# Results Presentation The First Nine Months of the Year Ending March 31, 2019



**Tokyo Broadcasting System Holdings, Inc.** 

**February 7, 2019** 

From TBS From TBS From TBS From TBS From TBS

#### List of Consolidated Companies



#### Tokyo Broadcasting System Holdings, Inc.

Consolidated company in the broadcasting, multi visual ventures and cultural events businesses and real estate business (1)

TOKYO BROADCASTING SYSTEM TELEVISION, INC.

Consolidated companies in the broadcasting business (16)

TBS Radio, Inc. TBS-VISION, Inc. FF TOHO Inc.

AKASAKA GRAPHICS ART, INC. TBS-TEX Inc. DREAMAX TELEVISION, INC.

JASC (Japan Artvideo Service Art Communication System, Inc. TBS ProNex Inc Collaborative, Inc.)

Vucast. Inc. TBS MEDIA RESEARCH INSTITUTE Inc. TBS International, Inc.

**BS-TBS, INC.** Totsu Inc. TLC Co., Ltd.

Vecte, Inc.

Consolidated companies in the multi visual ventures and cultural events businesses (14)

NICHION, INC. **OXYBOT, Inc.** TBS Service. Inc.

TC Entertainment Incorporated Grand Marche, Inc. TBS TriMedia, Inc.

StylingLife Holdings Inc. C-TBS, Incorporated Golf Network Plus Inc. (with two other group companies)

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

Consolidated companies in the real estate business (4)

Equity method affiliate (3) Midoriyama Studio City, Inc. TBS Kikaku Co., Ltd. WOWOW INC.

Premium Platform Japan, Inc. Akasaka Heat Supply, Co., Ltd. TBS Sunwork, Inc.

Place Holder, Inc.

## Consolidated Statement of Income



Consolidated	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 Q3 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	271,764	274,911	3,147	1.2%
Operating income	18,593	15,943	<b>△2,650</b>	<b>△14.3%</b>
Ordinary income	27,054	26,191	△862	<b>△3.2%</b>
Profit attributable to owners of parent	17,903	17,400	△503	△2.8%

#### TBS Television Statement of Income



(Unit: million yen)

TBS Television	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 Q3 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	163,544	162,810	-733	-0.4%
Operating income	7,067	5,432	-1,634	-23.1%
Ordinary income	9,651	8,067	-1,583	-16.4%
Net income	7,293	5,640	-1,652	-22.7%

(Unit: billion yen)

Notes on
results of
TBS TV
10011

0	0	perating	ex	pense	in the	<b>Television</b>	segment:	+2.03
				•				

• Cost of program production: +1.05

• Agency commissions: -0.12 (22.10 for Q3)

• Network expense: +0.25

Operating expense in the Business segment: -1.41

O Extraordinary income: N/A

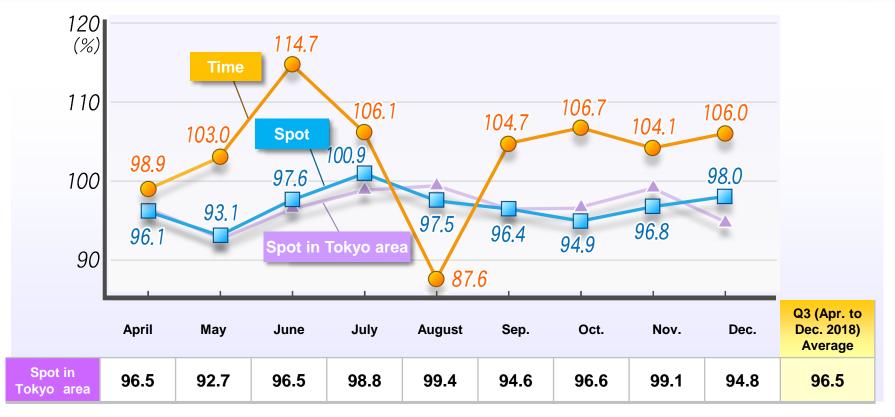
## Breakdown of TBS TV Income



	Q3 (Apr. to Dec. 2018)	y/y change
Television	139,542	212
(Time advertising)	66,679	1,920
(Spot advertising)	61,865	-2,082
(Content)	8,088	380
(Others)	2,908	-5
Business	21,044	-860
Real estate	2,224	-85
Total income	162,810	-733

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





	1Q (Apr. to Jun. 2018)	2Q (Jul. to Sep. 2018)	3Q (Oct. to Dec. 2018)	Q3 (Apr. to Dec. 2018)	Q3 (Apr. to Dec. 2017)
Time	105.1	98.5	105.6	103.0	102.1
Spot	95.6	98.3	96.6	96.7	99.4
TBS share among five key broadcasters	19.3	19.2	18.7	19.1	19.0

(Estimates)

## Spot Advertising Sales Ranks by Business Category



(Unit: %)

	Q3 (Apr. to Dec. 2018)	Growth rate	Share	Q3 (Apr. to Dec. 2017)	Growth rate	Share
1	Information, telecommunications, and broadcasting	2.1	14.3	Information, telecommunications, and broadcasting	0.8	13.6
2	Alcoholic and other beverages	-3.7	10.4	Foods	-2.8	10.9
3	Foods	-9.4	10.2	Alcoholic and other beverages	-6.7	10.4
4	Pharmaceuticals	-2.5	9.4	Pharmaceuticals	-7.6	9.3
5	Cosmetics and toiletry	-2.3	9.3	Cosmetics and toiletry	-2.1	9.2
6	Transportation and leisure	-0.5	6.2	Automobiles and transportation equipment	8.6	6.4
7	Eating-out and services	30.3	5.7	Transportation and leisure	32.6	6.1
8	Automobiles and transportation equipment	-19.4	5.4	Financial services	-29.2	4.3
9	Financial services	11.2	5.0	Eating-out and services	-9.9	4.2
10	Entertainment and hobbies	8.5	4.3	Real estate and construction	60.3	4.2

<sup>\*</sup> Ranked in order of sales proceeds

#### TV Program Costs (Production Expenses)



(Unit: million ven)

			(Onit: million yen)
	Year ended March 31, 2018 Results	Year ending March 31, 2019 Results	y/y change
1Q	23,770	25,246	1,475
2Q	25,152	25,136	△17
H1	48,923	50,382	1,459
3Q	24,797	24,394	△403
(Direct expenses)	(19,416)	(19,607)	191
(Indirect expenses)	(5,381)	(4,787)	△594
Q3 cumulative	73,720	74,776	1,056
4Q	25,997		
H2	50,794		
Fiscal year cumulative	99,717	(forecast) 101,200	

#### O 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

### Viewer Ratings



\* Unit: %; Figures in [] indicate year-on-year changes

	All day	Golden time	Prime time	Non-prime time
TBS	36.2 [±0.0]	<b>310.1</b> [+0.3]	<b>39.9</b> [+0.3]	<b>④5.2</b> [△0.1]
NTV	<b>17.7</b>	111.8	111.5	26.7
TV Asahi	<b>27.6</b>	210.4	210.5	16.8
TV Tokyo	<b>62.7</b>	<b>6</b> 6.4	<b>6 6.0</b>	<b>61.8</b>
Fuji TV	<b>⑤5.7</b>	<b>5</b> 7.9	<b>5</b> 7.8	<b>⑤5.0</b>
NHK	36.2	<b>4</b> 9.7	<b>4</b> 8.6	35.6

HUT	40.3	60.0	57.4	35.4
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Ratings for April 2, 2018 to December 30, 2018, on a weekly basis

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

# TBS TV Business Segment Income



	Segr	ment	Q3 (Apr. to Dec. 2018)	y/y change	Remarks
Operations	Operation Show / event business		7,088	-665	In the event segment, the Little Prince Museum and Rubens and the Birth of the Baroque performed very strongly. Overall revenue in the show segment declined because IHI Stage Around Tokyo, which had a full schedule in the previous year, held a significantly lower number of performances, mainly due to preparations for the replacement of shows.
ns bureau	Movies and animations	Movies	1,228	47	Revenue increased in the third quarter, reflecting the smash hits of Stolen Identity and Café Funiculi Funicula.
eau	business	Animations	559	-47	Revenue decreased due to a lack of major hits and a slowdown in sales of overseas programs.
Content	Media busin	ess	7,779	-705	Revenue in the paid channel business decreased, chiefly due to the completion of Lotte Marines' games in CS broadcasting.  Revenue from on-demand declined due to the termination of the company's own distribution.
	Overseas bu	siness	2,390	89	Revenue increased, chiefly due to very strong sales of <i>SASUKE</i> , which spread through Europe, Israel and other parts of the world.
business bureau	Licensing bu	ısiness	1,238	432	Revenue increased, mainly reflecting the hit of <i>Boys Over Flowers Season</i> 2 and <i>Black Forceps</i> in the DVD segment, which was transferred in this fiscal year, as well as the strong performance of special online shopping programs in the third quarter.
au	Extended field business		760	-12	Revenue decreased slightly despite some positive results beginning to appear following the launch of new businesses such as sports-related events.
		Total	21,044	-860	

# Capital Expenditures and Depreciation



Consolidated	Q3 (Apr. to Dec. 2018)	y/y change
Capital expenditures	25,041	18,943
Depreciation	10,311	321

TBS TV	Q3 (Apr. to Dec. 2018)	y/y change
Capital expenditures	6,393	1,781
Depreciation	6,318	98

## Consolidated Results by Segment



(Unit: million yen)

	External sales			Operating income				
	Year ended March 31, 2018 Q3 (Apr. to Dec.)	Year ending March 31, 2019 Q3 (Apr. to Dec.)	y/y change	y/y change (%)	Year ended March 31, 2018 Q3 (Apr. to Dec.)	Year ending March 31, 2019 Q3 (Apr. to Dec.)	y/y change	y/y change (%)
Broadcasting	164,145	163,268	-877	-0.5%	5,846	2,871	-2,974	-50.9%
Multi Visual Ventures & Cultural Events	95,703	99,454	3,750	3.9%	6,391	6,964	572	9.0%
Real Estate	11,914	12,189	274	2.3%	6,400	6,137	-263	-4.1%
Consolidated	271,764	274,911	3,147	1.2%	18,593	15,943	-2,650	-14.3%

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Factors behind changes	External sales	Operating income
Broadcasting	TBS TELEVISION (+2.4) TBS Radio (-4.5) BS-TBS (-3.9)	TBS TELEVISION (-18.2) BS-TBS (-1.8)
Multi Visual Ventures & Cultural Events	TBS TELEVISION (-10.3) TBS-HD (+3.3) StaylingLife Group (+23.1) TC Entertainment (+13.5) SEVEN-ARCS (+6.9)	TBS TELEVISION (+5.6) TC Entertainment (+2.6) Grand Marche (-2.7)
Real Estate	TBS-HD (+2.4)	Midoriyama Studio (+1.6)

#### Consolidated Balance Sheets



(Unit: million yen)

	As of Mar. 2018	As of Dec. 2018	Change		As of Mar. 2018	As of Dec. 2018	Change
		128,418 -27,242	-27,242	Current liabilities	93,382	68,923	-24,459
Current Assets	155 660			Long-term liabilities	127,403	106,314	-21,089
				Total liabilities	220,786	175,238	-45,548
	Fixed 666,076 61			Total net assets	600,950	564,738	-36,211
		611,558	-54,517	Shareholders' equity	585,054	547,907	-37,147
					Non-controlling interests	15,895	16,830
Total Assets	821,737	739,976	-81,760	Total liabilities and net assets	821,737	739,976	-81,760

Interest-bearing liabilities at the end of the quarter: Approximate 3,700 million yen (-17,400 million yen from the end of the previous quarter)

\* Excluding lease obligations

TBS Radio	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 Q3 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	7,692	7,239	-452	-5.8%
Operating income	358	266	-92	-25.8%
Ordinary income	364	268	-96	-26.5%
Net income	236	170	-65	-27.8%

BS-TBS	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 H1 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	12,645	12,196	-448	-3.5%
Operating income	1,874	1,691	-184	-9.8%
Ordinary income	1,911	1,729	-181	-9.5%
Net income	1,301	1,182	-119	-9.2%

# StylingLife Group / Grand Marche

StylingLife Group (Consolidated)	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 Q3 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	52,318	54,630	2,312	4.4%
Operating income	3,411	3,478	67	2.0%
Ordinary income	3,370	3,478	107	3.2%
Net income	1,776	1,808	32	1.8%

Grand Marche	Year ended March 31, 2018 Q3 (Apr. to Dec. 2017)	Year ending March 31, 2019 Q3 (Apr. to Dec. 2018)	y/y change	y/y change (%)
Net sales	11,088	11,281	192	1.7%
Operating income	587	317	-269	-45.9%
Ordinary income	574	322	-252	-43.9%
Net income	387	211	-175	-45.3%

Forward-looking statements on future results and all other content in this document are based on the Company's judgment at the time of publication. This document does not assure or guarantee that the stated numerical plans and measures will be achieved. Risks and uncertainties are inherent in this document.

Please note that future results may differ materially from statements herein, depending on changes in factors, including economic circumstances, market trends and business conditions.

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