

TV Station for a New Era

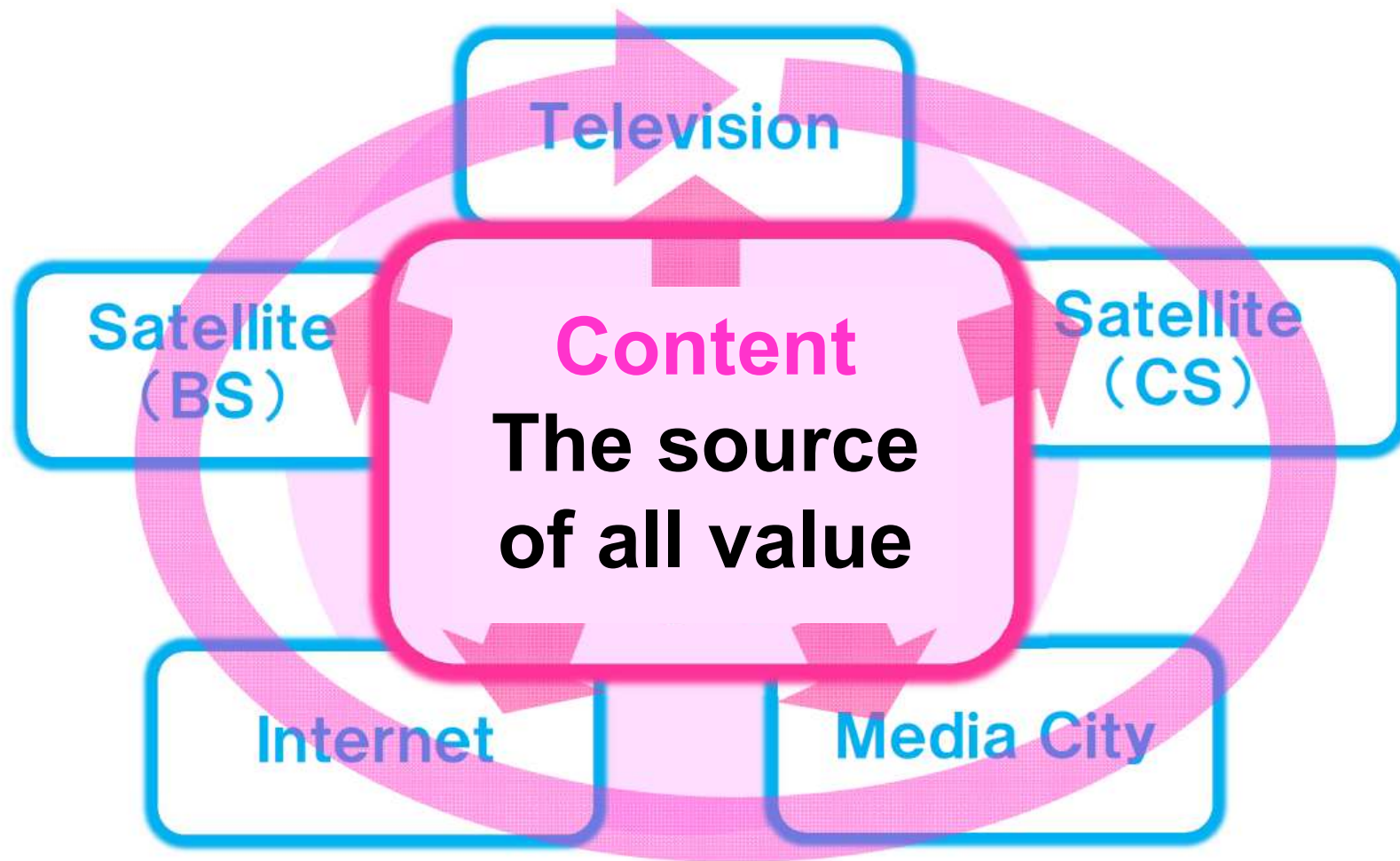
Innovative Station & Studio



TV Asahi

360°

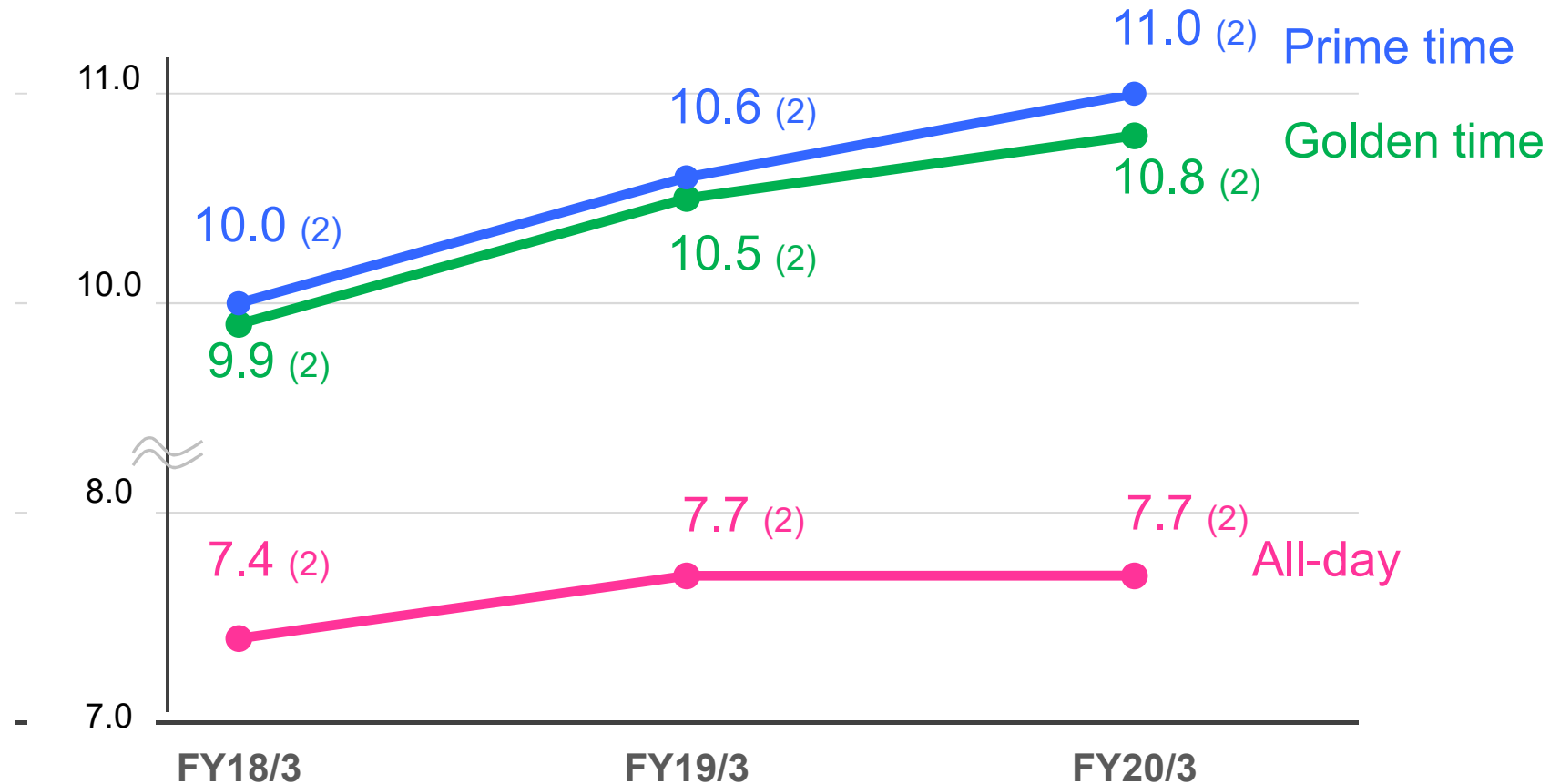
2020 - 2025



Implementation of the 360° Strategy since FY18/3 to
become a “TV Station for a New Era”

Household Audience Ratings

Figures in parentheses indicate the ranking among commercial broadcasters.



Content production capabilities
are steadily improving!

Consolidated Results

Ordinary income target achieved

(mm of yen)

| | FY18/3 | FY19/3 | FY20/3 | Target |
|---|---------------------------|---------------------------|---------------------------|----------------|
| Net sales (YoY) | 302,511 (+2.2%) | 301,744 (-0.3%) | 293,638 (△2.7%) | 320,000 |
| Of which, advertising revenue (YoY) | 192,757 (-1.4%) | 187,939 (-2.5%) | 176,560 (△6.1%) | — |
| Of which, Internet-related sales (YoY) | 15,598 (+13.8%) | 17,755 (+13.8%) | 20,124 (+13.3%) | — |
| Ordinary income (YoY) | 22,053 (+0.5%) | 19,097 (-13.4%) | 32,048 (+67.8%) | 22,000 |

TV advertising expenditures are
mired in a structural slump!

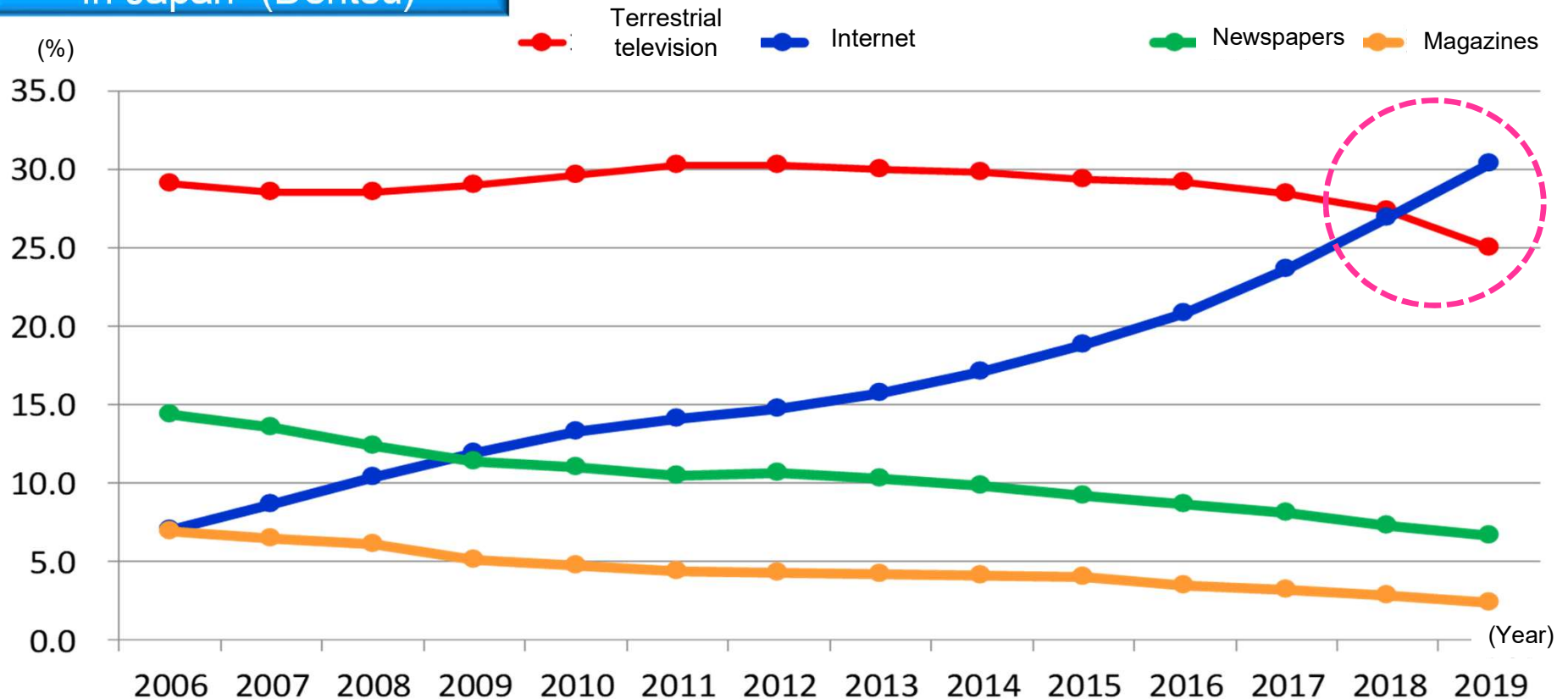
Achieved in
FY18/3

2017–2019
Summary

Dramatic Change in the Business Environment Facing TV Asahi

“Advertising Expenditures in Japan” (Dentsu)

Total advertising expenditures in Japan by key medium



Internet advertising expenditures have overtaken terrestrial television advertising expenditures!

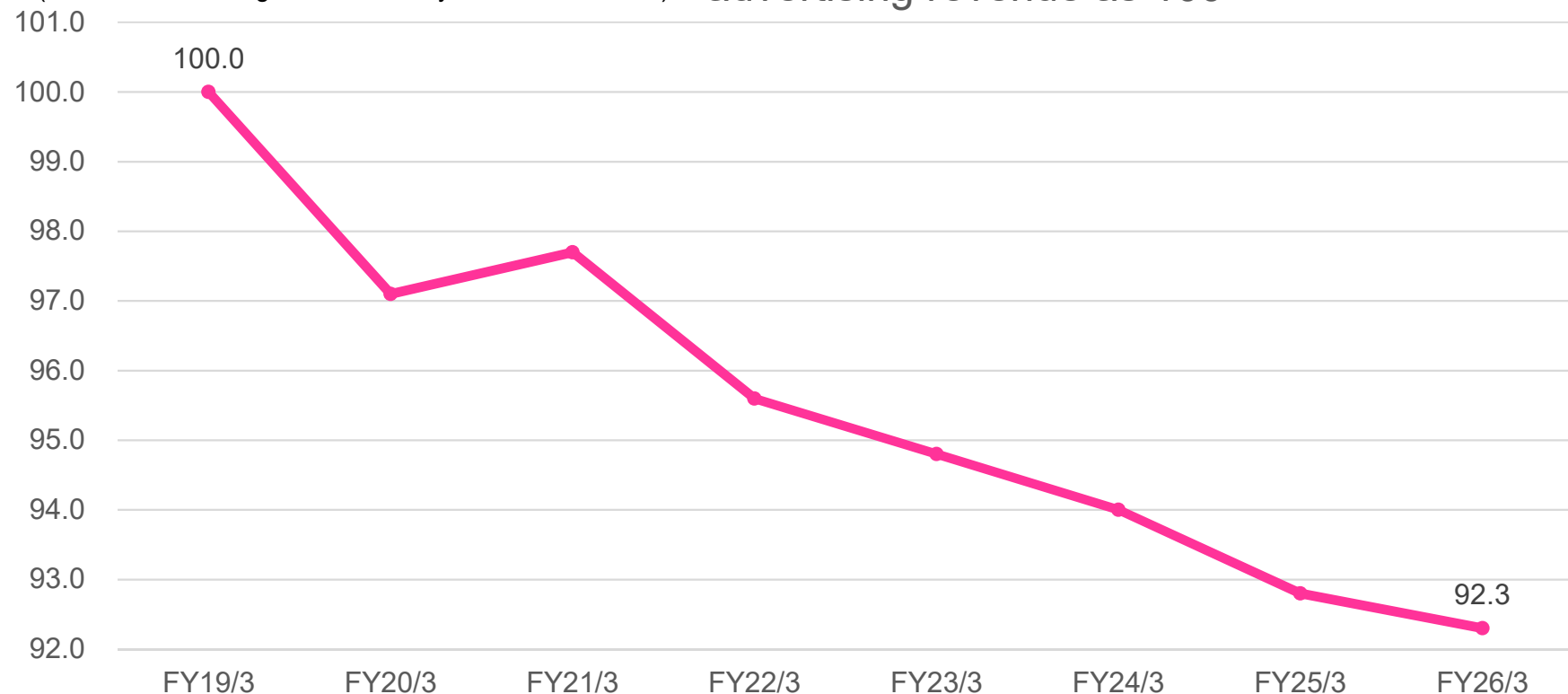
2017-2019
Summary

Dramatic Change in the Business Environment Facing TV Asahi

“Medium-Term Outlook for Operating Revenue”
(Japan Commercial Broadcasters Association)

Medium-term forecast for terrestrial television
(Tokyo, Nagoya, Osaka areas), taking FY19/3
advertising revenue as 100

(Source: JBA Management Quarterly, 2019 winter issue)



TV advertising revenue is on a structural downward
trend in the first half of the 2020s.

2017–2019
Summary

Response to Dramatic Change In the Business Environment

Structural slump
in TV advertising

Increased contact
with content on
smartphones, etc.

Change in
demographics
(population
aging)

Novel
coronavirus
crisis

Start of 5G
services!

Arrival of the
IoT era!

Spread of the
shared economy

One-year
postponement
of the Tokyo
Olympics

Survive the adverse 2020s through surefooted efforts!

2017–2019
Summary

Response to the Internet Era

Apr. 2020  Service launch
Construction of an SVOD platform

Jul. 2019  Full-scale operation
Operation of a digital video advertising distribution platform

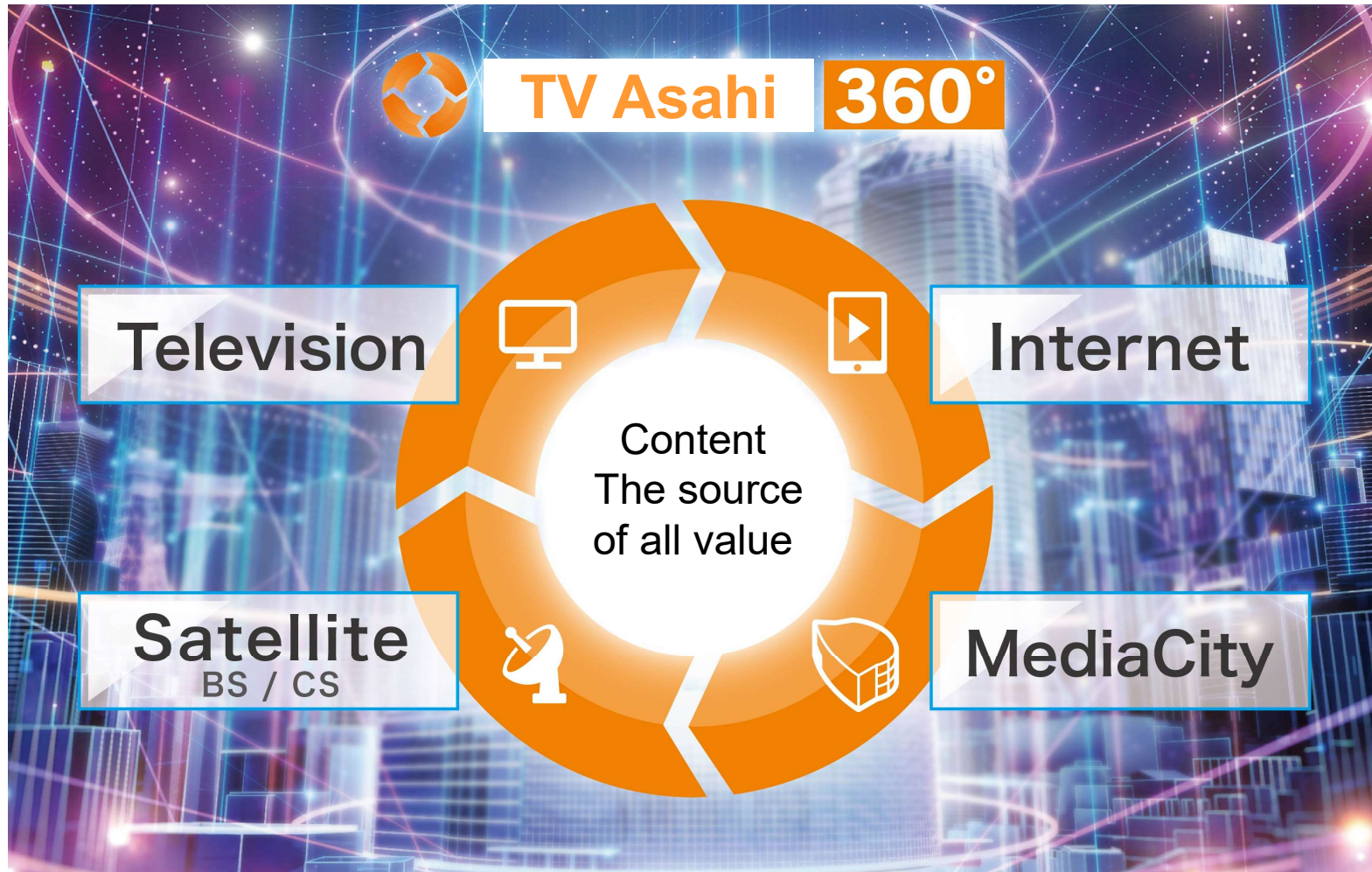
Nov. 2018 Establishment of the IoTv Center
A command center for Internet strategy

Apr. 2016  Start-up
Launch of an Internet TV station ⇒ Market Penetration as
social infrastructure

Implement new measures in rapid-fire succession!

Basic Policy for the New Management Plan

Maintain the basic principle and refinement of the 360° Strategy





Specific Measures

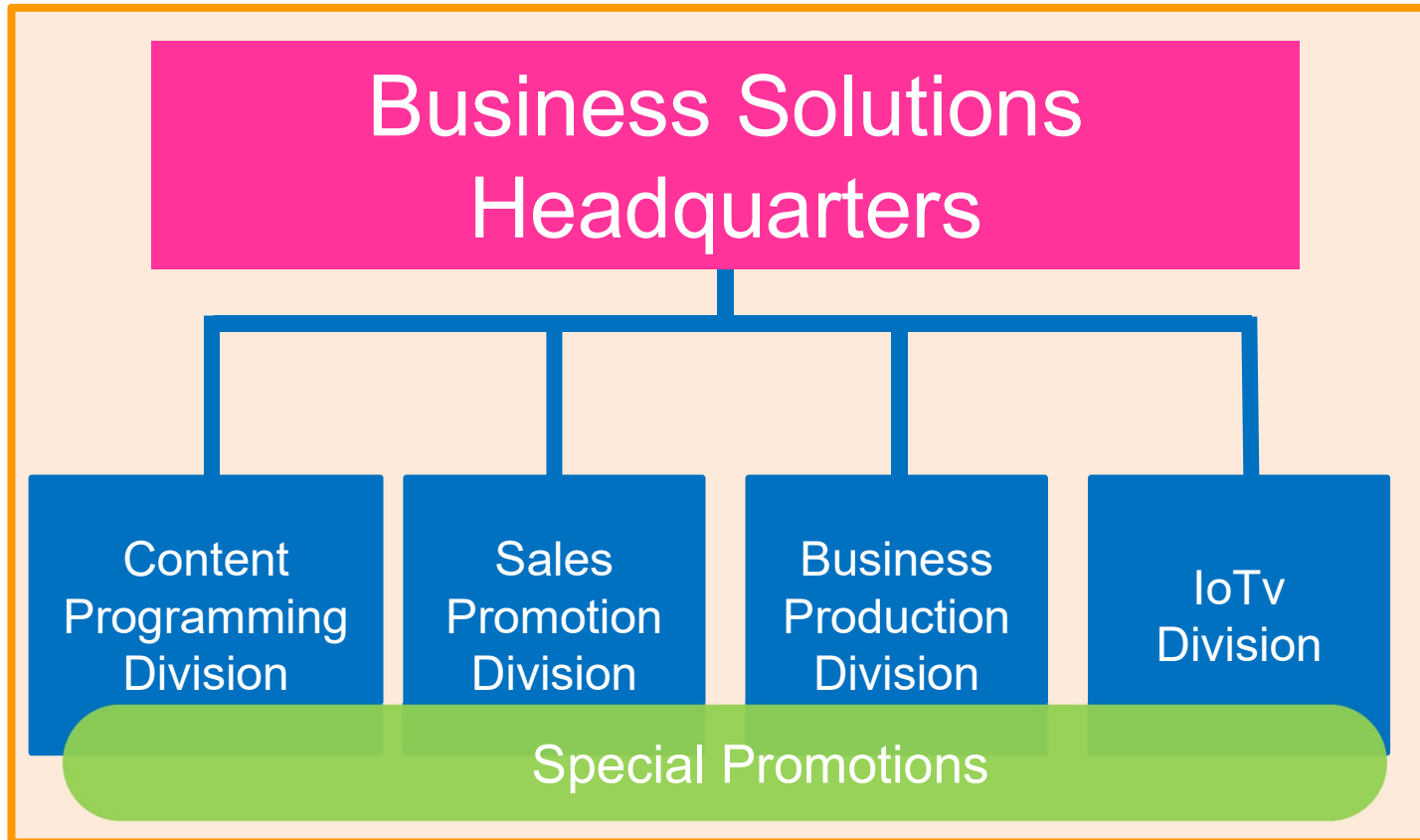
- Organizational Reform for Revenue and Profit Maximization
- From Station to Studio
- Breakthrough to Solutions-Based Selling
- Promotion of Data and Technology Utilization
- Creation of Digital Square



TV Asahi

360°

Organizational Reform



Pursue revenue and profit maximization through integrated operation of four divisions.



Organizational Reform for Revenue & Profit Maximization

Business Solutions Headquarters

Content
Programming
Division

Sales
Promotion
Division

Business
Production
Division

IoT
v Division

Special promotions

News
Division

Sports
Division

Network
Division

Technology
Division

Business
Strategy
Division

Strategy meetings

Key discussion topics

Video distribution

- ABEMA
- TELASA
- Catch-up / Simultaneous streaming

Performance
improvement measures
(revenue and profit
maximization)

New
businesses

SUMMER
STATION

and so on....

Media City

BS, CS
satellite



1. Complete shift to content production premised on 360° deployment

- Establishment of the **Video Production Department**
(Enhancement of content production for the Internet)
- Establishment of the **Rights Management Center**
(Strengthening of the rights clearance system)

2. Enhancement of coordination with business development

- Flexibly produce content that meets advertiser needs.
- Strengthen original IP/character development.

NUMAnimation

ヌマニクス-アニメーション

Establishment of a late-night
broadcast slot for animation

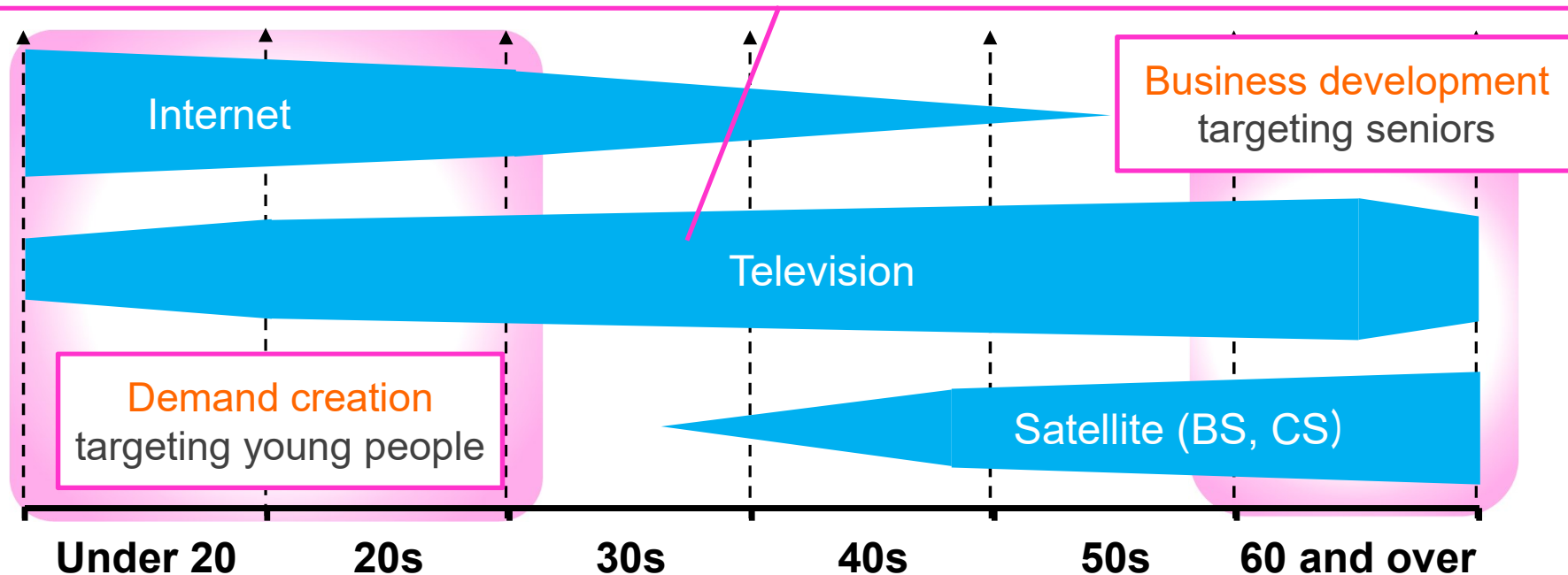


TV Asahi

360°

All-Targets Strategy

- Strategy focused on **overall individual viewer ratings** (along with household viewer ratings)
- Utilization of additional indices, such as number of viewers



Degree of media contact by age group

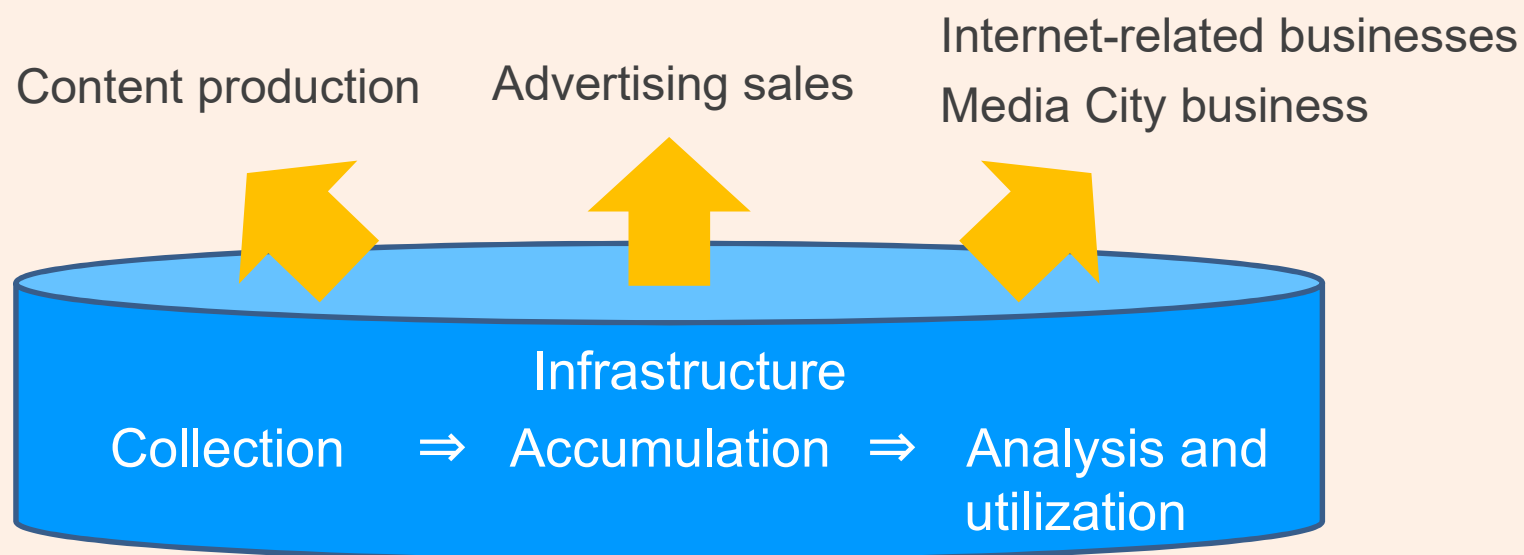
Constantly contend for the top overall individual viewer rating share in the all-day, golden time, and prime time categories and create **programs that are appealing to advertisers** as well as viewers.



- Full utilization of the TV Asahi Group's content and media
- Provide comprehensive solutions adapted to advertisers' corporate strategies and brand/PR strategies.
- Engage in sales adapted to advertiser needs by combining online media, offline events, and other platforms in addition to terrestrial advertising.



- Establishment of the **Data Solutions Center**
- Handle personal information with meticulous care
- Link data utilization to business

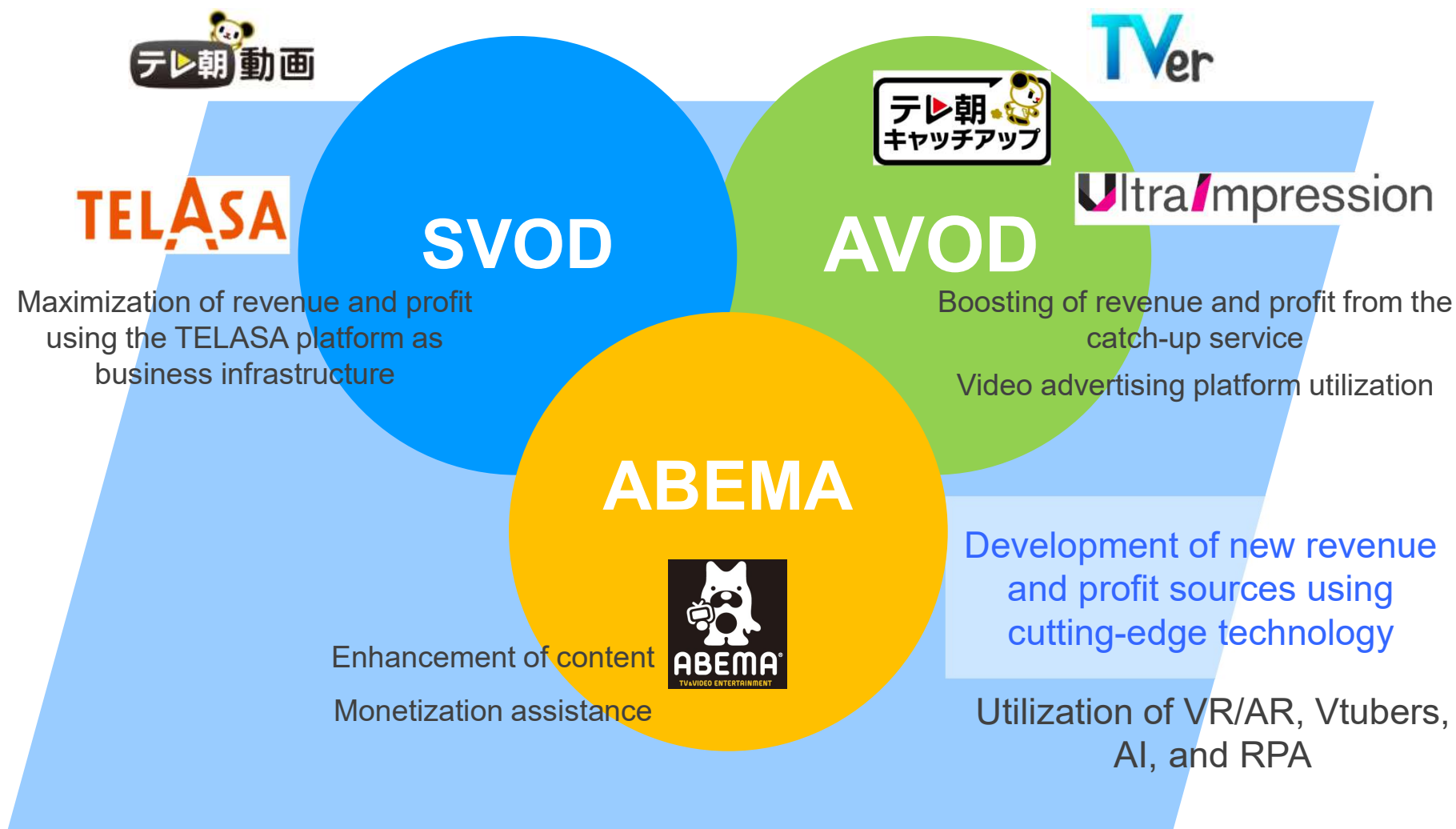




TV Asahi

360°

Internet Strategy for the 5G Era





TV Asahi

360°

Media City Strategy



Incremental development of Roppongi
even after start of construction of Digital Square



Key Strategy Partners



(Content enhancement, etc.)

- (1) ABEMA
- (2) RAGE (eSports)
- (3) M. League



(News coordination, etc.)

- (1) Network system maintenance
- (2) Program cooperation (dispatch of coordinators, etc.)
- (3) Coordination with high-school baseball



(Joint content production ,etc.)

- (1) Joint content production (*Aibo*, etc.)
- (2) Development of Kyoto theme park(uzumasa)
- (3) Joint production of late-night animation programming





Proactive ESG Initiatives

Corporate Mission of the TV Asahi Group

“Contribute to the realization of a society that can hold on to its dreams and hopes by offering information and content that are not only more attractive, but also sought by the society.”

Promotion of social contribution through content

- Provision of content trusted by viewers/customers and advertisers
- Strengthening of lifeline functions in times of emergency
- Doraemon Charity Fund (TV Asahi Welfare Foundation)
- Signing of the SDG Media Compact by TV Asahi and BS Asahi
(July 2020) (Feb 2020)

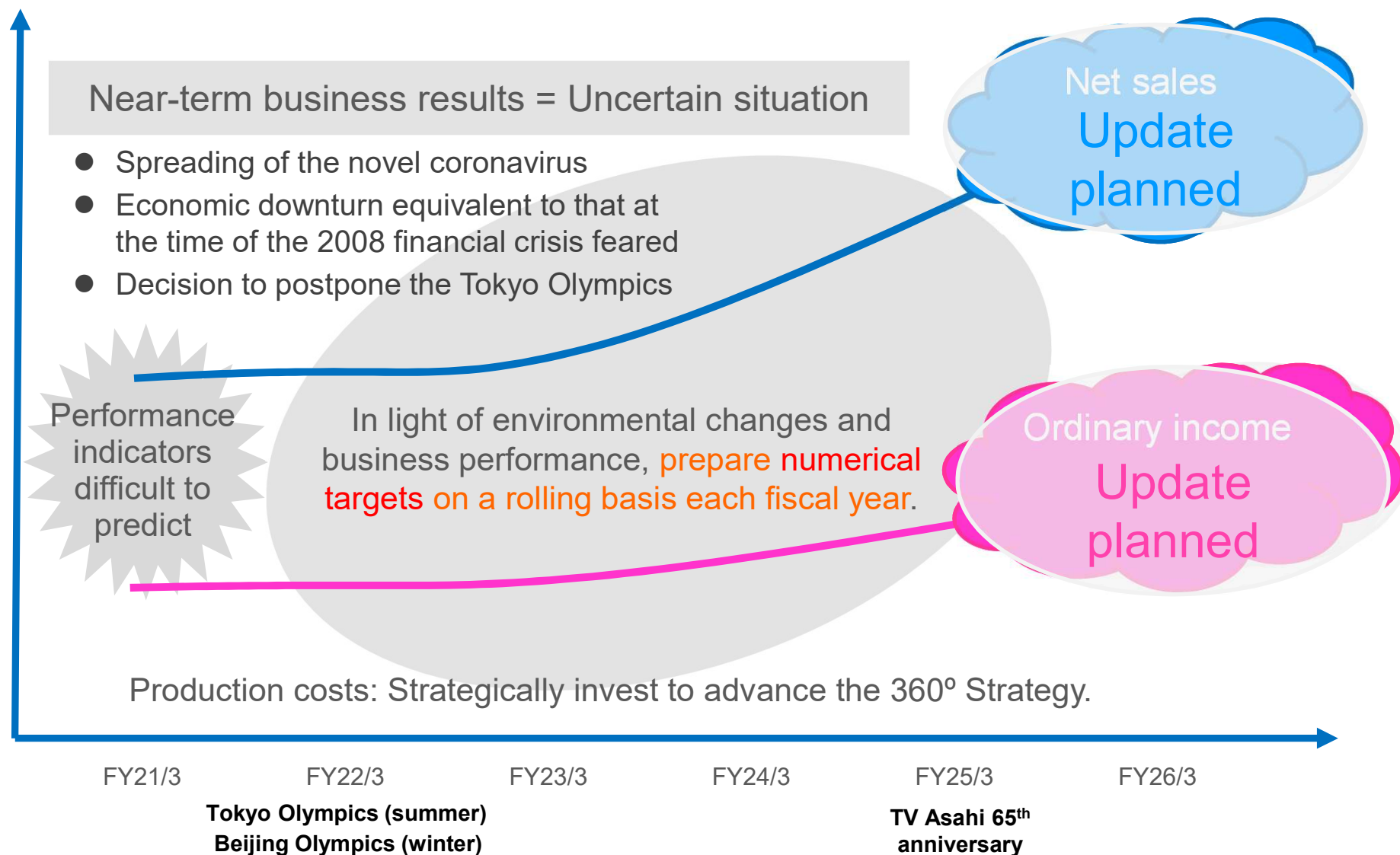


Business foundation-related initiatives

- Smart work and work style reforms utilizing AI, RPA, and other tools
- Deter harassment and violations of corporate ethics and create a workplace environment that gives rise to innovation.



Numerical Targets





Dividend Policy

- ◎ Strive to pay stable common dividends. (Aim for continuous growth.)
- ◎ Strive to provide further shareholder returns through commemorative dividends and special dividends.

For reference: Change in cash dividends

