

Connecting to the future

2019

INVESTOR
INFORMATION

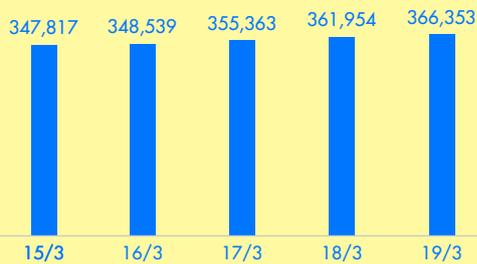
Tokyo Broadcasting System Holdings, Inc.

From
TBS

Consolidated Financial Highlights

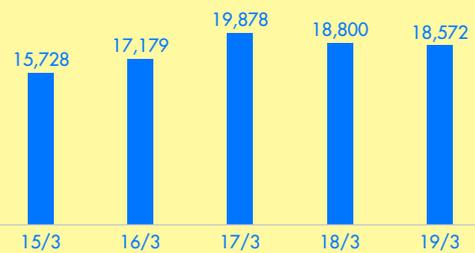
Net Sales

(Millions of Yen)



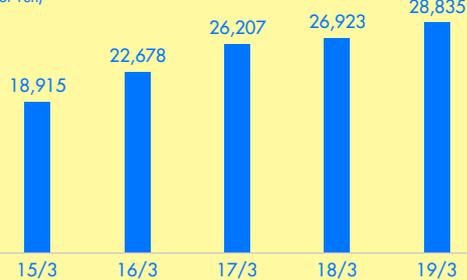
Operating Income

(Millions of Yen)



Ordinary Income

(Millions of Yen)



Profit Attributable to Owners of Parent

(Millions of Yen)



Total Assets

(Millions of Yen)



Total Net Assets

(Millions of Yen)



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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 then 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 following is a brief summary of business operations during the fiscal year ended March 31, 2019.

In January this year, TBS began a major undertaking: the Akasaka Entertainment City Initiative. The purpose of this project is to develop and expand new entertainment venues and events for cultural communication with the aim of making Akasaka “a city that delivers the greatest entertainment in the world.” This major project, lasting for the next 10 years, forms part of our “comprehensive media strategy for synergy creation” that was outlined in the Group Medium-Term Management Plan 2020. Through this initiative, we are committed to increasing corporate value and, at the same time, we are creating culture and revitalizing the local community.

In our main business, terrestrial TV broadcasting, the fiscal year ended March 31, 2019 was mostly positive, with audience ratings in the golden time slot returning to double-digit figures for the first time in seven years. To maintain this favorable trend, we are restructuring the TBS Group, starting with our production companies. As a result, the expertise in program and content

production that had spread across many subsidiaries was brought together in TBS Sparkle, while subsidiaries in the multi-visual and cultural events division merged together, becoming TBS Glowdia. Through integration of this kind, we intend to promote effective use of resources and put in place a corporate structure ready to reach out to the world.

By consistently meeting new challenges, our aims are to evolve as a media provider enjoying public affection and trust and to continue on the path of corporate growth.

June 2019

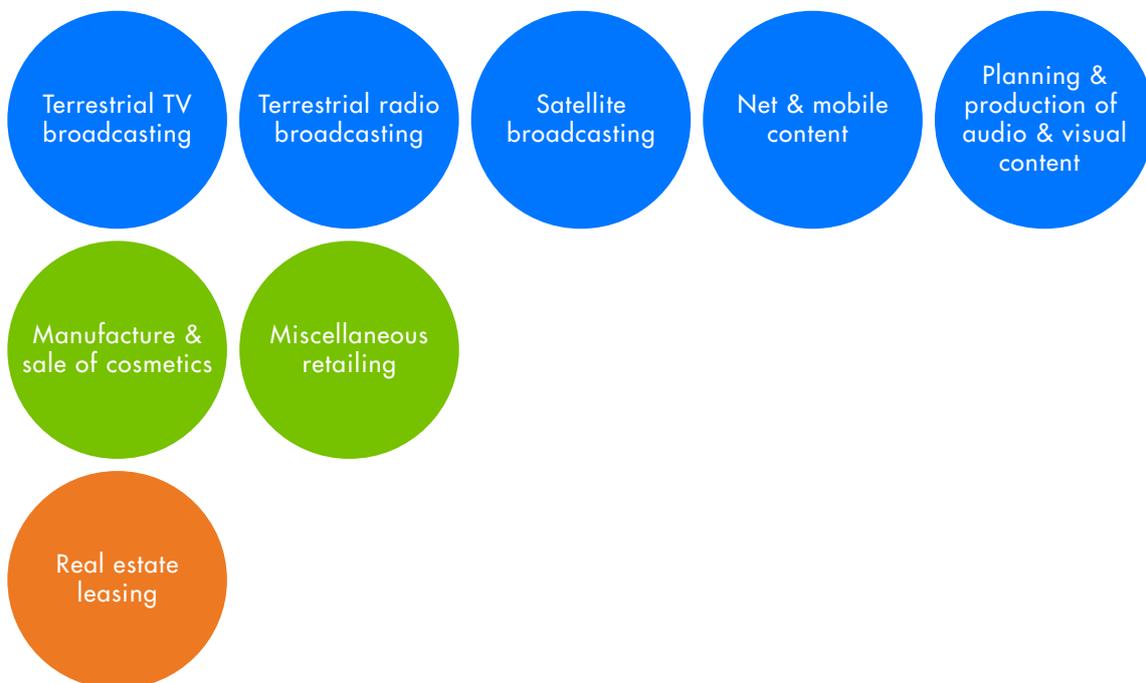
Takashi Sasaki

President and Representative Director
Tokyo Broadcasting System Holdings, Inc.

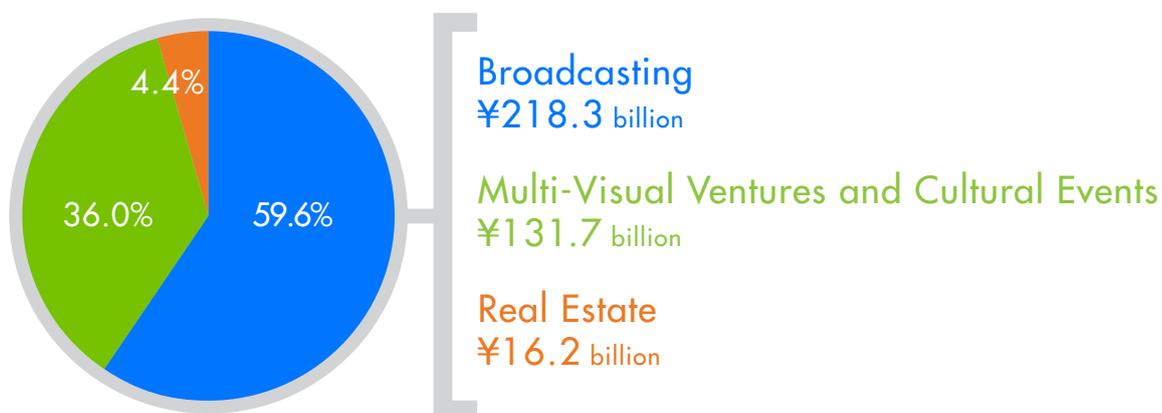
At a Glance

Our Business

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



Net Sales by Business Segment (Year ended March 31, 2019)



Organization

As of April 1, 2019

Tokyo Broadcasting System Holdings, Inc.

Media and Content

Tokyo Broadcasting System Television, Inc.

TBS Radio Inc.

BS-TBS, INC.

C-TBS, Incorporated

TBS SPARKLE, Inc.

absorbed and merged

TBS-VISION, Inc.

FF TOHO Inc.

DREAMAX TELEVISION, INC.

JASC
(Japan Artvideo Service Collaborative, Inc.)

VuCast, Inc.

on January 1, 2019

TBS-TEX, Inc.

Totsu Inc.

Art Communication System, Inc.

TLC Co., Ltd.

AKASAKA GRAPHICS ART, INC.

OXYBOT, Inc.

TBS MEDIA RESEARCH INSTITUTE Inc.

TBS International, Inc.

TBS GLOWDIA, Inc.

absorbed and merged

TBS ProNex Inc.

Vecte, Inc.

TBS Service, Inc.

Grand Marche, Inc.

TBS TriMedia, Inc.

on April 1, 2019

NICHION, INC.

TC Entertainment Incorporated

Golf Network Plus Inc.

SEVEN•ARCS Co., Ltd. (with two other group companies)

Lifestyle

StylingLife Holdings Inc. (with two other group companies)

Real Estate and Others

Midoriyama Studio City, Inc.

TBS Kikaku Co., Ltd.

Akasaka Heat Supply Co., Ltd.

TBS Sunwork, Inc.

Equity-Method Affiliates

WOWOW Inc.

Premium Platform Japan, Inc.

Place Holder, Inc.

Corporate Data

As of April 1, 2019

Date of Establishment Head Office

May 10, 1951 (Registered on May 17)
5-3-6 Akasaka, Minato-ku, Tokyo 107-8006, Japan
www.tbsholdings.co.jp/ir/en/index.html

Paid-in Capital Number of Employees

Stock Code: 9401, TSE First Section
¥54,986,892,896
Tokyo Broadcasting System Holdings, Inc. 192
Tokyo Broadcasting System Television, Inc. 1,105
TBS Radio Inc. 60



① Newsroom at TBS Television
② Sub-control room at TBS Television

③ Akasaka Biz Tower
④ TBS Holdings Head Office

⑤ TBS studio for news programs
⑥ TBS studio for variety shows

Major Shareholders and Number of Shares Held (Top 10)

(as of March 31, 2019)

Name of shareholder	Number of shares held (shares)	Percentage held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,853,700	5.64
The Master Trust Bank of Japan, Ltd. (Pension Account-Pension Trust Account held for Dentsu Inc.)	9,310,500	5.32
MBS Media Holdings, Inc.	8,848,100	5.06
Mitsui Fudosan Co., Ltd.	5,713,728	3.27
NTT Docomo, Inc.	5,713,000	3.27
Japan Trustee Services Bank, Ltd. (Trust Account)	5,166,900	2.95
Panasonic Corporation	5,033,180	2.88
Nippon Life Insurance Company	5,006,235	2.86
Sumitomo Mitsui Banking Corporation	4,679,267	2.67
Mitsui & Co., Ltd.	4,288,000	2.45

Business Report

From April 1, 2018 to March 31, 2019

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

① Business Activities and Results

During the consolidated fiscal year under review, Japan's economy continued on a path of a modest recovery, with improvements seen in the employment and income environments. Meanwhile, the outlook remains unclear due to the effects of weak export demand and production in some business areas, uncertainties in overseas economies, and financial and capital market fluctuations.

Against this backdrop, consolidated net sales of the Group for the fiscal year ended March 31, 2019 increased 1.2% over the previous fiscal year to ¥366,353 million, due to increased revenues (e.g. increased time revenue due to large-scale time one-off sales, etc., growth of content revenue including advertising revenue from free video streaming services, and revenue growth of the StylingLife Group led by that business, which remained strong through the creation of big hit products). However, spot revenue declined slightly, affected by spot advertising market downturns. Operating expenses (i.e., the cost of sales and selling, general and administrative expenses) increased 1.3% over the previous fiscal year to ¥347,780 million due to the incurrence of higher broadcasting fees related to large-scale sports broadcasting and higher expenses incurred to increase revenue. As a result, operating income decreased 1.2% from the previous fiscal year to ¥18,572 million, while ordinary income increased 7.1% to ¥28,835 million, mainly due to increased dividend income, and profit attributable to owners of parent increased 46.7% to ¥25,205 million, mainly due to the posting of a gain on sales of investment securities as extraordinary income.

Broadcasting

Tokyo Broadcasting System Television, Inc. posted time revenue of ¥87,900 million, up 1.8% year on year, spot revenue of ¥83,606 million, down 0.1% year on year, and content revenue (including advertising revenue earned through domestic broadcast syndication and free video streaming) of ¥10,829 million, up 4.8% year on year, for the fiscal year under review. Time sales rose due to increased regular sales supported by improved audience ratings, strong sales of one-off sports broadcasting programs (e.g. *2018 FIFA World Cup Russia*, *2018 Asian Games in Jakarta*, and *FIVB Women's Volleyball World Championship Japan 2018*), and brisk sales during the New Year holiday season. Spot income was slightly lower than the previous year on a full-year basis due to poor performance (i.e. the



2018 Asian Games in Jakarta
© Takao Fujita/Photo Kishimoto



FIVB Women's Volleyball
World Championship Japan 2018

Business Report

From April 1, 2018 to March 31, 2019

volume of advertisements in the Kanto Region decreased from the previous year except during January and February), although 4th quarter sales increased 10.1% year-on-year. Market share among five television stations increased 0.4 points from the previous fiscal year to 19.1%. Content revenue rose mainly due to increased advertisement placements for free video streaming.

BS-TBS, INC. posted net sales of ¥16,399 million, down 2.3% year on year for the fiscal year under review. Total sales declined due to poor time one-off sales performance mainly caused by a no content provision related to sports TV programs and to lower business performance affected by a decline in the number of large-scale concerts from the previous year, despite the growth of time regular sales mainly due to the restoration of the quota set for each company and increases in sales quotas, as well as strong shopping program sales.

TBS Radio Inc. posted net sales of ¥9,785 million, down 6.6% year on year for the fiscal year under review. Its revenue decreased due to the slowdown of adverse market conditions.

As a result, consolidated net sales from the Broadcasting Business segment increased ¥684 million, up 0.3% from the previous fiscal year to ¥218,317 million for the fiscal year under review. Regarding costs and expenses, increases in broadcasting fees related to large-scale one-off sports events, costs incurred by the commencement of BS4K broadcasting, and depreciation expenses incurred due to equipment replacement can be noted in particular. Tokyo Broadcasting System Television, Inc. secured an increase in profit due to a decrease in personnel expenses from working-style reforms, but due to the effect of cash-flow deterioration of a subsidiary, this company's operating income decreased ¥128 million (3.9%) from the previous fiscal year to ¥3,172 million due to the effects of net decreases of other subsidiaries.

Multi-Visual Ventures and Cultural Events

Regarding this business segment, Tokyo Broadcasting System Television, Inc. posted consolidated net sales of ¥28,231 million, a decrease of ¥1,496 million, down 5.0% from the previous fiscal year. Regarding events, sales were strong (e.g. *Musée du Petit Prince* received a record-high number of annual visitors and *Rubens and the Birth of the Baroque* attracted more than 330,000 visitors). Regarding concerts and stage performances, *Shinkansen ☆ RS Metal Macbeth*, *BOUM! BOUM! BOUM! Shingo Katori NIPPON First Exhibition*, and other popular performances were presented at IHI Stage Around Tokyo, Asia's first 360-degree revolving theater, but sales declined due to a decrease in the number of performances amid changes to stage performance plans and reactionary declines in relation to the *Seven Souls in the Skull Castle* series. In the film business, the Company's sales decreased from the previous fiscal year, although it had a series of hit films, such as *Café Funiculi Funicula* released in September, *Sumaho o Otoshita Dakenanoni (Stolen Identity)* released in November, and *Whistleblower* released in February. Businesses targeting overseas markets reported sales declines due to poor broadcast syndication sales related to animations and dramas, despite strong sales in *SASUKE* and other formats. In the CS business, sales declined significantly due to the termination of TV broadcasts of Chiba Lotte Marines games and a decrease in the number of subscribers on each platform.

The StylingLife Group increased its sales to ¥71,896 million, up 2.6% year on year in the fiscal year under review, led by the cosmetics business, which remained strong



Shinkansen ☆ RS Metal Macbeth

Business Report

From April 1, 2018 to March 31, 2019

especially for hit products and the core retailing business, *Plazastyle Company*, which also recorded an increase in sales of cosmetics, clothing and fashion accessories, and others.

Consolidated net sales from the Multi-Visual Ventures and Cultural Events business segment increased ¥3,313 million, up 2.6% from the previous fiscal year to ¥131,767 million, mainly due to increased sales of newly consolidated subsidiaries. Operating income increased ¥75 million, up 1.0% from the previous fiscal year to ¥7,626 million, despite higher costs incurred to generate more sales.



Cafe Funiculi Funicula
© Cafe Funiculi Funicula Film Partners

Real Estate

Occupancy of Akasaka Biz Tower continued to remain high and earnings from The Hexagon building, which is adjacent to the Company's building, were added from the fiscal year under review. As a result, net sales from the Real Estate business segment increased ¥400 million, up 2.5% year on year from the previous fiscal year to ¥16,268 million. Operating income decreased ¥167 million, down 2.1% year on year to ¥7,787 million, mainly due to an increase in expenses such as repairs and maintenance.

② Capital Investment

Total capital investment in the fiscal year under review was ¥30.3 billion.

Capital investment consists of ¥15,100 million for the Company, ¥9,900 million in Tokyo Broadcasting System Television, Inc., ¥2,150 million in the StylingLife Group, ¥1,460 million in BS-TBS, INC., and ¥320 million in TOTSU Inc.

Capital investment in the Company was made mainly to acquire The Hexagon building, which is adjacent to the Company's building. Capital investment in Tokyo Broadcasting System Television, Inc. mainly included emergency power generation systems, sub-upgrade of N



The Hexagon building

Business Report

From April 1, 2018 to March 31, 2019

Studio, upgrade of line center facilities, renewal of front entrance, and upgrade of elevators. Capital investment in the StylingLife Group increased mainly because of the purchase of land and building(s) for plants in BCL Company and PLAZA store facilities. 4K master is a main reason of capital investment in BS-TBS, INC.

③ Capital Procurement

Total interest-bearing debt of the Group at the end of the fiscal year under review was ¥80 million in short-term loans payable and ¥3,000 million in long-term loans payable (including the current portion and excluding lease obligations).

In order to ensure flexible access to business finance, as of the end of the fiscal year under review, the Company had established commitment line agreements totaling ¥30 billion with multiple financial institutions (the balance of the funds drawn is nil, and the available balance is ¥30 billion).

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

④ Status of Important Reorganization

On June 29, 2018, the Company established two companies, TBS Contents Product, Inc., a new program production company, and TBS Total Media, Inc., a new company in the Multi-Visual Ventures and Cultural Events segment, to review the structure of the Group and focus the strengths of the Group, in accordance with the Group Medium-Term Management Plan 2020.

TBS Contents Product, Inc. changed its trade name to TBS SPARKLE, Inc. on November 15, 2018, and thereafter became a company surviving an absorption-type merger on January 1, 2019. Through the absorption-type merger, eleven companies, including five consolidated subsidiaries (TBS Vision, Inc., Dreamax Television Inc., VuCast, Inc., FF TOHO Inc., Japan Artvideo Service Collaborative, Inc. (JASC) and six wholly owned subsidiaries became companies disappearing in an absorption-type merger.

TBS Total Media, Inc. changed its trade name to TBS GLOWDIA, Inc. on December 18, 2018, and thereafter became a company surviving an absorption-type merger on April 1, 2019. Through the absorption-type merger, seven companies, including five consolidated subsidiaries (TBS ProNex, Inc., Vecte, Inc., TBS Service, Inc., Grand Marche, Inc., TBS TriMedia, Inc.) and two wholly owned subsidiaries became companies disappearing in an absorption-type merger.

⑤ Priorities

Changes in the environment surrounding the Company further accelerated. Amid a slowing domestic market due to an aging population with fewer children and a decreasing population, people can widely and easily enjoy video content with smartphones and tablets, because these devices' functions have become more sophisticated, creating a trend of diversification of the viewer environment. The advertising methods and needs of advertisers are also becoming diverse with these changes in lifestyle.

Amid these circumstances, we developed the Group Medium-Term Management Plan 2020 in February 2018 and decided to make Group-wide efforts to achieve new goals. The Plan aims to develop a media group that is always loved and trusted by people, looking towards an era of integration between broadcasting and telecommunications services and the post-Olympic and Paralympic Games Tokyo 2020 period with the following three priorities:

- (1) Increase of the competitiveness of Tokyo Broadcasting System Television
- (2) Strategic investments toward diversification into total media that creates synergies for TBS
- (3) Performance of the social responsibility that the TBS Group should fulfill.

Major Initiatives in FY2018 under Group Medium-Term Management Plan 2020

With regard to Priority (1) "increasing the competitiveness of Tokyo Broadcasting System Television, Inc.," rankings in terms of household audience ratings increased 0.1 points

Business Report

From April 1, 2018 to March 31, 2019

over the previous year in both the golden time and prime time categories. In particular, we recorded a double-digit rate (10%) in the golden time category for the first time in seven years since FY2011. Our dramas and variety shows proved popular with many viewers. In terms of content, we are also confident that TBS can create a number of unique, attractive programs, such as *Black Forceps*, *Gibo to Musume no Blues (Stepmom and Daughter Blues)* and *Dairenai (Don't Forget Me)*.

Through our news media activities, we have built a system for distributing news reports 24 hours a day, 365 days a year, through the integrated operation of terrestrial broadcasting and digital media to provide accurate information ahead of any other media. During the period of the 2018 Hokkaido Eastern Iburi earthquake, which occurred in February 2019, we were the first of the commercial TV stations in Tokyo to deliver the news under the mission of "saving as many lives as possible." Furthermore, we actively utilized digital tools such as live stream and Twitter to report a sequence of news flashes on the conditions of nuclear stations and information on electric power and traffic.

With regard to Priority (2) "strategic investments," we announced the Akasaka Entertainment City Initiative in January 2019. The purpose of this project is to develop and expand new entertainment facilities and functions for cutting-edge cultural communication with the aim of making Akasaka "a city that conveys the greatest excitement in the world." In order to achieve this goal, we concluded a business agreement on the joint redevelopment of the Kokusai Shin-Akasaka Building with Mitsubishi Estate Co., Ltd. In the future, we will proceed with a plan to build a base from which next-generation entertainment will be distributed in this redevelopment area.

In addition, we invested in Tyffon Inc., a company which is developing the digital video area, such as location-type VR and MR (mixed reality), with the aim of expanding it into new business fields. This area has a high level of affinity with the Company's businesses. Because XR (extended reality) technology is expected worldwide as a growth field, we are committed to continuing to place importance on this area.

In the future, we will further expand our business as a

comprehensive media group and continue to evolve.

With regard to Priority (3) "exercising social responsibility," we concluded a partnership agreement with Minna-denryoku, Inc., the operator of a renewable energy business, in September 2018, and the power supply for the Toda Transmitter Station of TBS Radio shifted to 100% renewable energy in December 2018. In line with this action, we launched the Clean Power Campaign in collaboration with a radio program, through which we reviewed the surrounding environment and took necessary actions with listeners.

Working toward "realizing an inclusive society," which is a theme of the 2020 Tokyo Olympic and Paralympic Games, we created TV content that communicated the challenges and the possibilities faced by para-athletes, broadcasting it on such programs as *Honoo-no Taiiku-kai TV* (a gameshow where members of the public challenge sports professionals). Also, in May 2018, in an effort to promote para-sports, we organized the Inclusive Sports Festival with the Japanese Para-Sports Association.

We will continue to take various measures to fulfill a higher level of social responsibility as a broadcaster.

As the result of these activities under the Medium-Term Management Plan, we set consolidated net sales of ¥400 billion, consolidated operating income of ¥25 billion, and ratio of operating income to net sales of 6.3% on a consolidated basis as goals to be achieved in FY2020. We are currently forging ahead to achieve these goals.

For FY2018, which was the first year of this Plan, we achieved consolidated net sales of ¥366.3 billion, consolidated operating income of ¥18.5 billion and a ratio of operating income to net sales of 5.1% on a consolidated basis, which are in line with forecasts as of this point in time.

We will continue striving to provide high-quality content and aim to achieve further growth and corporate value enhancement to meet the expectations of our shareholders.

Consolidated Financial Statements

Consolidated Balance Sheets (Unaudited)

As of March 31, 2019 and 2018	Millions of yen	
	2018	2019
Assets		
Current assets		
Cash and deposits	¥ 81,850	¥ 72,293
Notes and accounts receivable—trade	42,516	42,942
Securities	300	700
Merchandise and finished goods	7,769	8,832
Program rights and work in process	7,072	5,985
Raw materials and supplies	673	722
Prepaid expenses	10,971	8,644
Other	4,662	4,222
Allowance for doubtful accounts	(157)	(151)
Total current assets	155,660	144,192
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	201,667	208,008
Accumulated depreciation	(110,383)	(115,140)
Buildings and structures, net	91,283	92,867
Machinery, equipment and vehicles	85,517	84,783
Accumulated depreciation	(75,623)	(73,152)
Machinery, equipment and vehicles, net	9,894	11,631
Tools, furniture and fixtures	30,998	31,430
Accumulated depreciation	(28,464)	(28,777)
Tools, furniture and fixtures, net	2,534	2,652
Land	84,001	96,821
Lease assets	4,237	4,159
Accumulated depreciation	(2,523)	(2,797)
Lease assets, net	1,713	1,362
Construction in progress	1,201	1,096
Total property, plant and equipment	190,628	206,431
Intangible assets		
Software	5,734	5,732
Goodwill	16,798	15,002
Lease assets	37	17
Other	1,273	1,377
Total intangible assets	23,844	22,128
Investments and other assets		
Investment securities	436,399	411,453
Long-term loans receivable	240	204
Deferred tax assets	2,961	2,541
Long-term prepaid expenses	173	245
Other	12,014	11,477
Allowance for doubtful accounts	(184)	(192)
Total investments and other assets	451,603	425,728
Total noncurrent assets	666,076	654,289
Total assets	¥ 821,737	¥ 798,481

Consolidated Financial Statements

Consolidated Balance Sheets (Unaudited)

As of March 31, 2019 and 2018	Millions of yen	
	2018	2019
Liabilities		
Current liabilities		
Notes and accounts payable—trade	¥ 39,446	¥ 37,780
Short-term loans payable	—	80
Current portion of long-term loans payable	18,200	1,200
Accounts payable—other	12,773	14,388
Income taxes payable	5,891	7,894
Accrued consumption taxes	1,377	1,355
Accrued expenses	2,111	2,059
Provision for bonuses	4,964	5,059
Provision for directors' bonuses	139	126
Provision for removal of noncurrent assets	73	—
Other provision	401	393
Other	8,004	9,760
Total current liabilities	93,382	80,099
Noncurrent liabilities		
Long-term loans payable	3,000	1,800
Provision for environmental measures	121	127
Net defined benefit liability	15,943	15,770
Lease obligations	679	433
Deferred tax liabilities	92,389	83,268
Other	15,269	15,690
Total noncurrent liabilities	127,403	117,090
Total liabilities	220,786	197,189
Net assets		
Shareholders' equity		
Capital stock	54,986	54,986
Capital surplus	46,760	46,751
Retained earnings	262,138	281,372
Treasury stock	(54)	(57)
Total shareholders' equity	363,830	383,053
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	221,405	201,539
Deferred gains or losses on hedges	(117)	25
Foreign currency translation adjustment	(34)	(2)
Remeasurements of defined benefit plans	(29)	(2)
Total accumulated other comprehensive income	221,224	201,560
Non-controlling interests	15,895	16,677
Total net assets	600,950	601,291
Total liabilities and net assets	¥ 821,737	¥ 798,481

Consolidated Financial Statements

Consolidated Statements of Income (Unaudited)

As of March 31, 2019 and 2018	Millions of yen	
	2018	2019
Net sales	¥ 361,954	¥ 366,353
Cost of sales	248,204	250,624
Gross profit	113,750	115,728
Selling, general and administrative expenses	94,949	97,156
Operating income	18,800	18,572
Non-operating income		
Interest income	26	25
Dividends income	8,083	10,335
Equity in earnings of affiliates	391	—
Other	394	1,413
Total non-operating income	8,896	11,774
Non-operating expenses		
Interest expenses	378	226
Share of loss of entities accounted for using equity method-NOE	—	702
Loss on retirement of noncurrent assets	166	173
Other	228	408
Total non-operating expenses	772	1,511
Ordinary income	26,923	28,835
Extraordinary income		
Gain on sales of investment securities	988	12,849
Total extraordinary income	988	12,849
Extraordinary losses		
Restructing cost	—	1,256
Impairment loss	149	390
Loss on removal of noncurrent assets	139	—
Loss on business withdrawal	97	—
Early extra retirement payments	52	12
Loss on retirement of noncurrent assets	33	—
Loss on valuation of investment securities	4	—
Loss on sales of shares of subsidiaries and associates	—	19
Total extraordinary losses	476	1,678
Profit before income taxes	27,435	40,006
Income taxes—current	9,923	13,738
Income taxes—deferred	(549)	23
Total income taxes	9,374	13,761
Profit	18,061	26,244
Profit attributable to non-controlling interests	878	1,039
Profit attributable to owners of parent	¥ 17,182	¥ 25,205

Consolidated Financial Statements

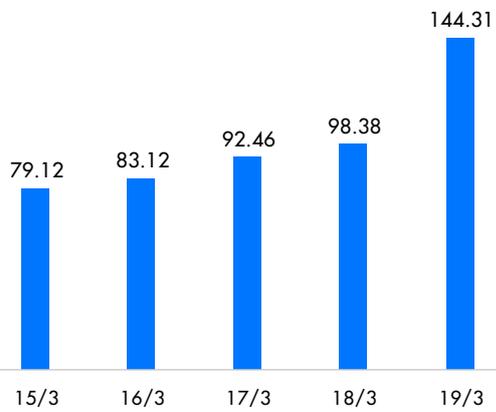
Consolidated Statements of Cash Flows (Unaudited)

As of March 31, 2019 and 2018	Millions of yen	
	2018	2019
Cash flows from operating activities		
Income before income taxes	¥ 27,435	¥ 40,006
Depreciation and amortization	14,866	14,897
Amortization of long-term prepaid expenses	77	37
Amortization of goodwill	1,796	1,796
Gain on valuation of investment securities	4	—
Gain on sales of investment securities	(988)	(12,829)
Increase (decrease) in allowance for noncurrent asset retirement expense	(359)	(73)
Increase (decrease) in provision for bonuses	280	83
Increase (decrease) in net defined benefit liability	(170)	(295)
Loss on retirement of noncurrent assets	199	173
Increase (decrease) in allowance for doubtful accounts	(15)	1
Interest and dividends income	(8,110)	(10,361)
Interest expenses	378	226
Equity in (earnings) losses of affiliates	(391)	702
Decrease (increase) in notes and accounts receivable—trade	(56)	(253)
Decrease (increase) in inventories	(1,144)	319
Decrease (increase) in prepaid expenses	(713)	2,390
Increase (decrease) in notes and accounts payable—trade	3,315	(1,882)
Other, net	(106)	357
Subtotal	36,297	35,298
Interest and dividends income received	8,446	10,724
Interest expenses paid	(378)	(353)
Income taxes refund	1,272	1,331
Income taxes paid	(10,100)	(11,785)
Net cash provided by operating activities	35,536	35,215
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,079)	(27,074)
Purchase of intangible assets	(3,703)	(2,286)
Purchase of investment securities	(3,503)	(3,805)
Proceeds from sales of investment securities	2,110	14,303
Purchase of stocks of subsidiaries and affiliates	(5,232)	(4,254)
Other, net	2,380	1,528
Net cash used in investing activities	(14,028)	(21,588)
Cash flows from financing activities		
Increase in short-term loans payable	—	80
Decrease in short-term loans payable	(769)	—
Increase in long-term loans payable	4,800	—
Repayment of long-term loans payable	(6,000)	(18,294)
Proceeds from disposal of treasury shares	397	—
Cash dividends paid	(5,587)	(5,415)
Cash dividends paid to non-controlling interests	(135)	(161)
Repayments to non-controlling shareholders	—	(169)
Other, net	(435)	(427)
Net cash used in financing activities	(7,730)	(24,387)
Effect of exchange rate change on cash and cash equivalents	(40)	32
Net increase (decrease) in cash and cash equivalents	(13,738)	(10,728)
Cash and cash equivalents at beginning of period	67,391	81,129
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	—	1,632
Cash and cash equivalents at end of period	¥ 81,129	¥ 72,033

Major Indices

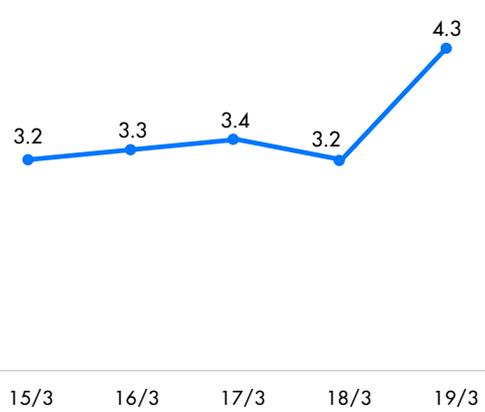
Earnings per Share

(Yen)



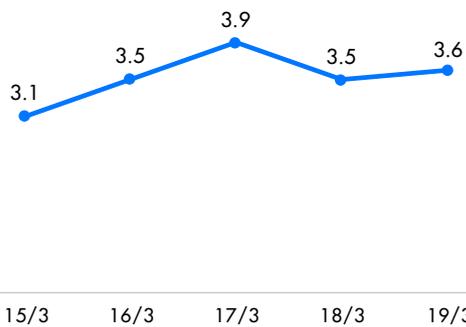
Return on Equity

(%)



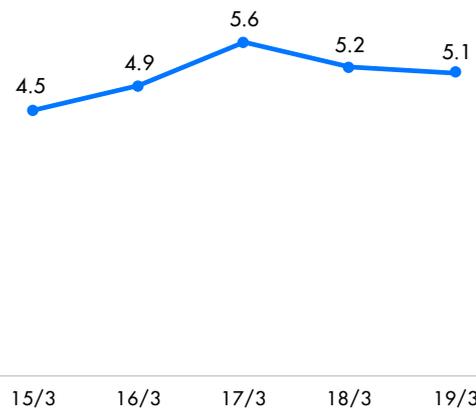
Ratio of Ordinary Income to Total Assets

(%)



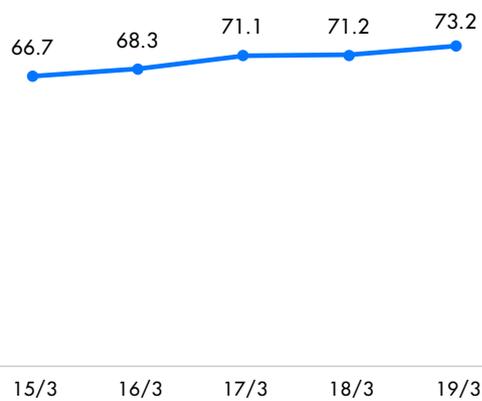
Ratio of Operating Income to Net Sales

(%)



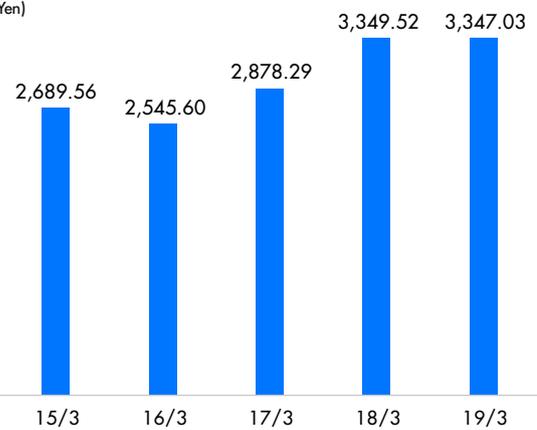
Equity Ratio

(%)



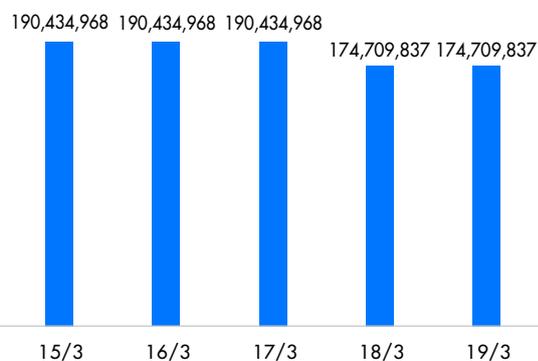
Net Assets per Share

(Yen)

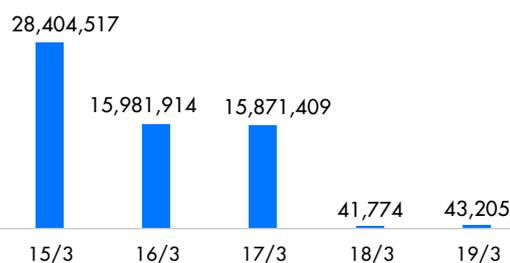


Major Indices

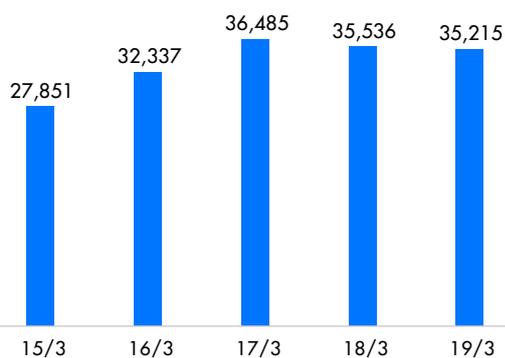
Number of Shares Issued at the End of the Term
(Including Treasury Shares)
(Shares)



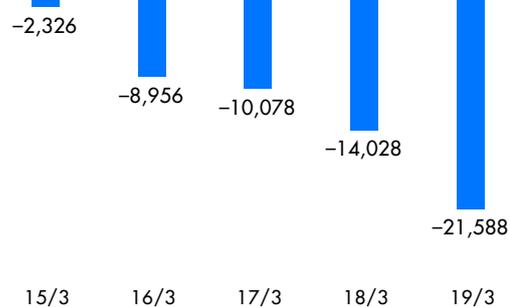
Amount of Treasury Shares at the End of the Term
(Shares)



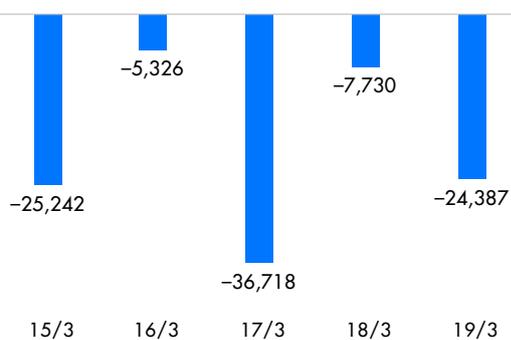
Cash Flows from Operating Activities
(Millions of yen)



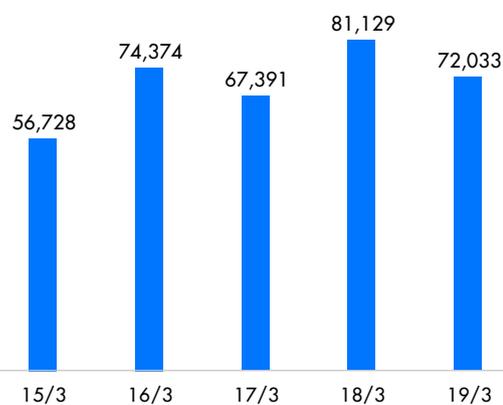
Cash Flows from Investing Activities
(Millions of yen)



Cash Flows from Financing Activities
(Millions of yen)



Cash and Cash Equivalents, at End of Period
(Millions of yen)



Segment Information

Consolidated Results by Business Segment

(Millions of yen)

	FY2019			
	External sales	y/y change	Operating income	y/y change
Broadcasting	¥218,317	+684	¥ 3,172	-128
Multi-Visual Ventures and Cultural Events	131,767	+3,313	7,626	+75
Real Estate	16,268	+400	7,787	-167
Consolidated Total	¥366,353	+4,398	¥18,572	-227

Capital Expenditures and Depreciation

(Millions of yen)

Consolidated	FY2019
Capital expenditures	¥ 30,374
Depreciation	14,161

TBS Television	FY2019
Capital expenditures	¥ 9,919
Depreciation	8,613

Segment Information

FY2020 Consolidated and TBS Television Business Results Forecasts

2020

(Millions of yen)

Consolidated	FY2020
Net sales	¥364,800
Operating income	15,500
Ordinary income	24,300
Profit attributable to owners of parent	14,900

Business Results Forecast by Business Segment

(Millions of yen)

Consolidated	FY2020
Consolidated net sales	¥364,800
Media and Content	276,400
Lifestyle	72,100
Real Estate and Others	16,300
Consolidated operating income	15,500
Media and Content	5,800
Lifestyle	2,800
Real Estate and Others	6,900

*Figures are adjusted to the new segment classifications.

2020

(Millions of yen)

TBS Television	FY2020
Net sales	¥217,500
Operating income	7,400
Ordinary income	10,200
Net income	7,100

Time/Spot, Program Cost Forecasts

	Full year
Time	-0.1%
Spot	+1.1%
Program cost	¥98,800 million

Note: The estimated figures above, which were announced on May 14, 2019, are subject to revision. For the most up-to-date estimated figures, please see the Company's web site.

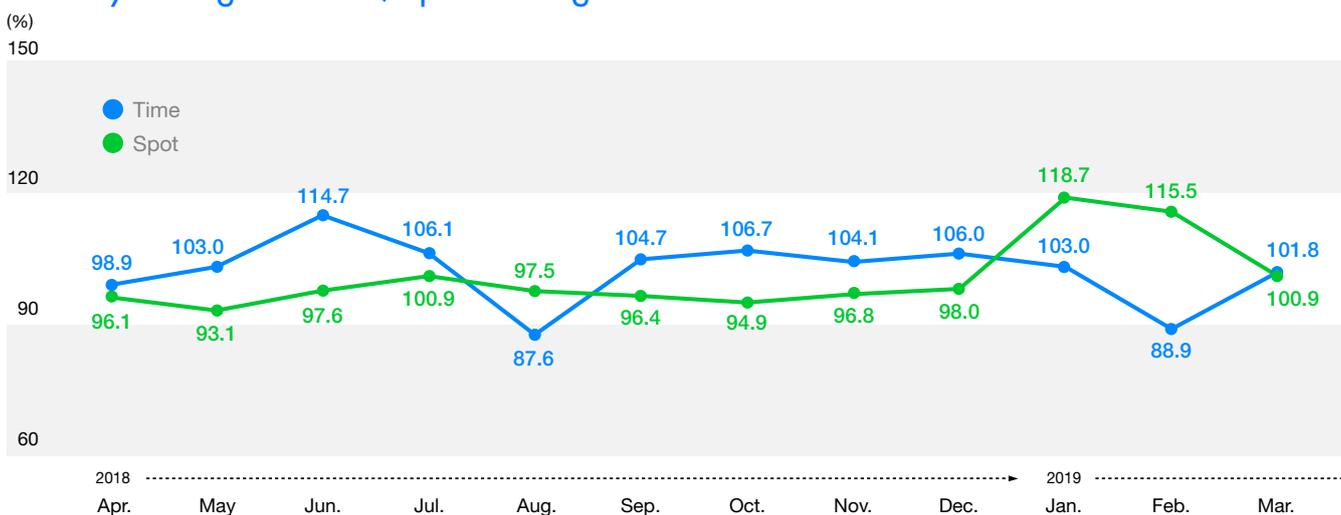
TBS Television 1

Breakdown of TBS Television Income

(Millions of yen)

	FY2019	y/y change
Television	¥186,189	+1,819
Time advertising	87,900	+1,511
Spot advertising	83,606	-95
Program sales in Japan	10,829	+498
Others	3,853	-94
Operations	28,231	-1,496
Real estate	2,959	-94
Total income	¥217,381	+228

Monthly Changes in Time/Spot Earnings



	Q1	Q2	Q3	Q4	Full year
● Time	105.1	98.5	105.6	98.1	101.8
● Spot	95.6	98.3	96.6	110.1	99.9
TBS share among five key broadcasters	19.3	19.2	18.7	19.1	19.1



A Story to Read When You First Fall in Love



Downtown Rocket



Meet Me After School

TBS Television 2

Spot Advertising Sales Ranks by Business Category

(%)

	FY2018	Growth rate	Share
1	Information, telecommunications and broadcasting	+7.7	14.6
2	Foods	-3.1	9.9
3	Alcoholic and other beverages	-8.5	9.5
4	Pharmaceuticals	-2.0	8.6
5	Cosmetics and toiletries	-1.5	8.3
6	Automobiles and transportation equipment	+2.8	6.6
7	Transportation and leisure	-12.5	6.0
8	Financial services	+32.0	5.9
9	Real estate and construction	+16.6	5.7
10	Restaurants and related services	-12.0	4.1

(Ranked in order of sales)

TBS Television Business Segment Income

(Millions of yen)

Segment		Full year	y/y change	Remarks	
Operations bureau	Show / events business	¥ 9,315	-808	The Little Prince Museum generated record profit, and shows including No. 9 and Haikyu!! showed favorable results. However, revenue declined due to a significant decrease in the number of performances of IHI Stage Around Tokyo, which had a full schedule in the previous year, mainly due to the replacement of shows.	
	Movies and animations business	Movies	1,892	-179	Whistleblower, which launched in the 4th quarter, was a major hit. During the year, Café Funiculi Funicula and Stolen Identity were also major hits, but revenue declined, falling short of the performances of Mumon: The Land of Stealth , the 8-Year Engagement and The Crimes That Bind in the previous year.
		Animations	745	-133	Revenue decreased due to a lack of major hits and a slowdown in sales of overseas programs.
Content business bureau	Media business	10,538	-660	Revenue decreased because the DVD segment was transferred to the licensing business in this fiscal year and due to the completion of Lotte Marines' games in CS broadcasting.	
	Overseas business	3,119	-225	Sales of SASUKE , which extended worldwide, were very strong, but revenue declined because of slumping overseas sales of dramas in the first quarter.	
	Licensing business	1,610	+561	Revenue increased, mainly reflecting the hit of Boys Over Flowers Season 2 and Black Forceps in the DVD segment, which was transferred in this fiscal year, and favorable sales of goods related to Volleyball World Championship and Downtown Rocket .	
	Extended field business	1,011	-50	Revenue decreased slightly despite some positive results beginning to appear following the launch of new businesses such as sports-related events.	
Total		¥28,231	-1,496		



Stepmom and Daughter Blues



Sunday Morning



N Studio

TBS Television 3

FY2018 Viewer Ratings

	All day	Golden time*	Prime time**
TBS	6.2 (4th)	10.0 (3rd)	9.9 (3rd)
NTV	7.8 (1st)	11.9 (1st)	11.5 (1st)
TV Asahi	7.7 (2nd)	10.5 (2nd)	10.6 (2nd)
TV Tokyo	2.7 (6th)	6.3 (6th)	5.9 (6th)
Fuji TV	5.7 (5th)	8.1 (5th)	7.9 (5th)
NHK	6.3 (3rd)	9.9 (4th)	8.7 (4th)
HUT	40.4	60.1	57.5

Ratings for April 2, 2018 to March 31, 2019, on a weekly basis

* 19:00-22:00

** 19:00-23:00

(According to research by Video Research Ltd. in the Kanto region)

TV Program Costs (Production Expenses)

(Millions of yen)

	FY2019	FY2018	y/y change
Q1	¥25,246	¥23,770	+1,475
Q2	25,136	25,152	-17
Q3	24,394	24,797	-403
Q4	24,546	25,997	-1,451
Direct expenses	19,287	20,575	-1,288
Indirect expenses	5,259	5,422	-163
Fiscal year cumulative	¥99,322	¥99,717	-394
FY2020 forecast			¥98,800

Major expenses included in TV program costs:

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

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



Pittanko Kan-kan



Monitoring



Bakuhou! THE Friday

Financial Data of Major Group Companies

TBS Radio Inc.

(Millions of yen)

	FY2019	
	Amount	y/y change
Net sales	¥9,785	-692
Operating income	290	-229
Ordinary income	294	-233
Net income	192	-150

Recorded the highest ratings for 108 consecutive periods from August 2001 to June 2019.



BS-TBS, INC.

(Millions of yen)

	FY2019	
	Amount	y/y change
Net sales	¥16,399	-386
Operating income	2,345	-47
Ordinary income	2,394	-45
Net income	1,634	-39



Grand Marche, Inc.

(Millions of yen)

	FY2019	
	Amount	y/y change
Net sales	¥14,445	+388
Operating income	270	-86
Ordinary income	278	-66
Net income	138	-99

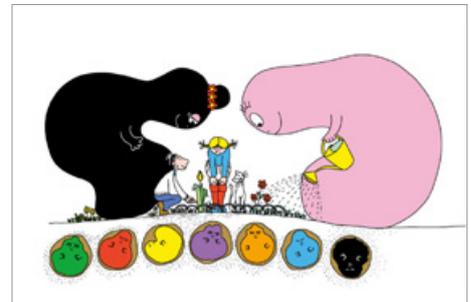


Financial Data of Major Group Companies

StylingLife Holdings Inc. (Consolidated)

(Millions of yen)

	FY2019	
	Amount	y/y change
Net sales	¥71,896	+1,842
Operating income	3,554	+405
Ordinary income	3,558	+446
Net income	1,829	+550



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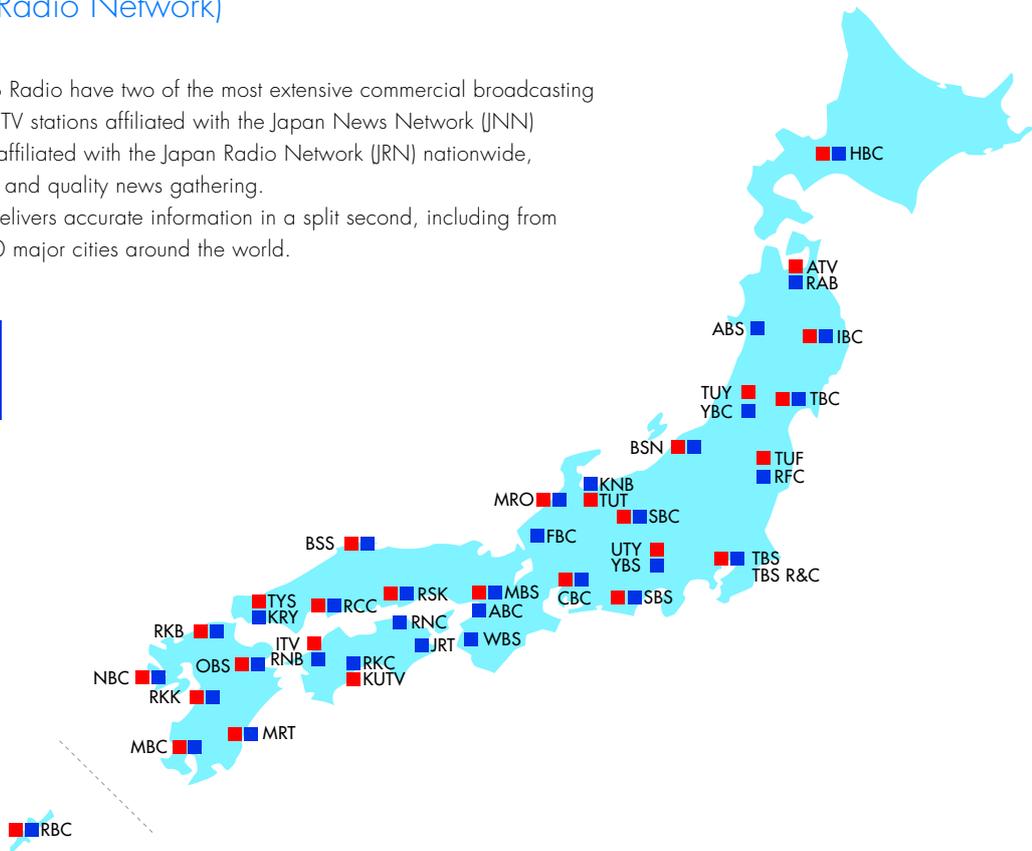
TBS Networks

JNN (Japan News Network)

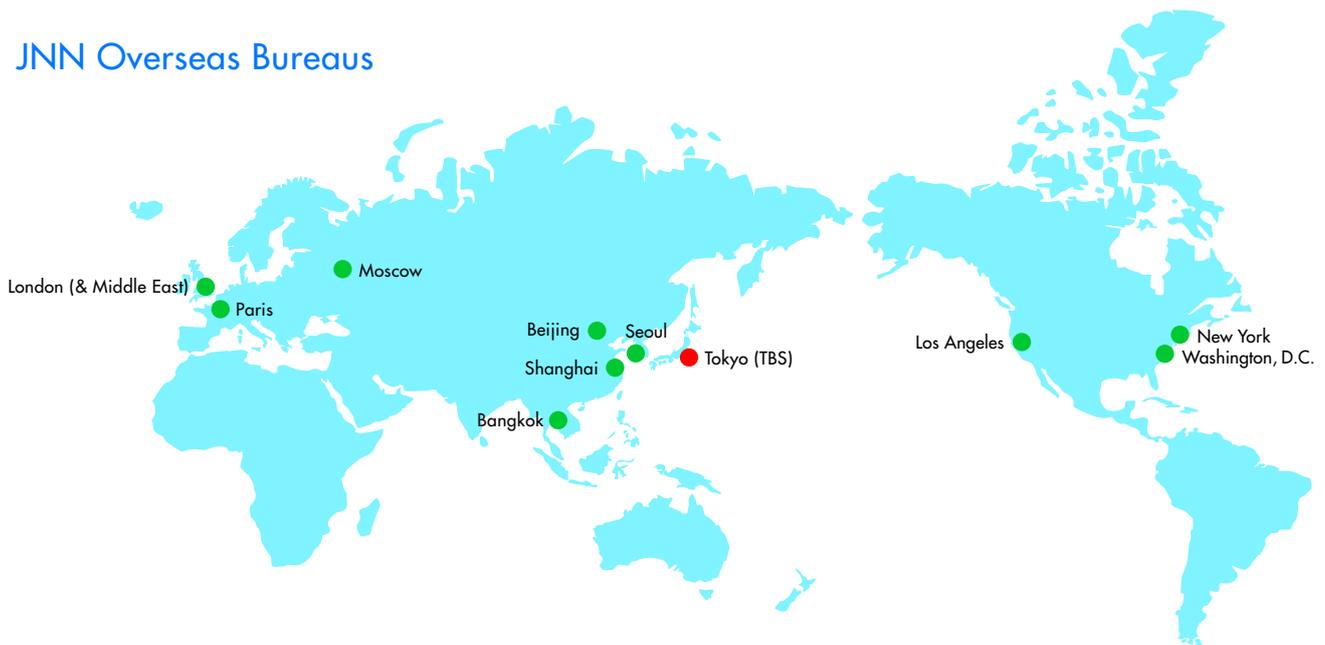
JRN (Japan Radio Network)

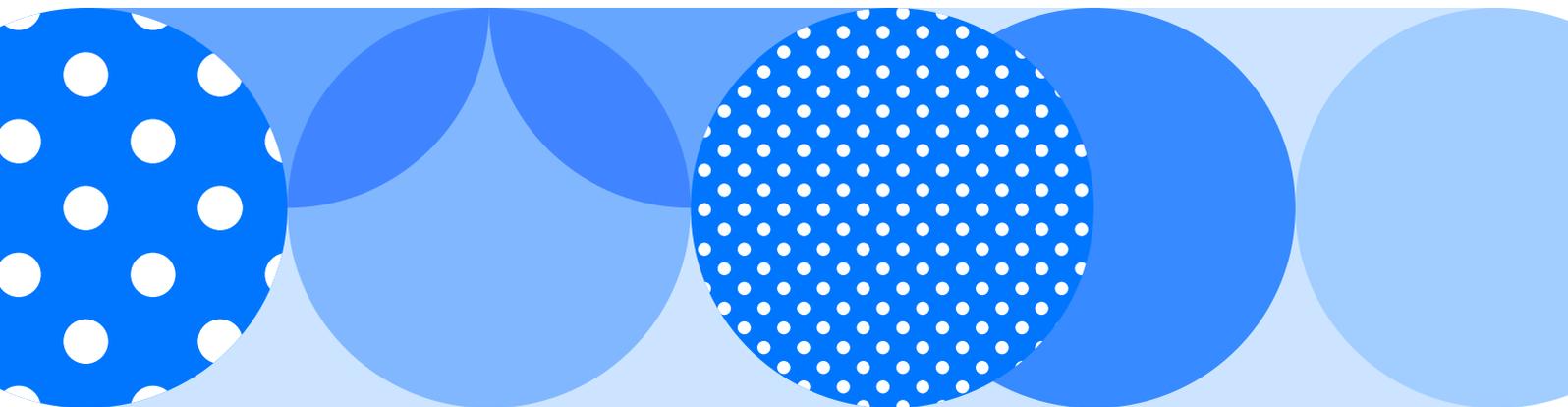
TBS Television and TBS Radio have two of the most extensive commercial broadcasting networks in Japan: 28 TV stations affiliated with the Japan News Network (JNN) and 34 radio stations affiliated with the Japan Radio Network (JRN) nationwide, guaranteeing thorough and quality news gathering.

Our news network delivers accurate information in a split second, including from overseas bureaus in 10 major cities around the world.



JNN Overseas Bureaus





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