



Group Mid-Term Management Plan 2020

From
TBS



From Group Mid-Term Management Plan 2018 to 2020

	Estimates for FY2018	Actuals for FY2016	Change
Net sales	¥373.0 billion	¥355.3 billion	-¥17.6 billion
Operating income	¥19.5 billion	¥19.8 billion	+¥0.3 billion
Ratio of operating income to net sales	5.2%	5.6%	+0.4 pt

The target operating income and ratio of operating income to net sales for FY2018 were achieved in the first fiscal year under the plan, FY2016.



Proceeding to the Group Mid-Term Management Plan 2020

About the Group Mid-Term Management Plan 2020

At the time of the integration of broadcasting and telecommunications services, the three approaches to be adopted to further strengthen the foundations of the TBS Group with an eye toward the time after the Tokyo Olympic and Paralympic Games 2020.

1 Increase of the competitiveness of Tokyo Broadcasting System Television, Inc.
Creation of the strongest and best content

2 Diversification and challenge to total media that creates the synergy of TBS

3 Performance of the social responsibility that the TBS Group should fulfill

Establishment of TBS quality



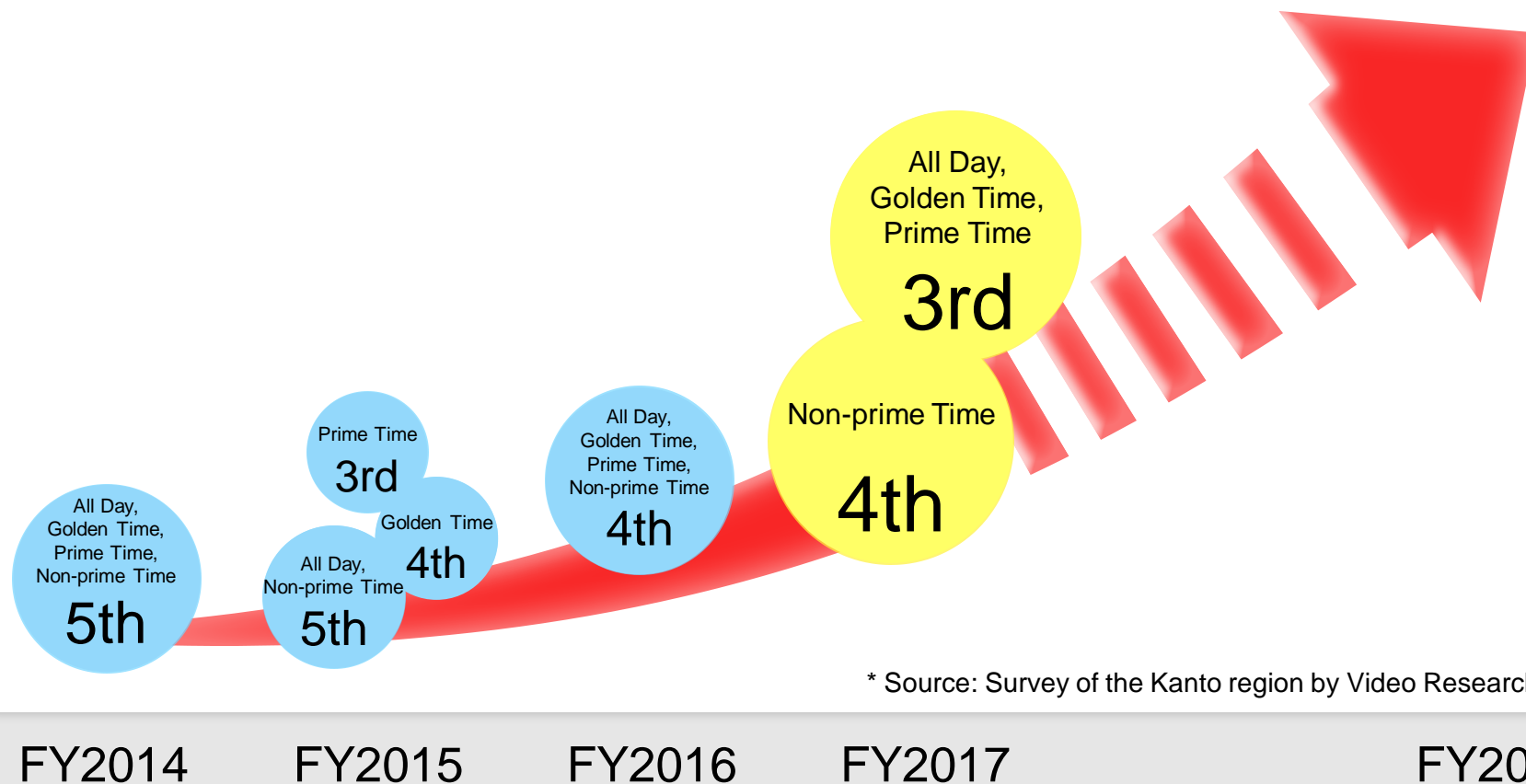
1

**Increase of the competitiveness of Tokyo
Broadcasting System Television, Inc.
Creation of the strongest and best content**

1 Increase of the competitiveness of Tokyo Broadcasting System Television, Inc.
Creation of the strongest and best content

**Ranking of Tokyo Broadcasting System Television, Inc.
in terms of household audience rating**

(among the six terrestrial broadcasting stations as of December 31, 2017)



* Source: Survey of the Kanto region by Video Research Ltd.

1 Increase of the competitiveness of Tokyo Broadcasting System Television, Inc.
Creation of the strongest and best content

Goals for FY2020
**Ranking in terms of
audience rating:
second or better**

- Household audience rating (all day, golden time, prime time, non-prime time)
- Individual audience rating, particularly the group known as the family core (men and women aged 13 to 59)

Top priority to be placed on increasing and improving content

**News media boasting of
overwhelming reputation**

**System for providing accurate
information earlier in a manner
that is easier to understand
than any other medium**

- Increase and improvement of links with individual network stations
- Strengthening of SNS and distribution services and text sites

**Provision of entertainment that
gets to the hearts of people**

**Production of dramas,
variety shows and documentaries
that convey joy and excitement**

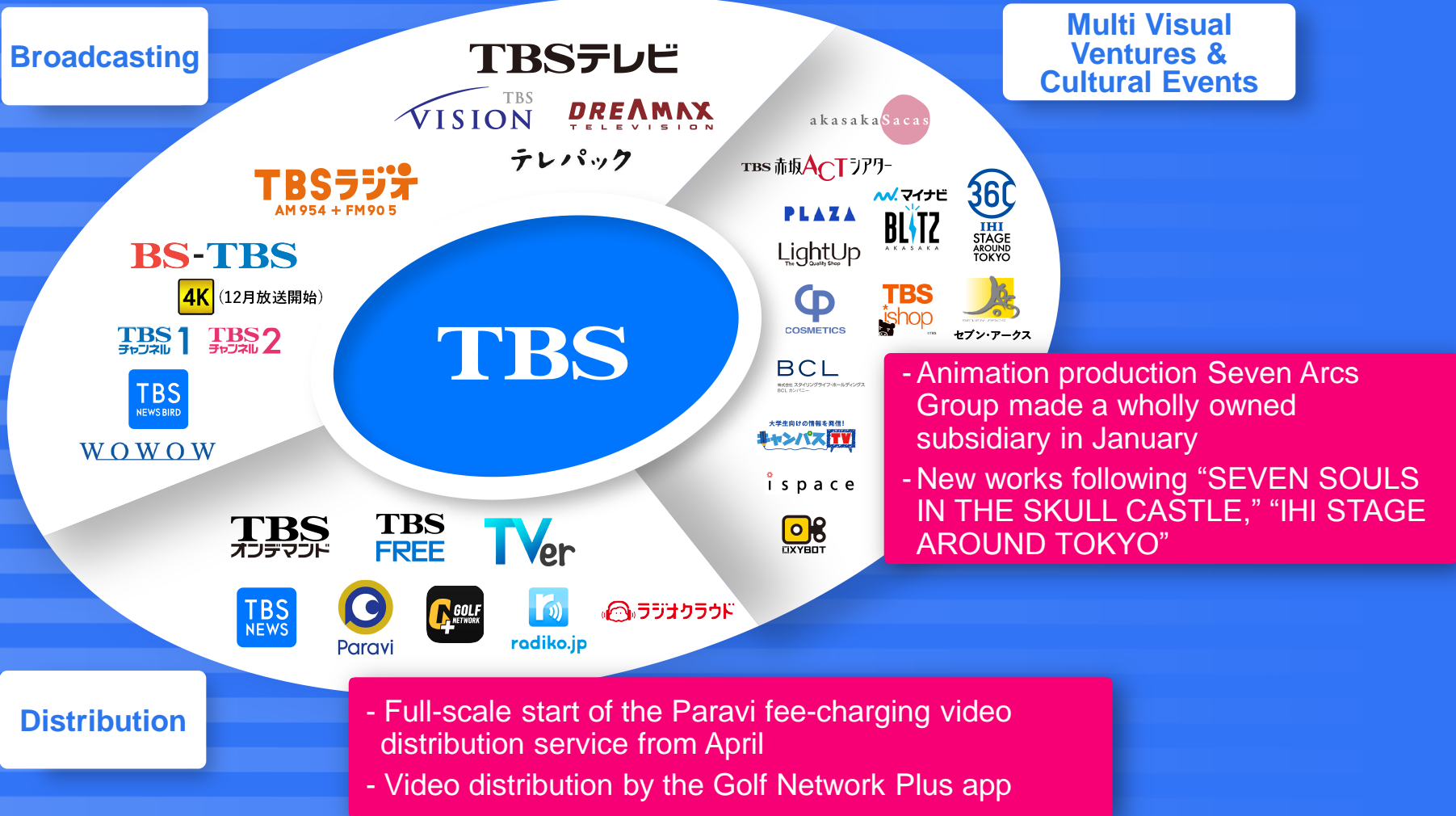
- Handing-over and development of capabilities for producing television programs that only TBS has
- Content development with multiple uses in mind



2

**Diversification and challenge to total media
that creates the synergy of TBS**

2 Diversification and challenge to total media that creates the synergy of TBS



To review the structure of the Group and gather the strengths of the Group



New challenge ~ Expansion of fields and evolution ~

TBS space project

- Investment in ispace, which takes up the challenge of private space development
- Collaboration in the development of video technologies in Japan's first private lunar exploration project

Adaption to new technologies

- Implementation of VR, AR and other technologies for BS, 4K for distribution, etc.
- Revitalization of research and development by business alliance, etc.

Expansion of the CVC fund and promotion of new businesses and M&A

Strategic investment of about 50 billion yen before FY2020



3

**Performance of the social responsibility
that the TBS Group should fulfill**

3 Performance of the social responsibility that the TBS Group should fulfill

TBS Group: a corporate group that should fulfill a high level of social responsibility because it has a broadcaster that is authorized to use the limited rare radio waves under its umbrella



* E: Environmental; S: Social; G: Governance

3 Performance of the social responsibility that the TBS Group should fulfill

E

Environmental

- Designation of the 6th day of each month as the day for the promotion of Green Power
- Cooperation in biodiversity conservation

S

Social

- Hanasakasu Nursery School and TBS University from April
- Promotion of work style reform and diversity
- Cooperation with para-athletes toward the Tokyo Paralympic Games
- Hosting of DigiCon6 ASIA

G

Governance

- TBS Group code of conduct for achieving the corporate vision
- Establishment of the advisory committee for appointment and the advisory committee for compensation
- Regular review of the significance of cross-shareholdings

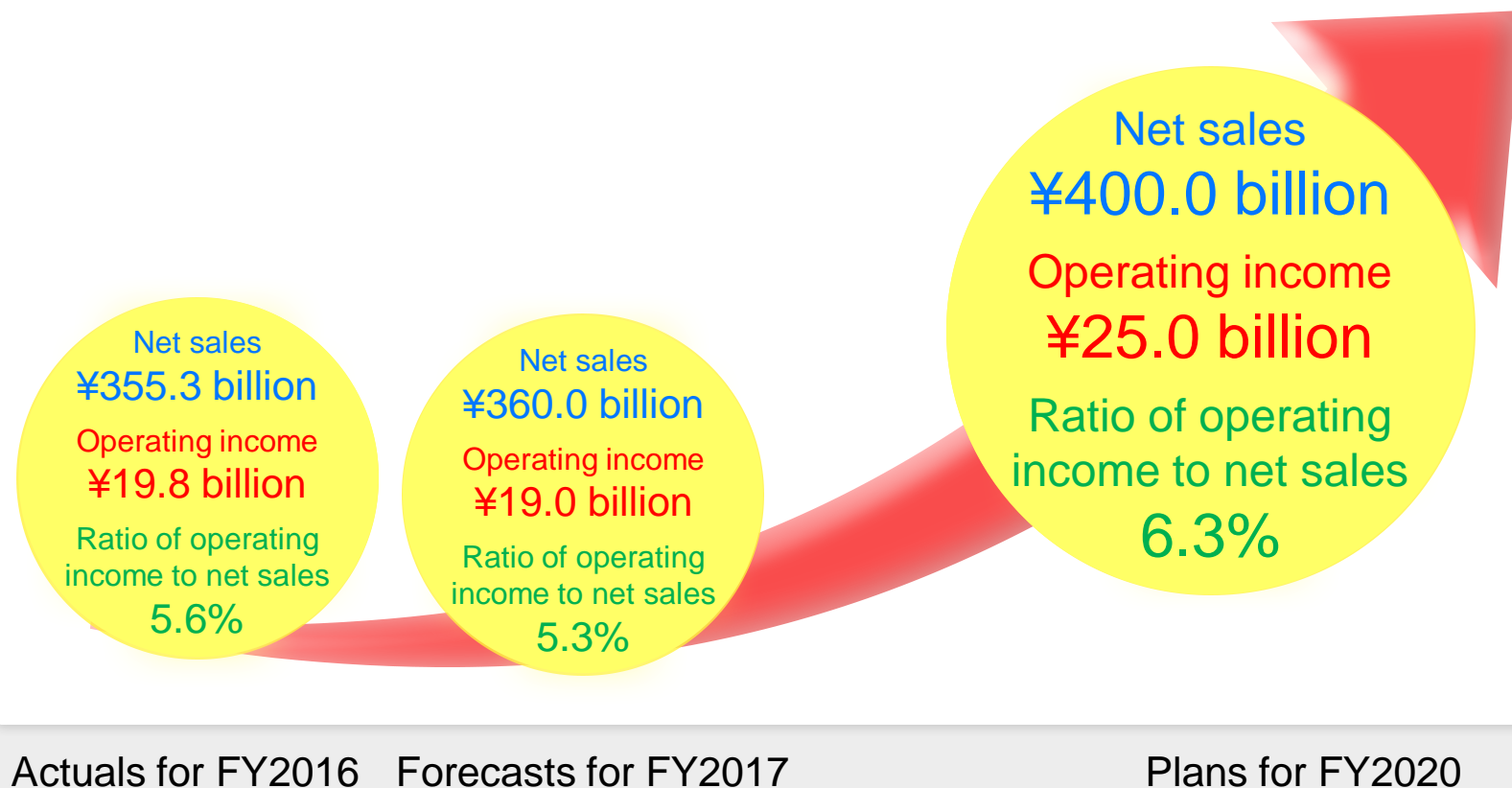
Actions for achieving **the sustainable development goals (SDGs)** that only a broadcaster can conduct

Starting from the communication of fair and accurate information from the standpoints of the 17 goals



Goals for achievement under the Group Mid-Term Management Plan 2020

After the establishment of TBS quality through the three approaches:



[Reference] Tokyo Broadcasting System Television, Inc., assumed average growth rate (for FY2016 to FY2020)
Time earnings: up 0.64% per year; Spot earnings: up 2.72% per year

Net sales, operating income and ratio of operating income to net sales by segment for FY2020

	Net sales	Operating income	Ratio of operating income to net sales
Broadcasting	¥245.0 billion (+¥25.8 billion)	¥9.5 billion (+¥3.5 billion)	3.9% (+1.2 pt)
Multi Visual Ventures & Cultural Events	¥140.0 billion (+¥19.0 billion)	¥8.5 billion (+¥2.3 billion)	6.1% (+1.0 pt)
Real Estate	¥15.0 billion (-¥0.2 billion)	¥7.0 billion (-¥0.7 billion)	46.7% (-4.2 pt)
Total	¥400.0 billion (+¥44.6 billion)	¥25.0 billion (+¥5.1 billion)	6.3% (+0.7 pt)

* The figures in parentheses show the differences between the actuals for FY2016 and the plans for FY2020.

Promotion of the increase of the return to shareholders based on the condition of stable growth, etc.



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