

The TBS logo, a stylized red figure with a circular head and a long, flowing, flame-like body, is positioned behind the main title text.

Briefing Session on Financial Results for FY2005 and FY2006 Forecast

Tokyo Broadcasting System, Inc.

May 23, 2006



Attendees of the Session

President

Hiroshi Inoue

Managing Director

Kazuo Hiramoto

Senior Managing Director,

Tokyo Broadcasting System Television, Inc.

Kenichiro Kidokoro

Chairperson:

Vice President Head of Investor Relations

Eiichiro Inai

Financial Highlights for FY2005 and FY2006 Forecast



President

Hiroshi Inoue



Financial Highlights for FY2005

- ➡ Higher net sales both in consolidated and non-consolidated, lower operating income, higher net income
- ➡ Rising subsidiary's operating income (+ 15%)
- ➡ Parent company's business revenues of ¥25.8 billion a historical high
- ➡ Grand Marché revenue up sharply (+ 25%), operating income (+ 257%)
- ➡ TBS R&C receiving top audience rating for 29th straight time (4 years, 10 months)
- ➡ TBS-ch reaching its first time profitability in full year



FY2006 Forecast

(Millions of yen)

Consolidated	First Half	Second Half	FY2006		
			Total	Y/Y change	Rate of change
Net sales	156,000	163,700	319,700	13,659	4.5 %
Operating income	9,600	14,200	23,800	7,396	45.1 %
Ordinary income	9,600	14,700	24,300	8,912	57.9 %
Net income	5,000	8,200	13,200	- 313	- 2.3 %

Non-Consolidated	First Half	Second Half	FY2006		
			Total	Y/Y change	Rate of change
Net sales	136,800	142,000	278,800	13,105	4.9 %
Operating income	7,400	10,400	17,800	7,017	65.1 %
Ordinary income	8,200	11,000	19,200	7,551	64.8 %
Net income	4,800	6,200	11,000	- 152	- 1.4 %



TV Revenue Increase Forecast

FY2006	First Half	Second Half	FY2006
Spot sales	4.0%	3.3%	3.6%
Time sales, Programming	6.8%	4.2%	5.5%



Mid-term Management Objectives

V!-Up 2010

(Billions of yen)

	FY05 Result	FY06 Plan	FY08	FY10
Consolidated net sales	306.0	319.7	355.0	435.0
Broadcasting	259.4	263.9	271.0	285.0
Multi Visual Ventures & Cultural Events	44.1	53.3	74.0	135.0
Real Estate	2.5	2.5	10.0	15.0
Consolidated operating income	16.4	23.8	39.0	59.0
Broadcasting	10.2	15.3	23.5	32.0
Multi Visual Ventures & Cultural Events	5.6	8.0	12.5	20.0
Real Estate	0.6	0.5	3.0	7.0
Consolidated operating cash flow	23.3	25.0	35.0	50.0
All-day viewer rating	8.0 %	8.1 %	8.6 %	9 %
TBS's share of spot sales among 5 key broadcasters in Tokyo	21.2 %	21.5 %	23 %	25 %

(Segment sales figures represent sales from outside customers.)

* As of FY2006, two subsidiaries transferring from Broadcasting to Multi Visual Ventures & Cultural Events segment.



Companywide Themes

V!-up 2010

Setting V!-up Goals:

Strategies for re-establishing TBS brand and programming policies for FY2010

Enhancing professionalism:

Forming highly efficient and strongest contents production team composed of specialists

Personnel policies:

Hiring and training personnel and devising personnel policies for the new IT era

Business development:

Multi-utilized contents development, new business development

Business strategies for digital age:

New advertising methods and marketing development

TBS Group strategies for digital era:

Underlying V!-up support foundations for TBS Group

**Becoming a Professional TBS!
Providing powerful contents with V!-up**



Summary of FY2005 Results

Managing Director

Kazuo Hiramoto



TBS Group

(As of April 1, 2006)

Tokyo Broadcasting System, Inc. (TBS)

【Broadcasting (17 companies)】

Tokyo Broadcasting System Television, Inc.
TBS Radio & Communications, Inc.
TBS Service, Inc. TBS-Vision, Inc.
Tohoseisaku, Inc. TBS Trimedia, Inc.
Pro Cam, Inc. Akasaka Video Center Co., Ltd.
Dreamax Television Inc.
Art Communication Systems Inc.
Akasaka Graphics Art, Inc.
Sounds Art Co., Ltd. Telecom Sounds, Inc.
Japan Artvideo Service Collaborative, Inc.
VuCast, Inc. F&F Inc.
Tokyo Broadcasting System International, Inc.

【Real Estate (5 companies)】

Midoriyama Studio City Inc.,
TBS Kaikan Co., Ltd., TBS Kikaku Co., Ltd.,
Akasaka Heat Supply Co., Ltd.,
TBS Sun Work, Inc

【Others (8 companies)】

Nichion, Inc. TBS Plaza Co., Ltd.
TBS Media Research Institute Inc.
TRC, Co., Ltd.
Grand Marché, Inc.
Yokohama Bay Stars Baseball Club, Inc.
OXYBOT Co., Ltd.
TC Entertainment, Inc.

【Companies under the Equity Method (4 companies)】

BS-i, Inc. Tomo-Digi Corporation Totsu Inc. TLC Co., Ltd.



Consolidated Statements of Income

(Millions of yen)

	FY2005				FY2004			
	Amount	Y/Y change	Rate of change (%)	Consolidated/ non-consolidated ratio	Amount	Y/Y change	Rate of change (%)	Consolidated/ non-consolidated ratio
Net sales	306,041	4,310	1.4	1.15	301,731	6,715	2.3	1.15
Operating income	16,404	- 6,105	- 27.1	1.52	22,510	- 2,760	- 10.9	1.28
Ordinary income	15,388	- 6,592	- 30.0	1.32	21,981	- 1,921	- 8.0	1.15
Net income	13,513	3,623	36.6	1.21	9,890	5,813	142.6	1.09

* Ordinary income is operating income plus non-operating income from interest and dividend income and other items less non-operating expenses, such as interest expenses. Ordinary income is used as an important indicator of earning power for Japanese corporations.



Consolidated Segment Results

(Millions of yen)

	FY2005				FY2004			
	Outside customers	Y/Y change	Operating income	Y/Y change	Outside customers	Y/Y change	Operating income	Y/Y change
Broadcasting	259,417	1,043	10,153	- 5,535	258,374	987	15,689	- 2,639
Real estate	2,545	33	623	- 0	2,512	- 352	623	187
Other businesses	44,078	3,233	5,639	-559	40,845	6,081	6,198	- 207
Elimination or total	—	—	(11)	- 11	—	—	(0)	- 100
Consolidated	306,041	4,310	16,404	- 6,105	301,731	6,715	22,510	- 2,760



Consolidated Balance Sheets

(Millions of yen)

	Mar. 2006 (A)	Mar. 2005 (B)	(A)-(B)	Rate of change (%)		Mar. 2006 (A)	Mar. 2005 (B)	(A)-(B)	Rate of change (%)
Current assets	133,165	173,990	- 40,824	- 23.5	Current liabilities	82,282	84,433	- 2,150	- 2.5
					Long-term liabilities	93,303	95,328	- 2,024	- 2.1
Fixed assets	422,106	332,135	89,970	27.1	Total liabilities	175,585	179,761	- 4,175	- 2.3
					Minority interests	1,659	1,639	19	1.2
					Total shareholders' equity	378,026	324,724	53,302	16.4
Total assets	555,271	506,125	49,145	9.7	Total liabilities, minority interests and shareholders' equity	555,271	506,125	49,145	9.7

Interest-bearing liabilities balance at the end of FY2005: ¥43.402 billion (- ¥12.541 billion)



Consolidated Cash Flow Results

(Millions of yen)

	FY2005	FY2004	Y/Y change
Cash flows from operating activities	23,261	26,178	- 2,917
Cash flows from investing activities	(49,817)	(40,466)	- 9,351
Cash flows from financing activities	12,619	9,346	3,272
Net increase (decrease) in cash and cash equivalents	(13,845)	(4,917)	- 8,928
Cash and cash equivalents at beginning of year	52,612	57,530	- 4,917
Cash and cash equivalents at end of year	38,767	52,612	- 13,845



Financial Results of TBS-TV/ R&C

(Millions of yen)

TBS Television	FY2005		FY2006 Forecast	
	Amount	Y/Y change	Amount	Y/Y change
Net sales	82,457	31,565	80,200	- 2,257
Operating income	541	457	690	149
Ordinary income	602	512	690	88
Net income	53	263	260	207

TBS R&C	FY2005		FY2006 Forecast	
	Amount	Y/Y change	Amount	Y/Y change
Net sales	15,620	- 212	15,900	280
Operating income	504	- 430	510	6
Ordinary income	508	- 429	510	2
Net income	178	- 236	250	72



Financial Results of Bay Stars

(Millions of yen)

Yokohama Bay Stars	FY2005		FY2006 Forecast	
	Amount	Y/Y change	Amount	Y/Y change
Net sales	7,867	- 116	7,200	- 667
Operating income	(34)	350	0	34
Ordinary income	2	347	0	- 2
Net income	0	397	0	0

(Fiscal year: January 1 to December 31)



Financial Results of BS- i

(Millions of yen)

BS- i	FY2005		FY2006 Forecast	
	Amount	Y/Y change	Amount	Y/Y change
Net sales	5,431	622	7,600	2,168
Operating income	(2,601)	1,372	(1,700)	901
Ordinary income	(2,594)	1,371	(1,700)	894
Net income	(5,222)	- 1,223	(1,700)	3,522

Cumulative loss at the end of FY2005 : ¥35,358 million (- ¥5,222 million)
 FY2007: Expecting to turn profitable on single fiscal-year basis



Capital Expenditures & Depreciation

(Forecasts at present time for FY2006 onward)

Consolidated	FY2005 Result	Y/Y Change
Capital investment	22,423	5,944
Depreciation	13,530	1,068

(Millions of yen)

FY2006	FY2007	FY2008	FY2009	FY2010
26.5	38.0	24.5	11.0	11.0
12.2	11.0	12.5	12.5	12.5

(Billions of yen)

Non-Consolidated	FY2005 Result	Y/Y Change
Capital investment	19,852	5,226
Depreciation	12,712	1,055

FY2006	FY2007	FY2008	FY2009	FY2010
25.5	35.0	23.5	9.0	10.5
11.5	10.0	11.5	11.5	11.5



Non-Consolidated Statements of Income

(Millions of yen)

	FY2005			FY2004		
	Amount	Y/Y Change	Rate of Change (%)	Amount	Y/Y Change	Rate of Change (%)
Net sales	265,695	2,781	1.1	262,913	6,249	2.4
Operating income	10,783	- 6,836	- 38.8	17,619	- 1,883	- 9.7
Ordinary income	11,649	- 7,423	- 38.9	19,072	- 2,823	- 12.9
Net income	11,152	2,047	22.5	9,104	5,076	126.0



Non-Consolidated Revenue Breakdown

(Millions of yen)

	FY2005			FY2005-Q4		
	Amount	Y/Y Change	Rate of Change (%)	Amount	Y/Y Change	Rate of Change (%)
Television	235,227	1,307	0.6	59,160	3,899	7.1
(Time sales, Programming)	120,499	2,533	2.1	31,029	2,236	7.8
(Spot sales)	103,019	- 536	- 0.5	25,150	1,606	6.8
(Others)	11,708	- 688	- 5.6	2,981	56	1.9
Other businesses	30,468	1,474	5.1	8,512	338	4.1
(Operating)	25,833	1,340	5.5	7,351	332	4.7
(Real estates)	4,635	133	3.0	1,161	5	0.5
Total revenues	265,695	2,781	1.1	67,673	4,237	6.7

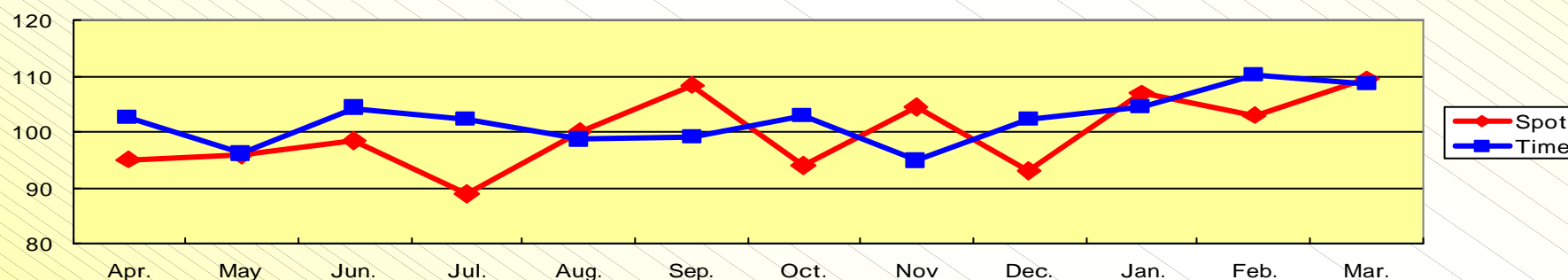


Non-Consolidated TV Revenue Increase

(%)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	1stH	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	2H	Apr. – Mar.
Spot sales	- 4.9	- 4.0	- 1.5	- 11.1	± 0	8.4	- 2.7	- 5.8	4.7	- 7.0	6.9	3.1	9.5	1.7	- 0.5
Time sales, Programming	2.6	- 3.8	4.3	2.4	- 1.4	- 0.8	0.4	3.2	- 5.1	2.4	4.6	10.2	8.8	3.9	2.1

(Yellow sections indicate reaching our exceeding previous fiscal year level.)



(Revised forecasts disclosed on Feb 15)

FY2005	Second half	Full year
Spot sales	1.2%	-0.8%
Time sales, programming	2.8%	1.6%



Segment Spot Sales Ranking

(%)

	FY2005	Increase/ Decrease	Share	FY2005-Q4	Increase/ Decrease	Share
1	Alcoholic and other beverages	- 5.0	11.5	Alcoholic and other beverages	- 3.0	9.6
2	Cosmetics and toiletries	- 3.7	10.5	Finance	38.5	8.8
3	Food products	- 8.3	9.7	Automobile and transportation	7.1	8.5
4	Finance	22.0	7.6	Cosmetics and toiletries	- 5.5	8.0
5	Drugs and medicines	- 1.3	7.2	Drugs and medicines	19.5	6.8
6	Automobile and transportation	0.6	7.2	Food products	- 9.2	6.6
7	General electronic equipment	4.0	6.9	Entertainment and hobby	19.1	6.4
8	Entertainment and hobby	13.8	6.8	General electronic equipment	38.7	6.2
9	Communication and broadcasting	- 8.6	5.3	Communication and broadcasting	- 18.5	5.7
10	Retailing	16.0	4.6	Precision equipment and office machines	1.0	5.0

(Yellow sections indicate reaching our exceeding previous fiscal year level.)

(Ranking is according to sales amounts.)



Non-Consolidated Operating Revenue

	Description		FY2005	Y/Y change	Remarks on FY2005
Div. of Project Development	Cultural events business		3,753	- 213	<i>Nutcracker</i> by Tetsuya Kumakawa's K ballet Company acquired a favorable reputation
	Event project business		3,298	- 91	Higher utilization rate at Blitz Yokohama
Content Business Div.	Video business	Software	4,637	-33	<i>Zenin Shugo 2005, AIR, Tiger Dragon, Kaze no You Ni</i>
		Program rights	3,188	- 474	<i>NANA</i> revenues ¥4.0 billion, <i>Ima Ai Ni Yukimasu</i>
	Content business	Domestic programs	3,836	- 251	<i>Just</i> terminated in afternoon time slot
		Overseas programs	1,547	340	Sales of <i>Rondo</i> drama to South Korea contributed to net sales
		BS/CS & other programs	148	- 556	TBS-ch and 24h's News-ch (NB) transferred to CS business
	Communication Satellite business (TBS-ch/NB)		2,385	1,485	TBS-ch performed well, reaching its first time profitability in full year
	Media commerce		1,069	15	
	Mobile & Net		1,968	1,119	Internet advertising revenues strong
	Total		25,833	1,340	Net sales reached a record high

(Millions of yen)



Software Category Sales Top 10

(Ranking is according to sales amount. "D" denotes DVD only, "D&V" denotes DVD and Video sales)

	Title	Number of packages sold (Full Year)	Sum total from the release
1	<i>Hachi Ji Dayo! Zenin Shugo</i> (D)	161,000 sets	161,000 sets
2	<i>Tiger & Dragon</i> (D & V)	201,923	201,923
3	<i>Kaze No You Ni Uta Ga Nagareteita</i> (D)	45,000 sets	45,000 sets
4	<i>Hana Yori Dango</i> (D)	157,554	157,554
5	<i>Dragon Zakura</i> (D)	73,180	73,180
6	<i>Ima Ai Ni Yukimasu</i> (D & V)	76,900	76,900
7	<i>H2</i> (D & V)	61,221	61,221
8	<i>Aikurushii</i> (D & V)	32,670	32,670
9	<i>M No Higeiki</i> (D & V)	23,931	23,931
10	<i>Sekai No Chushin De Ai Wo Sakebu</i> (D & V)	34,600	333,655

(Units: single)

*Zenin Shugo 3-packs / Kaze No You Ni~ 4-packs



TV Program (Production) Cost

(Billions of yen)

	FY2005	FY2004	Y/Y change	FY2006 Forecast
First Quarter	29.5	30.2	- 0.7	
Second Quarter	34.0	31.3	2.6	
First half	63.5	61.6	1.9	
Third Quarter	30.8	29.9	0.8	
Fourth Quarter	30.6	29.3	1.3	
Second half	61.4	59.3	2.1	
Full year	124.9	120.9	4.0	123.5

(Reference)

Main expenses included in the TV program cost

Direct cost: Program production cost, agent commission fee, guarantee, etc.

Indirect cost: Personnel expenses, art construction cost, technical fabrication cost, depreciation, etc.

Viewer Ratings in FY2005 & Programming Policies for FY2006

**Senior Managing Director,
Tokyo Broadcasting System Television, Inc.
Kenichiro Kidokoro**



Viewer Ratings in FY2005

TBS recorded an average golden time viewer rating of 12.8% for the year ended March 31, 2006, and stood alone in second place!

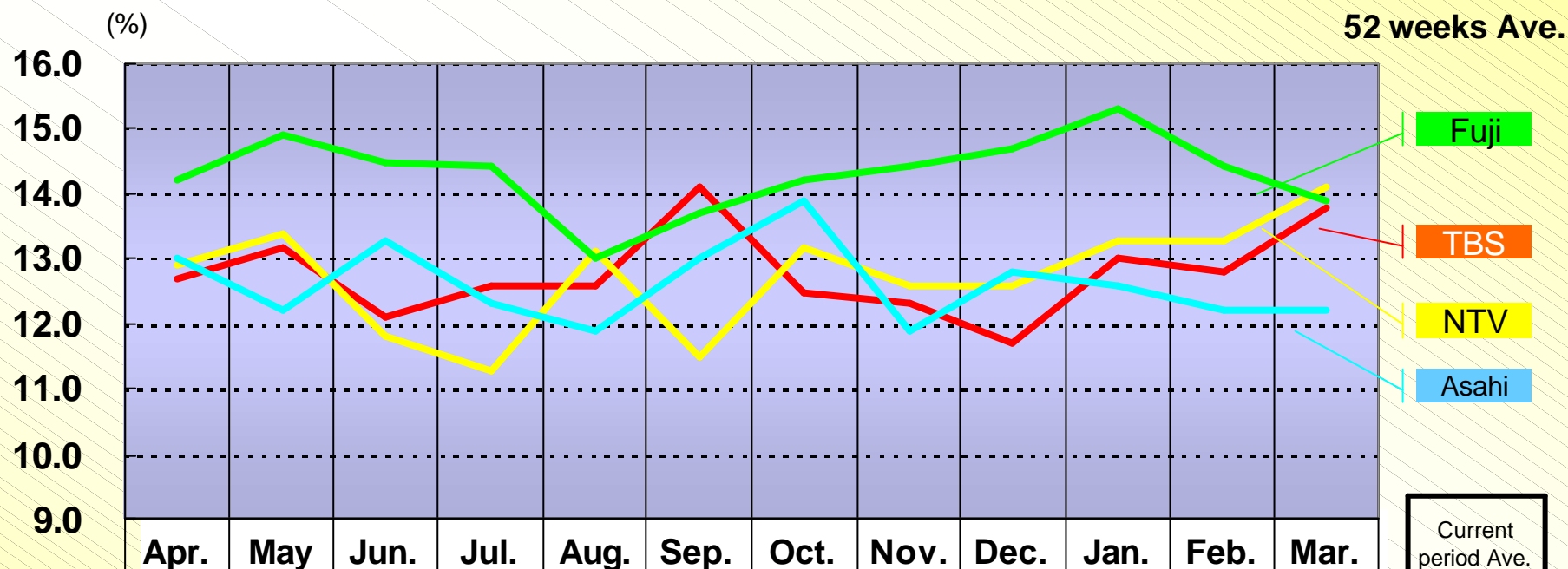
	All day	Change	Golden time	Change	Prime time	Change
TBS	(3) 8.0	0.5	(2) 12.8	- 0.1	(4) 12.8	- 0.1
Nippon Television	(2) 8.8	- 0.4	(3) 12.7	- 0.7	(3) 12.9	- 0.6
Fuji Television	(1) 9.5	0.2	(1) 14.3	0.6	(1) 14.6	0.5
TV Asahi	(4) 7.8	± 0	(4) 12.6	0.7	(2) 13.2	0.9
TV Tokyo	(6) 3.7	± 0	(6) 8.2	- 0.1	(6) 7.7	± 0
NHK	(5) 7.1	- 0.6	(5) 12.1	- 0.6	(5) 11.0	- 0.8

(From April 4, 2005 to April 2, 2006: Weekly basis. Changes show year-to-year comparison)

(%)



Golden Time Viewer Rating Transition

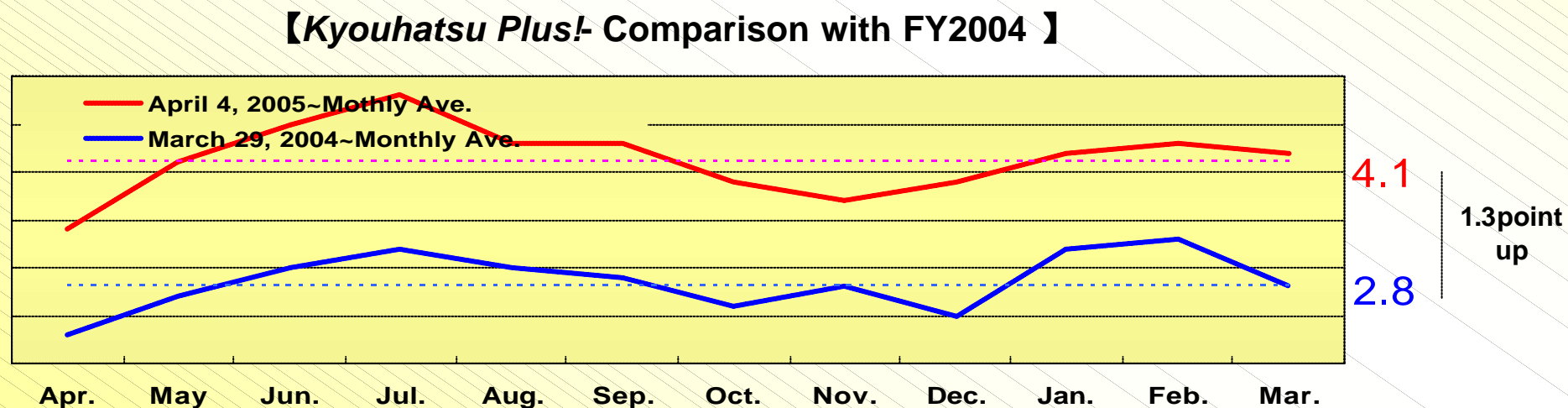
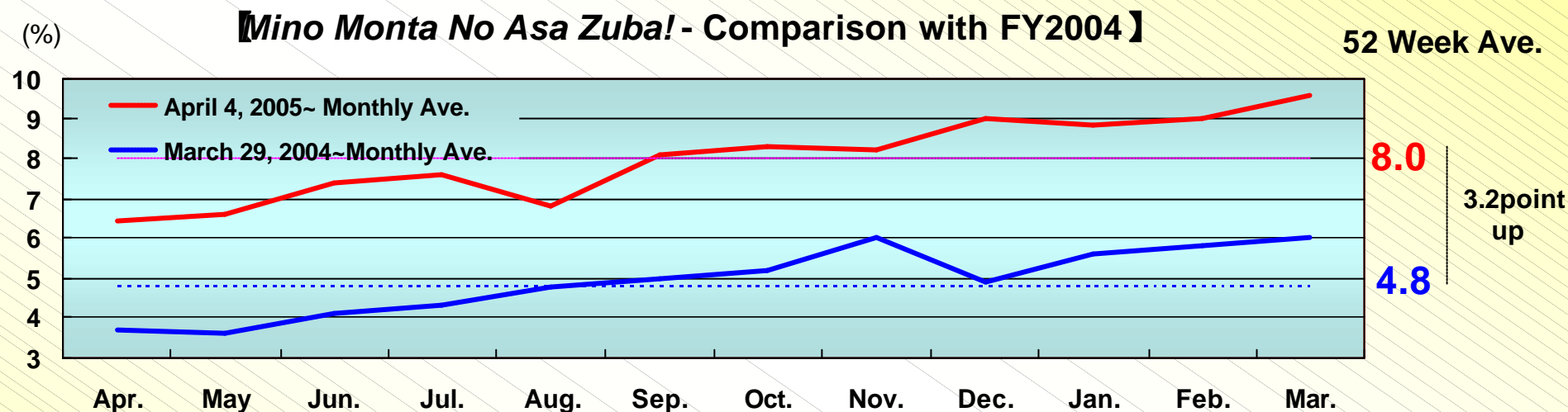


TBS	12.7	13.2	12.1	12.6	12.6	14.1	12.5	12.3	11.7	13.0	12.8	13.8
Nippon Television	12.9	13.4	11.8	11.3	13.1	11.5	13.2	12.6	12.6	13.3	13.3	14.1
Fuji Television	14.2	14.9	14.5	14.4	13.0	13.7	14.2	14.4	14.7	15.3	14.4	13.9
TV Asahi	13.0	12.2	13.3	12.3	11.9	13.0	13.9	11.9	12.8	12.6	12.2	12.2

(Weekly basis)



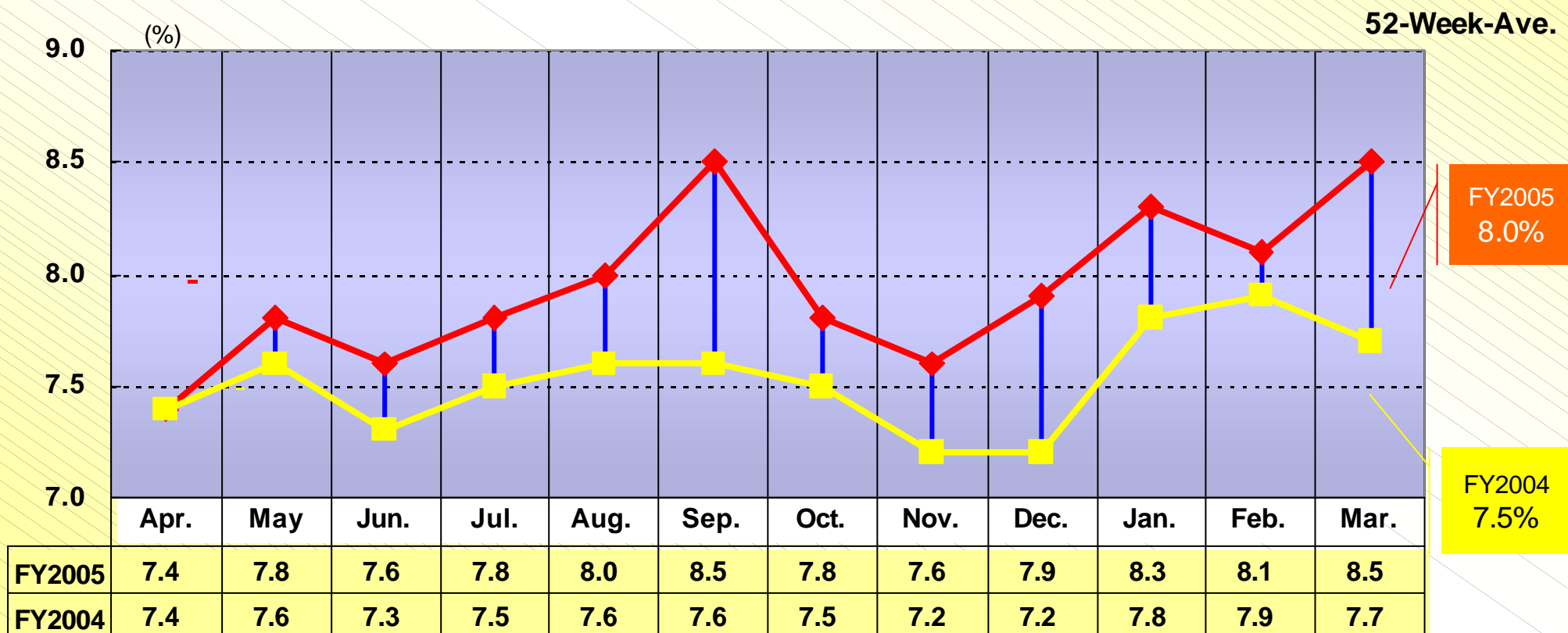
Morning & Noon Slots Programs Trend





All-Day Viewer Rating Transition

Morning & noon slots programming reshuffle in April sharply boosted ratings in all-day slot.
All-day average rating in FY2005 : **8.0%**



(Weekly basis)



Top-10 Regular Programs in FY2005

(%)

	Program title	Program schedule	Average viewer rating
1	Friday Drama <i>Hana Yori Dango</i>	Fri. 22:00-	19.7
2	<i>Zubari Iu Wayo</i>	Tue. 21:00-	18.2
3	Friday Drama <i>Dragon Zakura</i>	Fri. 22:00-	16.5
4	Special Sunday Theater <i>Rondo</i>	Sun.21:00-	15.9
5	Friday Drama <i>YAOH</i>	Fri. 22:00-	15.6
6	<i>Tokyo Friendly Park II</i>	Mon.19:00-	15.5
6	<i>Pittanko Kan Kan</i>	Tue. 19:00-	15.5
8	<i>Nakai Masahiro No Kinyoubi No Sumatachi E</i>	Fri. 21:00-	15.3
8	<i>Sanma No Super Karakuri TV</i>	Sun.19:00-	15.3
10	<i>Mito Koumon No.34</i>	Mon.20:00-	15.2

(From April 4, 2005 to April 2, 2006: Weekly basis)



April Drama and Summer Lineup

April drama's title	Program schedule	Average viewer rating	Principal actors
➤ <i>Wataru Seken Wa Oni Bakari</i>	Thu. 21:00-	18.5%	Pinko Izumi, Ken Utsui
➤ <i>Kurosagi</i>	Fri. 22:00-	16.3%	Tomohisa Yamashita, Maki Horikita
➤ <i>Bengoshi No Kuzu</i>	Thu. 22:00-	12.5%	Etsushi Toyokawa, Hideaki Ito
➤ <i>Oishii Propose</i>	Sun. 21:00-	12.3%	Kyoko Hasegawa, Keisuke Koide
➤ <i>Tokumei! Keiji Don-Game</i>	Mon. 20:00-	11.7%	Toshiyuki Nishida, Kazuki Sawamura

July drama & special productions lineup	Program schedule	Content
➤ <i>Taiyou No Uta</i>	Jul. - Sep. Fridays	Third pure love story following <i>Sekachu</i> , <i>Ima Ai Ni Yukimasu</i>
➤ <i>Hanayome Wa Dummy!</i>	Jul. - Sep. Thursdays	First TBS comedy with popular actress Ryoko Shinohara
➤ <i>Soccer Match, Japan vs Malta</i>	June 4, 22:00-	Send-off game for Japanese selection to World Cup
➤ <i>Koki Kameda's Global Challenge</i>	Time undetermined	Eldest of three Kameda brothers challenges the world



*From 174 countries and territories
48 teams, the best in their continents, gathering for competition in Japan!*

JPN 日本	BRA ブラジル	KEN ケニア
ARG アルゼンチン	FRA フランス	TPE チャイニーズタイペイ
POL ポーランド	GRE ギリシャ	CRC コスタリカ
CHN 中国	CUB キューバ	DOM ドミニカ共和国
EGY エジプト	AUS オーストラリア	MEX メキシコ
PUR プエルトリコ	GER ドイツ	AZE アゼルバイジャン
ITA イタリア	SCG セルビア・モンテネグロ	NED オランダ
USA アメリカ	RUS ロシア	CMR カメルーン
VEN ベネズエラ	KOR 韓国	TUR トルコ
BUL ブルガリア	CAN カナダ	PER ペルー
IRI イラン	TUN チュニジア	
CZE チェコ	KAZ カザフスタン	

When: October 31 to December 3, 2006

**Live telecast from Tokyo, Osaka, Nagano,
Hiroshima and 8 other locations nationwide**

22 days, 208 matches!

22 broadcasting in golden time is anticipated

**520,000 spectators at
Japan championship
held in 1998!**

**Average viewer rating:
14.9%**





FY2006 Movie Lineup



Kiraware Matsuko No Issho

Opening (distributor)	May 27 (Toho)
Original Story	Muneki Yamada
Director	Tetsuya Nakajima
Actors	Miki Nakatani, Eita



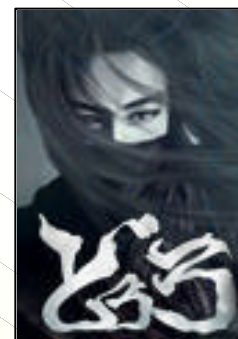
Kisarazu Cat's Eye World Series

Opening (distributor)	Autumn 2006 (Asmik)
Original Story	
Director	Kankuro Kudo
Actors	Junichi Okada, Sho Sakurai



Nada Sou Sou

Opening (distributor)	Autumn 2006 (Toho)
Original Story	
Director	Hiroyasu Doi
Actors	Satoshi Tsumabuki, Masami Nagasawa



Dororo

Opening (distributor)	January 2007 (Toho)
Original Story	Osamu Tezuka
Director	Akihiko Shiota
Actors	Satoshi Tsumabuki, Kou Shibasaki



Nippon Chinbotsu

Opening (distributor)	July 15 (Toho)
Original Story	Sakyou Komatsu
Director	Masashi Higuchi
Actors	Tsuyoshi Kusanagi, Kou Shibasaki



Forward-Looking Statements

All the information presented in this report, including projections of the company's operating performance, is based on our judgment at the time of preparing this report. Therefore, we do not assure or guarantee the realization of the planned figures presented, which include some risk and uncertainty. Please note that actual operating performance may differ from the stated projections, depending on changes in economic climate, market trends, business environment, etc.

Contact for Inquiries

Office of Investor Relations
Tokyo Broadcasting System, Inc.
5-3-6 Akasaka, Minato-ku, Tokyo 107-8006, Japan