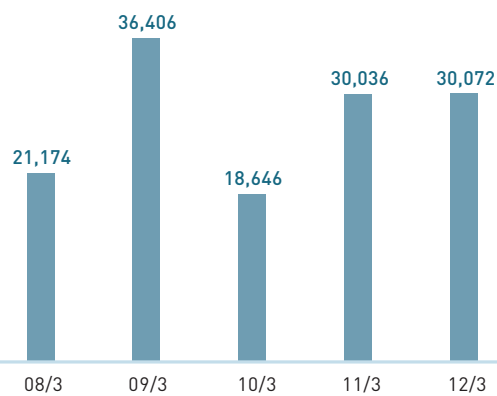
## Amount of Treasury Stock at the End of the Term

Unit: shares



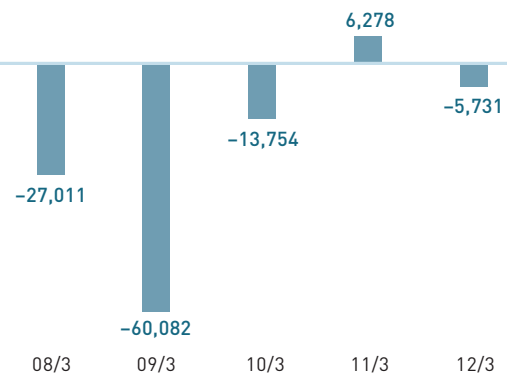
## Cash Flows from Operating Activities

Unit: million yen



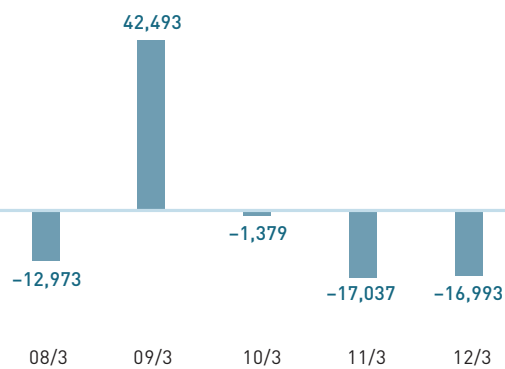
## Cash Flows from Investing Activities

Unit: million yen



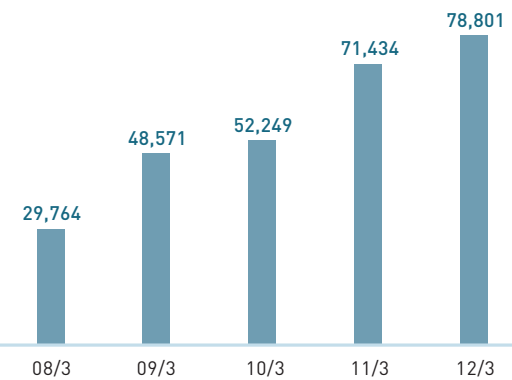
## Cash Flows from Financing Activities

Unit: million yen



## Cash and Cash Equivalents, at End of Period

Unit: million yen





# Segment Information

## Consolidated Results by Segment

(Unit: million yen)

	FY2012			
	External sales	y/y change	Operating income	y/y change
Broadcasting Business	¥203,935	+7,075	¥ 600	+2,766
Multi-Visual Ventures and Cultural Events Business	127,324	-2,237	5,144	+2,463
Real Estate Business	15,277	-1,054	6,421	-764
Consolidated Business	¥346,538	+3,783	¥12,162	+4,457

## Capital Expenditures and Depreciation

(Unit: million yen)

Consolidated	FY2012
Capital expenditures	¥ 8,910
Depreciation	13,920

TBS Holdings	FY2012
Capital expenditures	¥ 543
Depreciation	3,410

TBS Television	FY2012
Capital expenditures	¥ 5,771
Depreciation	8,245

# Segment Information

## FY2013 Consolidated and TBS Television Business Results Forecasts

(Unit: million yen)

2013



Consolidated	FY2013
Net sales	¥357,200
Operating income	13,200
Ordinary income	13,900
Net income	7,000

### Business Results Forecast by Segment

(Unit: million yen)

Consolidated	FY2013
<b>Consolidated net sales</b>	<b>¥357,200</b>
Broadcasting Business	214,400
Multi-Visual Ventures and Cultural Events Business	127,300
Real Estate Business	15,400
<b>Consolidated operating income</b>	<b>13,200</b>
Broadcasting Business	1,500
Multi-Visual Ventures and Cultural Events Business	5,500
Real Estate Business	6,100

2013



(Unit: million yen)

TBS Television	FY2013
Net sales	¥217,100
Operating income	4,000
Ordinary income	5,300
Net income	3,300

### Time/Spot, Program Cost Forecasts

	1st half	2nd half	Full year
Time	+4.0%	+2.5%	+3.3%
Spot	+10.1%	+0.9%	+5.0%
Program cost	—	—	¥98,500 million

Note: The estimated figures above, which were announced on May 11, 2012, are subject to revision. For the most up-to-date estimated figures, please see the Company's web site.



Sunday Morning



Mino Monta no Asa Zuba!



Pittanko Kankan

## Breakdown of TBS Television Income

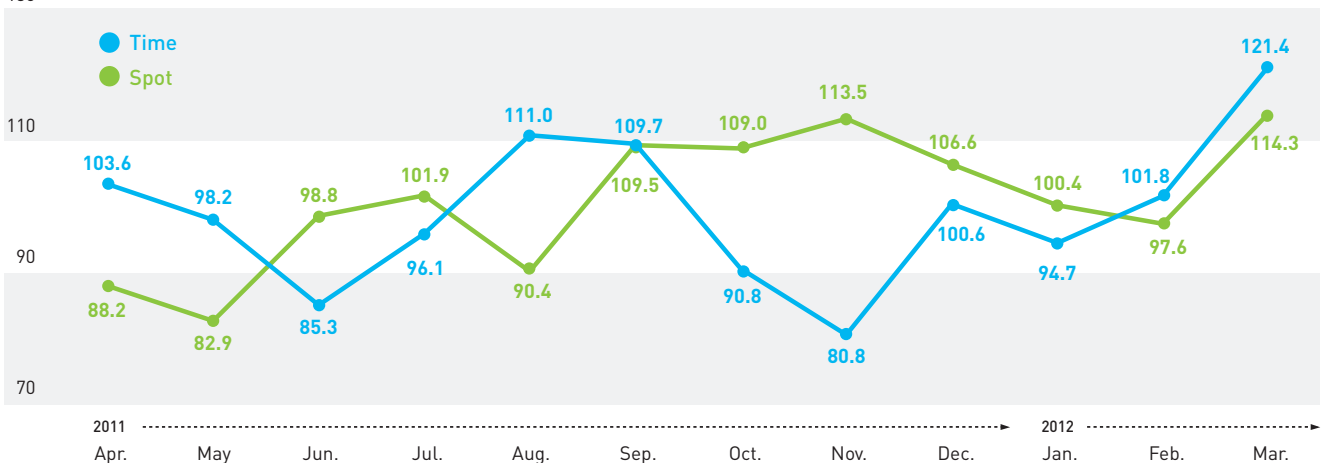
(Unit: million yen)

	FY2012	y/y change
Television	¥180,109	-504
Time advertising	85,415	-1,138
Spot advertising	83,504	+1,343
Others	7,351	-863
Program sales in Japan	3,839	+155
Operations	25,586	-2,047
Real estate	2,885	-16
Total income	¥208,581	-2,568

## Year-on-Year Changes in Time/Spot Earnings

(Unit: %)

130



	Q1	Q2	Q3	Q4	Full year
● Time	95.5	105.6	90.1	104.9	98.7
● Spot	90.1	101.2	109.7	105.1	101.6
TBS share among five key broadcasters	19.5	19.7	20.0	19.9	19.8



Antarctica



JIN-FINAL-

## Spot Advertising Sales Ranks by Business Category

(Unit: %)

	FY2012	Growth rate	Share
1	Alcoholic and other beverages	+0.3	11.5
2	Foods	-6.3	10.4
3	Pharmaceuticals	+13.7	9.6
4	Cosmetics and toiletries	+8.1	8.4
5	Automobiles and transportation equipment	-10.6	7.0
6	Telecommunications and broadcasting	+19.2	6.6
7	Entertainment and hobbies	-29.1	6.2
8	Precision instruments and office machines	+0.7	5.6
9	Distribution	+50.5	5.0
10	Financial services	+8.6	4.9

(Ranked in order of sales proceeds)

## TBS Television Business Segment Income

(Unit: million yen)

Contents		Full year	y/y change	Remarks	
Operations division	Cultural business (events)	¥ 2,251	-946	Segment income declined, mostly in the cultural events businesses due partly to the effects of the earthquake.	
	Show business	3,463	-300	Segment income declined because of the impact of the earthquake on big hits including <i>He is Beautiful on Theater</i> , <i>Romeo and Juliet</i> , and <i>Yakai</i> ("Soirée").	
	Multi-visual business	DVDs	3,935	+120	<i>JIN-FINAL-</i> , <i>He is Beautiful</i> and <i>SPEC</i> were major hits!
		Animations	1,969	-817	Segment income declined, as the success of <i>K-ON! MOVIE</i> released in December was not sufficient to offset a drop in reaction to the absence of the DVDs <i>K-ON!</i> and <i>K-ON!!</i> , which were hits in the previous fiscal year.
	Movie business	1,421	-302	<i>Ohoku</i> and <i>Space Battleship Yamato</i> DVDs were released, and <i>The Wings of the Kirin</i> was released in January and did well, but segment income declined as fewer movies were released compared to the previous fiscal year.	
Content business division	Contents sales business	Program sales abroad	1,014	-342	—
		Other program sales	466	+146	Increased from the previous year thanks to strong sales of programs to BS and CS.
	Pay-TV business	7,609	+668	Increased from the previous year because TBS Channel, TBS NEWS BIRD, and TBS on Demand all performed strongly.	
	Licensing business	1,372	-122	—	
Digital business	2,082	-150	Segment income from mobile phone charges declined with the increased proliferation of smartphones.		
Total		¥25,586	-2,047	Although there was a ¥2,000 million decline in segment income, this was more than covered by cost controls, which resulted in improved profit margins and higher profit!	



IAAF World Championships Daegu 2011  
©PHOTO KISHIMOTO



Boxing World Champion Kazuto Ioka's  
First Defending Title Match



The 2010 FIVB Women's Volleyball World Championship

## FY2012 Viewer Ratings

(Unit: %)

	All day	Golden time*	Prime time**
<b>TBS</b>	<b>6.8 (4th)</b>	<b>10.0 (5th)</b>	<b>10.1 (5th)</b>
NTV	8.0 (1st)	12.7 (1st)	12.7 (1st)
TV Asahi	7.4 (3rd)	11.7 (3rd)	12.0 (3rd)
TV Tokyo	2.7 (6th)	6.0 (6th)	5.6 (6th)
Fuji TV	8.0 (1st)	12.5 (2nd)	12.5 (2nd)
NHK	6.7 (5th)	11.5 (4th)	10.2 (4th)
HUT	41.5	63.7	62.3

(Ratings for April 4, 2011 to April 1, 2012, on a weekly basis)

\* 19:00~22:00

\*\* 19:00~23:00

## TV Program Cost (Production Expenses)

(Unit: million yen)

	FY2012	FY2011	y/y change
Q1	¥23,877	¥24,226	-349
Q2	23,492	23,950	-458
Q3	23,326	24,515	-1,189
Q4	24,229	22,413	+1,816
Direct expenses	18,703	—	
Indirect expenses	5,526	—	
Fiscal year cumulative	¥94,924	¥95,105	-181
Next fiscal-year forecast		98,500	

(Next fiscal-year forecast includes a ¥500 million margin of error)

### Major expenses included in TV program cost:

Direct expenses: Program production expenses, fees for broadcasting rights, fine arts production expenses, technical production expenses

Indirect expenses: Absorbed cost including depreciation and personnel cost for employees

# Financial Data of Major Group Companies

## TBS Radio & Communications, Inc.

(Unit: million yen)

	FY2012	
	Amount	y/y change
Net sales	¥11,144	-219
Operating income	474	-116
Ordinary income	487	-91
Net income	206	-75

Recorded the highest ratings for 64 consecutive periods from August 2001 to February 2012.



## BS-TBS, INC.

(Unit: million yen)

	FY2012	
	Amount	y/y change
Net sales	¥11,437	+2,106
Operating income	1,757	+574
Ordinary income	1,772	+578
Net income	3,193	+2,003



## Grand Marche, Inc.

(Unit: million yen)

	FY2012	
	Amount	y/y change
Net sales	¥15,107	+1,006
Operating income	491	+53
Ordinary income	625	+219
Net income	351	+108



# Financial Data of Major Group Companies

## TC Entertainment Incorporated

(Unit: million yen)

	FY2012	
	Amount	y/y change
Net sales	¥ 4,534	+477
Operating income	113	+48
Ordinary income	116	+47
Net income	67	+27



## StylingLife Holdings Inc. (Consolidated)

(Unit: million yen)

	FY2012	
	Amount	y/y change
Net sales	¥69,697	-38
Operating income	1,546	+1,375
Ordinary income	1,420	+1,396
Net income	119	+1,176



©Suzy Spafford



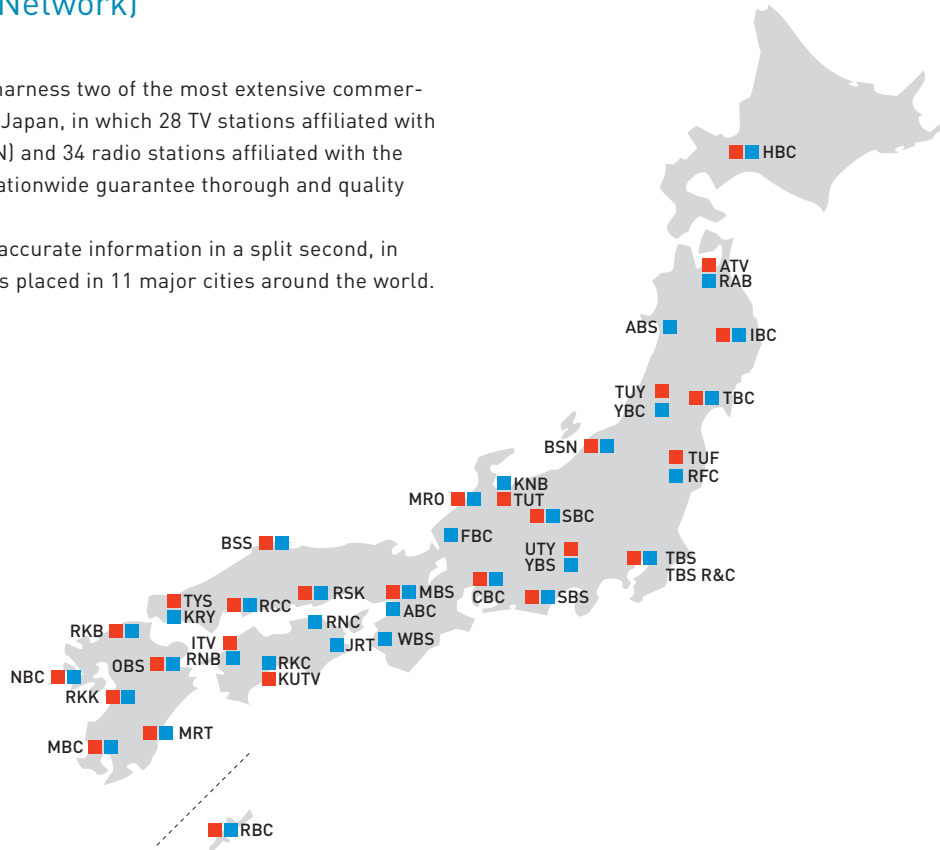
# TBS Networks

## JNN (Japan News Network)

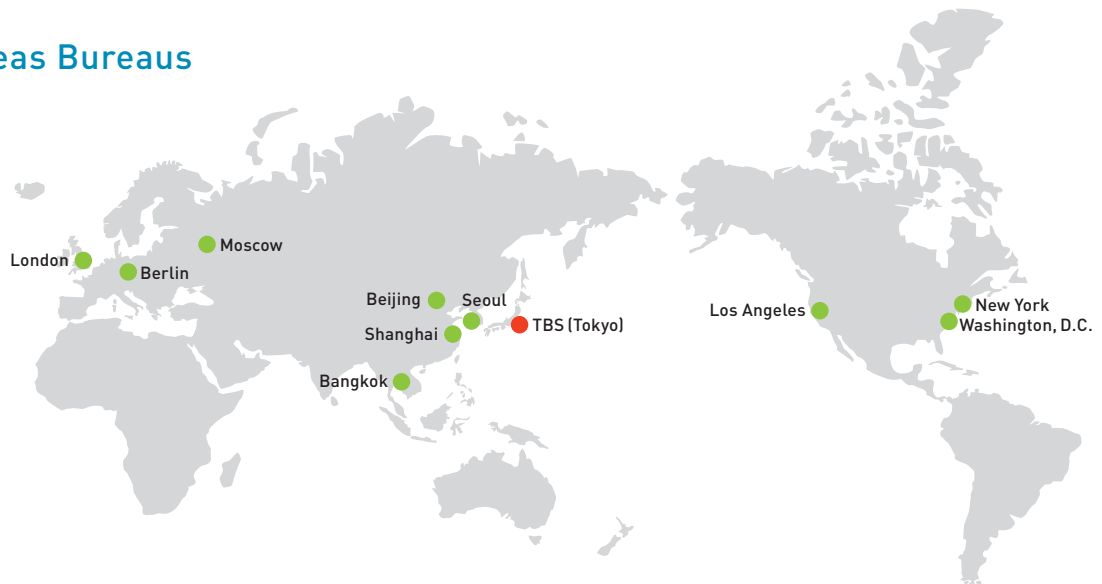
## JRN (Japan Radio Network)

TBS Television and TBS R&C harness two of the most extensive commercial broadcasting networks in Japan, in which 28 TV stations affiliated with the Japan News Network (JNN) and 34 radio stations affiliated with the Japan Radio Network (JRN) nationwide guarantee thorough and quality news gathering.

Our news network delivers accurate information in a split second, in alliance with overseas bureaus placed in 11 major cities around the world.



## JNN Overseas Bureaus



## Tokyo Broadcasting System Holdings, Inc.

5-3-6 Akasaka, Minato-ku, Tokyo 107-8006, Japan  
 Phone: +81-3-3746-1111 Fax: +81-3-3588-6378 [www.tbsholdings.co.jp](http://www.tbsholdings.co.jp)

TOKYO BROADCASTING SYSTEM HOLDINGS, INC.

Investor Information

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