

TBS Group Integrated Report 2021

From each moment, a better tomorrow.

66.6°
23.4°

A geometric diagram consisting of a grid of thin blue lines. A diagonal line runs from the bottom-left towards the top-right. A vertical line is drawn at the intersection of the diagonal and a horizontal grid line. The angle between the diagonal and this vertical line is labeled 66.6°. The angle between the diagonal and the horizontal grid line is labeled 23.4°. A rectangular area is shaded in light gray, spanning the top two horizontal grid lines and the first two vertical grid lines from the left. A larger rectangular area is shaded in dark blue, spanning the top two horizontal grid lines and the last two vertical grid lines from the right. The diagonal line passes through the bottom-right corner of the dark blue shaded area.

Corporate Philosophy / Brand Promise

Corporate Philosophy

The TBS Group aims to deliver timeless content and services to the world,
respecting diverse values and striving
to make a positive contribution to society.

Brand Promise

To create entertaining and inspiring experiences
that move hearts and minds.

From each moment, a better tomorrow.

TBS

TBS Group Code of Conduct

Providing Content, Information, and Services that Enrich the Mind — Pledge to Our Customers

■ Offer wonderful moments to each and every person

We will continually strive to be inventive and go beyond time and place to provide high quality, captivating contents, events, products, and services that enrich the mind.

■ Communication of fair, just and accurate

We will honor the freedom of expression, strive to disseminate fair, just and accurate information, and fulfill our mission as a media organization.

■ Respect for feedback from viewers, listeners, and customers

We will listen closely to feedback from viewers, listeners, and customers and continually provide a worthwhile time to ever more people.

Respecting Diverse Values and Striving to Make a Positive Contribution to Society — Pledge to Society

■ Respect for human rights and diversity

We uphold human rights, respect diverse values, and reject all forms of discrimination and prejudice.

■ Philanthropy and environmental preservation

We value our bonds with society and harmony with nature, and will work together with a sustainable society to build a better environment.

■ Legal compliance

As a member of a media group, we have a strong sense of ethics, uphold laws and social norms, respect all faiths, and conduct ourselves with fairness and transparency.

Aiming to Realize our Philosophy with a Free Spirit — Pledge to Our Staff

■ Development of outstanding talent

We develop outstanding talents that have a powerful sensitivity and the capacity to build the future. Accepting of diverse working styles, we will continue trying new things with a view to the future in the world.

■ Building uninhibited workplaces

Because people accepting each other with a free spirit are important to us, we build workplaces where everyone can develop their creativity to the fullest.

■ As a member of the Group

In recognition of ourselves as a member of the TBS Group, and towards the realization of our corporate philosophy, we seek to work with all staff to make ourselves a media group second to none.

April 1, 2020

TBS

On the Release of the Integrated Report / Editorial Policy / Table of Contents

On the Release of the Integrated Report

TBS underwent a complete transformation between 2020 and 2021.

Along with formulating its Corporate Philosophy, Brand Promise, and TBS Group Code of Conduct (April 2020), the Company changed its name from "Tokyo Broadcasting System Holdings, Inc." to "TBS HOLDINGS, INC." (October 2020).

We also established TBS Group VISION 2030 (May 2021), as a guideline for finding the "ideal TBS" — a TBS that goes beyond broadcasting and Tokyo. We have also gradually reorganized the Group while consolidating and strengthening corporate resources.

During these uncertain times, which have in part been fueled by the worldwide COVID-19 pandemic, the social mission that the TBS Group must fulfill is taking on increased importance. With a focus on providing quality entertainment and bringing lives together through "information lifelines," we aim to bring the world wonderful "moments" for a new age while being a growing corporate group tirelessly engaged in self-improvement.

As a means to inform our shareholders, investors, and all other stakeholders about this decision and the journey of self-improvement, this year the TBS Group released an integrated report for the first time. We hope this report will give readers a general perspective on the TBS Group and shed light on our past, present, and future efforts to achieve continuous growth.



Takashi Sasaki
 President & Representative Director
 TBS HOLDINGS, INC.
 TOKYO BROADCASTING SYSTEM TELEVISION, INC.

Editorial Policy

<Scope>

This report covers the activities of TBS HOLDINGS, INC. and TBS Group companies (20 consolidated subsidiaries, listed elsewhere).

<Reporting period>

While this report generally focuses on April 2020 to March 2021, the current financial reporting period, it also includes content from before and after this period that is needed to provide news and important information.

<Content>

This report contains information important for short, medium, and long-term value creation at TBS HOLDINGS, INC. and TBS Group companies, as well as for its impact on stakeholders.

<Guidelines referenced>

Detailing businesses and activities aimed at TBS Group value creation, this report was prepared based on such documents as "Integrated Reporting (IR)" by the International Integrated Reporting Council, an international framework for integrated reporting, as well as the Ministry of Economy, Trade and Industry's "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation."

Content concerning sustainability was prepared based on documents such as the Ministry of the Environment's "Environmental Reporting Guidelines 2018" and the Global Reporting Initiative's "GRI Sustainability Reporting Standards."



<On the Cover>

The cover of this report features our Brand Promise superimposed on the letter "T" in TBS.

The "66.6° (from the TBS's television channel)" and "23.4° (the angle of Earth's axial)" at the foot of "T" are used in the new TBS logo design (details on Page 4).



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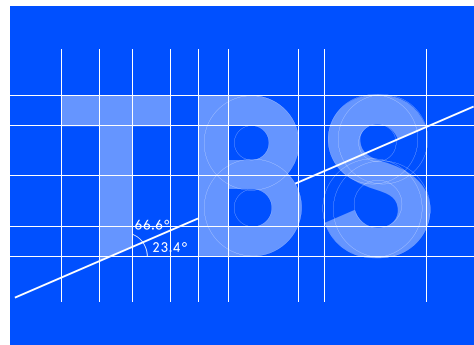
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TBS over the last 12 months

From 2020 to 2021, we battled COVID-19 while at the same time making visionary reforms.

This has been a year of advancing efforts to become the “ideal TBS” — a year of profoundly re-acknowledging our social mission of providing quality entertainment and serving as a trusted information lifeline for protecting lives.



▶ April 2020 Innovating the design of the TBS brand logo

The TBS Group’s new logo, the use of which began in all TBS business activities in April 2020, expresses the Group’s aspirations, which look ahead to the future and are informed by 70 years of history.

The letters are in “TBS Blue” in a simple typescript consisting of straight lines and rounded edges, with the T and S slants that go up and to the right.

The 66.6° slants symbolize our terrestrial broadcasting channel number 6 and create 23.4° angles, which represent the Earth’s axial tilt, which represents and signifies the TBS Group’s commitment to providing content to the world.

COVID-19 measures



Front entrance



Sanitizer in the sub control room



The sub control room is also partitioned with acrylic panels

2020

▶ February

- Instituted emergency teleworking to deal with COVID-19
- Made sanitizer available in the office
- Distributed masks to employees/staff

▶ March

- The WHO declared a COVID-19 pandemic

▶ April

- Set goal to achieve female manager ratio of 20%+ by the end of FY2024

▶ May

- Emergency Teleworking Questionnaire results
Over 90% of personnel had been teleworking since February

▶ June

- Changed Board of Directors structure (increased Outside Director count to 1/3 of total Board membership)
- Appointed a director in charge of ESG
- Instituted the Group Executive Officer System and Group Executive Committee

▶ October

- Change the company name from Tokyo Broadcasting System Holdings, Inc. to TBS HOLDINGS, INC.
- Appointed a special executive officer to be in charge of the Lifestyle Business
- Conducted TBS RADIO, Inc. “Challenge Zero CO₂ Reduction Campaign”

▶ July

- Established the SDGs Planning and Strategy Department

As soon as the COVID-19 outbreak happened, TBS needed to take business continuity plan (BCP) measures in order to continue providing accurate information as a news organization. “Emergency teleworking” was implemented one month prior to the declaration of a pandemic by the WHO (February 2020), and masks were continually distributed to all TBS personnel. Previous efforts to foster a teleworking environment as part of “T-Work,” a working style characteristic of TBS, along with stockpiling of masks in preparation for a pandemic since before the COVID-19 outbreak, made a significant difference. We also implemented governance reforms that included setting a goal to increase the ratio of female managers in April 2020 and changing the Board of Directors structure in June. Furthermore, in July we established

the SDGs Planning and Strategy Department and conducted the SDGs Campaign throughout the Group. To ensure that we can provide quality entertainment to a society feeling besieged by COVID-19, we have deployed our own PCR testing machine as a means to prevent performers from becoming infected. In April 2021, operations commenced at TBS ACT, INC.*, the result of Group restructuring, and we announced the TBS Group VISION 2030 and TBS Group Medium-Term Management Plan 2023 in May. While this a year where we supported a society battling COVID-19, it was also a year of instituting self-reform with a view to the future.

*TBS ACT, INC.: Japan’s largest general production company, comprising 12 companies in the TBS Group. Its three units—technology, art, and computer graphics—center on TV programs broadcast by TBS.

2021

▶ February

- Deployed a PCR testing machine in our offices

▶ January

- Changed the composition of the Nomination and Compensation Advisory Committee



▶ November

- Conducted an SDGs Campaign “Week to Make the Earth Smile”
- Conducted an exclusive interview with Secretary-General of the United Nations António Guterres
- AI-powered voice transcription editor Mojiko received the IT Award from the Japan Institute of Information Technology

▶ May

- Announced TBS Group VISION 2030 and TBS Group Medium-Term Management Plan 2023
- Announced the goal of using 100% renewable for the Midoriyama Studio’s electricity needs in FY2021



▶ April

- TBS ACT, INC., a company formed through the integration of 12 technology and art-related companies, began operations
- Conducted the second SDGs Campaign “Week to Make the Earth Smile”

April 2021 — Japan’s largest group of experts has arrived!



Message from the President



Transformation from a media group to a content group

“From each moment, a better tomorrow.”

Takashi Sasaki

President & Representative Director
TBS HOLDINGS, INC.
TOKYO BROADCASTING SYSTEM TELEVISION, INC.

TBS Group’s social mission and purpose— We delight in making people smile with “relaxing moments”

As we publish our Integrated Report, I have been thinking about the purpose of the TBS Group once more.

We want to be a company that delights in making many people smile. That’s our purpose as a member of the service industry.

For example, people suffering from disasters feel at ease and smile a little when they watch our broadcasts. People who come home tired from work smile refreshed after feeling emotional over a moving drama. Children watch TBS programs and dream of becoming the athletes they see in the future. We believe our purpose is to make as many people as possible smile with “relaxing moments” anytime.

In other words, we recognize that our work is not based on “give and take,” but rather that giving, or serving, comes first. Even in the event of a major disaster, we act based on a strong conviction to never stop broadcasting and we continue to do this for the benefit of the public. This is what we constantly train to do.

We can also have an extensive influence through the airwaves. It’s good if it is only useful for people, but there is also a danger that it may have unexpected negative effects. For the past 70 years, we have done such the airwaves carefully and correctly. Through this experience, we have inherited a spirit of “service” that makes us want to help people as part of our DNA. By protecting people from disasters and preserving peace, we protect the property and lives of the public. We believe this is the social mission of the TBS Group.

Amid the flood of information from various media, we will continue to provide accurate and fair information and provide high-quality content. We believe our “credibility” is the greatest value we offer.

Reforming the mindset of the TBS Group— Transformation from a media group to a content group

We have always valued an approach of “be the best rather than the biggest broadcaster.” In the era when television stations were the most influential media, this phrase reminded us to stay humble and not to be arrogant. However, now that television broadcasting is being overtaken by the internet in terms of advertising expenditure, we felt the need to rebuild TBS into something new that is not an extension of the past.

Therefore, in April 2020, we formulated a new corporate philosophy and brand promise, and revamped the TBS logo. In October 2020, we changed our corporate name from Tokyo Broadcasting System Holdings, Inc. to TBS HOLDINGS, INC. Removing the localized focus on Tokyo and the limitation to broadcasting in our corporate name sends a strong message that we will go beyond Tokyo and broadcasting, making clear our commitment to not settling for a future that is broadcasting only.

“From each moment, a better tomorrow,” which is our brand promise, is our intention to define “content” as anything that moves people’s hearts, and to become a starting point for influencing society. The management team formulated the new corporate philosophy after a year of discussion. Based on this philosophy, a project conducted by young employees developed the brand promise. “From each moment, a better tomorrow,” the phrase they came up with, shows that we are a group of people who think producing things is fun, and it conveys our passion for creating.

Unlike overseas media, Japanese television media is characterized by the fact that it both broadcasts and creates content at the same time. However, from now on, we will focus more on content creation, aiming to achieve world-class standards. Moreover, our desire to “create relaxing moments” goes beyond content: we will also deliver outstanding moments that people can enjoy through means that include events and education. TBS has always created high quality content, but by aiming even higher and transforming ourselves from a media group to a content group, we will reach a global scale of business and establish a presence in overseas markets as well.

Looking back on the previous Medium-Term Management Plan

Laying the foundations for transformation through investment and group reorganization

Previously, in “TBS Group Medium-Term Management Plan 2020,” we set ourselves the goal of “Diversification and challenge to total media through investment and group reorganization,” and invested around ¥50 billion in medium-to long-term growth, including video streaming, the digital area, intellectual training for children, and the next-generation redevelopment of Akasaka.

In terms of Group reorganization, we consolidated over 80 subsidiaries into mainly six core companies. Broadcasting-related subsidiaries have been combined into three companies: TOKYO BROADCASTING SYSTEM TELEVISION, INC., TBS RADIO, Inc., and BS-TBS, INC. Program production subsidiaries went into TBS SPARKLE, Inc. Program sales, digital business, and television shopping subsidiaries were put into TBS GLOWDIA, Inc. Finally, subsidiaries with technology, art, and computer graphic functions were rolled into TBS ACT, INC. Although each company is an independent corporation, we will remove as many barriers as possible to build a system build a system of mutual cooperation and friendly rivalry toward a single goal. Although various expenses were incurred as a result of the reorganization, we improved management efficiency, and I believe we have developed a system that will allow us to continue producing high quality content over the long term.

The effects of group reorganization are also being seen in recruitment. In the past, because of the small size of each company, recruiting efforts rarely succeeded. In one example, when recruiting new graduates for the merged com-

pany TBS SPARKLE, Inc., the number of applicants has been steadily increasing each year, as the idea that they can do a wide range of jobs at a core group company of TBS appears to have become more widespread and understood among students (the applicant-to-hire ratio in FY2020 was 35.1 times, and 38.5 times in FY2021 (estimate)).

We believe we have laid the foundations for creating new content by bringing into existence a huge group of creators, bringing people together, and valuing creators in this way.

The reorganization has also eliminated the complex multi-layered structures that existed before, making it possible to assign a full-time auditor to each company and a person in charge of business auditing and compliance, which has strengthened the compliance and governance of the Group as a whole.

TBS Group VISION 2030

We will maximize the value of our content through EDGE (Expand Digital, Global, and Experience)

The TBS Group Vision 2030, announced in May 2021, is a vision of where we want to be in ten years' time based on our ability to create content and go beyond broadcasting to provide the wonderful "moments" at all kinds of times and places. To achieve this ideal, we will innovate both in regard to content creation and content "expansion."

Under the EDGE* expansion strategy to "expand" our content, we aim to dramatically increase the value we provide as well as our revenue as a company with an edge in the three most important areas: digital area other than broadcasting, overseas markets, and experiences (real businesses that provide experiences such as live entertainment and lifestyles).

In the digital area, we will work to spread our content and strengthen platforms in streaming.

In the streaming business, we will focus on TVer, a commercial video streaming service, and Paravi, a subscription video-on-demand service. TVer allows viewers to watch programs they missed during the original broadcast whenever they want before the next broadcast. This is essential for the stable growth of terrestrial broadcasting as well as the growth of TVer in its own right, and we are looking to increase our profits in this area.

Paravi will specialize in dramas and variety programs, which are TBS's strengths, in contrast to the Netflix and Amazon Prime Video business model, which centers on buying and selling original dramas and movies. This makes it a platform where TBS can demonstrate its superiority as it seeks to further develop its drama content to a global level.

As a further push into overseas markets, we will set ourselves the challenge of creating drama content that specifically targets overseas viewers from the outset. In the past, the drama *Jin* was a worldwide hit. The reason for its popularity among overseas viewers was because the series

raised issues with today's medical system, which resonated with them, through the lens of the dawn of medical care in the past, rather than because it was a historical drama. As in this case, we believe that TBS has the strength of content to find markets overseas. However, there are many competitors in the overseas market, including the U.S. and Asian countries such as South Korea, and China, and targeting overseas viewers means that we need to consider securing creators, alliances with overseas companies, and M&As. This also comes with risks, but we believe that if TBS's content is well received overseas, our revenue will see dramatic growth.

Expanding "experiences" means not only in broadcasting, but also reaching every wonderful "moment" of consumers. Our two live entertainment venues TBS Akasaka ACT Theater and IHI Stage Around Tokyo will serve as platforms for doing this. By leveraging our ability to produce theater in addition to media, we will further increase the value we offer as a B2C business.

With the Akasaka Entertainment City Plan, Akasaka will be transformed into a city of live entertainment. This will include TBS Akasaka ACT Theater serving as a dedicated theater for the stage production of *Harry Potter and the Cursed Child* in 2022 as well as the completion of another theater in 2028 to create a building that will house leased offices, commercial facilities, and a hotel. By providing a wide variety of content for visitors to Akasaka through plays, events, and broadcasts, we aim to remake Akasaka into a city that reaches out and connects with people's joy and happiness to deliver wonderful "moments."

Additionally, we will also utilize the strength of our content in intellectual training and educational fields, to develop the potential of children who will lead the world in the future. It is the field of emotional education rather than studying for exams where we can take advantage of our production techniques. By capitalizing on the power of digital technology and incorporating entertainment, we will continue to support the realization of a future full of hope for children.

* EDGE is a synonym for Expand Digital Global Experience

TBS Group Medium-Term Management Plan 2023

We will sow the seeds for the realization of TBS Group VISION 2030

We have positioned the three-year period of the TBS Medium-Term Management Plan 2023 as a period for focusing on recovery from the COVID-19 pandemic and sowing seeds for growth toward the realization of TBS Group VISION 2030.

Given the continued slump in spot commercial sales, which were previously the mainstay of revenue, and the current reluctance of consumers to spend money due to the COVID-19 pandemic, there is a need to eliminate waste as soon as possible without being constrained by conventional notions. At the same time, we have to invest in priority areas in order to accelerate our innovating of broadcasting



and our growth strategies. For example, in order to promote overseas business, we will make the necessary investments in collaboration with overseas companies and in creating content for overseas markets to fuel growth once the COVID-19 pandemic has ended.

Our "sowing seeds" will commence with the stage production of *Harry Potter and the Cursed Child*. Conventionally, the duration of a production at a venue is around three months. However, *Harry Potter and the Cursed Child* will be the first TBS long-run production with no fixed end. This marks a fundamental change in the way theaters run, as they usually only operate for about six months of the year, considering the period of preparation for the next show once one show has ended. Therefore, we are trying to make a long-term plan, which includes the publicity that usually goes along with a performance immediately before it. The city of Akasaka will also be changing, with the construction of a large stairway leading from Akasaka Station to the theater. Through these capital expenditures, we will increase the number of fans and repeat customers over a long period of time, including young children who will look forward to going to see *Harry Potter and the Cursed Child* once they are in third grade, leading to the success of the show.

We aim to achieve operating profit of ¥18.5 billion in the final year of the plan (FY2023). Achieving profit targets while sowing seeds for growth is quite challenging. However, this target is based on our efforts to initiate momentum in the video streaming business, overseas expansion, intellectual training and education, and other seed sowing activities. Therefore, its significance should look different from FY2018, when we earned significant profit through spot commercial sales.

Sources of competitiveness

We will revitalize our organization by capitalizing on distinctive individuality to deliver excellent content to the world

One of TBS's greatest strengths is its ability to produce dramas comparable in quality to movies. This is a result of gath-

ering excellent creators together, but TBS's corporate culture, which respects the distinctive individuality of its employees, also contributes.

In the production of dramas, after the planning is done in the Programming Department, marketing and research is conducted, and the title is worked out in meetings. I feel that dramas produced through a majority consensus have a strong tendency to receive average ratings rather than becoming blockbusters. I believe the reason why blockbuster dramas such as *NAOKI HANZAWA* and *The Full-Time Wife Escapist* are produced is because we have a culture that respects individuality and accepts outstanding ideas.

NAOKI HANZAWA is a drama that was broadcast when I was head of the TV Programming Division. When I was first approached with the project, I was initially against it because I thought it would be difficult to get high viewer ratings for a drama with a business theme rather than a love story. However, I gave the go-ahead based on the talent and enthusiasm of the very capable director in charge of the drama, and as a result, it became a huge hit with viewer ratings approaching the 20% mark from the very first episode (the household ratings were 19.4% for the first episode and 42.2% for the final episode).

What I realized at the time was that improving organizational skills is not the same as killing individuality, the same as in rugby which I played in my student days. The important thing is not for everyone to think the same and act in accordance with group discipline, but for each individual to position his or her own role in the organization, to fulfill his or her own role, and then to have a distinctive individuality. I believe that maximizing the performance of each individual will revitalize and strengthen the entire organization. In other words, it is the organization which can effectively bring out the full potential of distinctive individuality that will win.



Concept of sustainability at TBS
We will continue to grow continuously through “challenge and fairness” and “inheritance and creation”

As a company, we aspire to achieve high profitability and remain focused on winning. However, we must not win by doing something unfair. This is because we can always start again if we lose, but if our credibility is damaged, we will not be able to do business anymore. For this reason, we always convey a message that tells our employees to challenge themselves but act fairly as a key value.

Recently, we also began to address the SDGs concept. This is partly in response to the demands of society, but also in order to change our own mindset. Up until now, we have been engaged in “consumption-oriented” business, where we cut down trees to make money, but have not gone so far as to plant trees. Therefore, by continuing to address the SDGs, we are trying to build human relationships and organizations by thinking about how important sustainability is in its own right and about sustainability as both a company and a society. First, in order to make the SDGs accessible to more people, we included all TBS Group members in the “Week to Make the Earth Smile” campaign starting in 2020, and invited companies that agree with our objectives to participate as “partners” in promoting the SDGs together. So far, we have held the campaign twice, and it has already been effective in raising the awareness of viewers about the SDGs and serving a role as a “starting point for influencing society.”

“Inheritance and creation” is also an important concept for the sustainability of the TBS Group. In the past, it was often the case that even when we had people who produced excellent programs, their experience and skills would not be passed on to the next generation. We believe this is not the way to go. We will continue to change our mindset, by giving ourselves a 7 out of 10 when being recognized as a fully qualified editor or journalist, for example, and give ourselves the remaining 3 points when we pass on our experience and know-how to junior colleagues. If senior colleagues pass on

all they have learned to their junior colleagues who can inherit, create and further absorb it without measuring the personal gains, I believe we can become a strong company.

Furthermore, in order to enhance the corporate value of the entire TBS Group, we will continue to instill a sense of group unity. This year, the six core companies held a joint induction ceremony for the first time in our 70-year history. This is an indication of the TBS Group’s commitment to working together as one to create content. We will work harder than ever to improve management efficiency and strengthen group governance.

To our stakeholders
We will continue to grow by creating, delivering, and sharing every wonderful “moment” in partnership with all of our stakeholders

The TBS Group will continue to take on new challenges in order to remain a strong company even in this era known as the new normal. As a content group founded on responsible broadcasting, we will provide wonderful “moments” in partnership with all of our stakeholders to contribute to the realization of a happy, sustainable, and prosperous society where diverse values are respected. As the TBS Group continues to evolve, expect great things from us.

Takashi Sasaki
 President & Representative Director
 TBS HOLDINGS, INC.
 TOKYO BROADCASTING SYSTEM TELEVISION, INC.

Pick Up

A Starting Point for Influencing Society



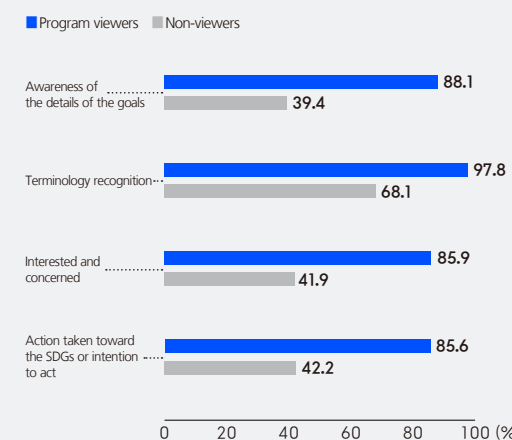
Sustainable Development Goals (SDGs) Campaign “Week to Make the Earth Smile”

As one of the efforts connected with its brand promise, “becoming a starting point for influencing society,” the TBS Group launched a globally unprecedented major SDGs campaign, “Week to Make the Earth Smile” in November 2020. During the campaign, TOKYO BROADCASTING SYSTEM TELEVISION, INC., TBS RADIO, Inc., and BS-TBS, INC. together broadcast more than 40 programs that dealt with various issues and Japanese and international efforts to achieve the SDGs. The campaign was recognized as a groundbreaking achievement, and received high marks its programming, including an unprecedented individual interview with United Nations Secretary-General António Guterres.

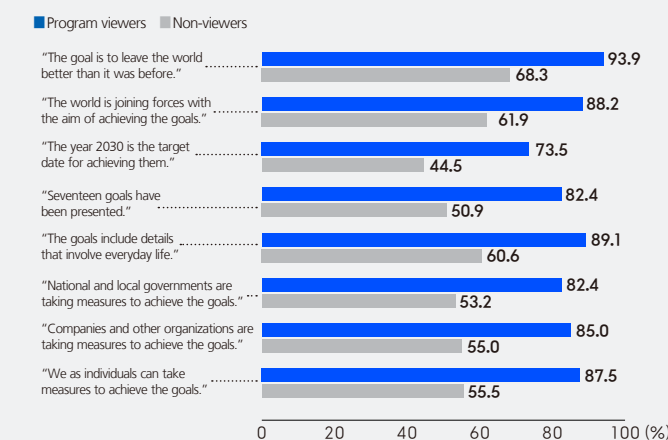
The second stage of the Campaign took place over ten days, including the Golden Week holidays, from April 26 to May 5, 2021. Its theme was “Get Involved with the SDGs,” and it urged viewers to begin efforts that they could carry out on their own. The Campaign was wide-ranging, and one of the associated projects was an online event that gave children an enjoyable introduction to the SDGs. TBS plans to continue the Campaign until 2030, the year that the United Nations has designated for achieving the SDGs.

Video Research Limited surveyed members of the viewer for “Week to Make the Earth Smile” and found that people who had viewed or listened to the programs had a much greater awareness, understanding, interest, and concern than non-viewers. Furthermore, people who had seen or heard both stages of the Campaign in succession were more likely than others to be aware of the need for specific actions. These results clearly showed the effectiveness of continuing the Campaign, and it has indeed become “a starting point for influencing society.”

The SDGs: Awareness, Interest, Actions Taken, and Intentions

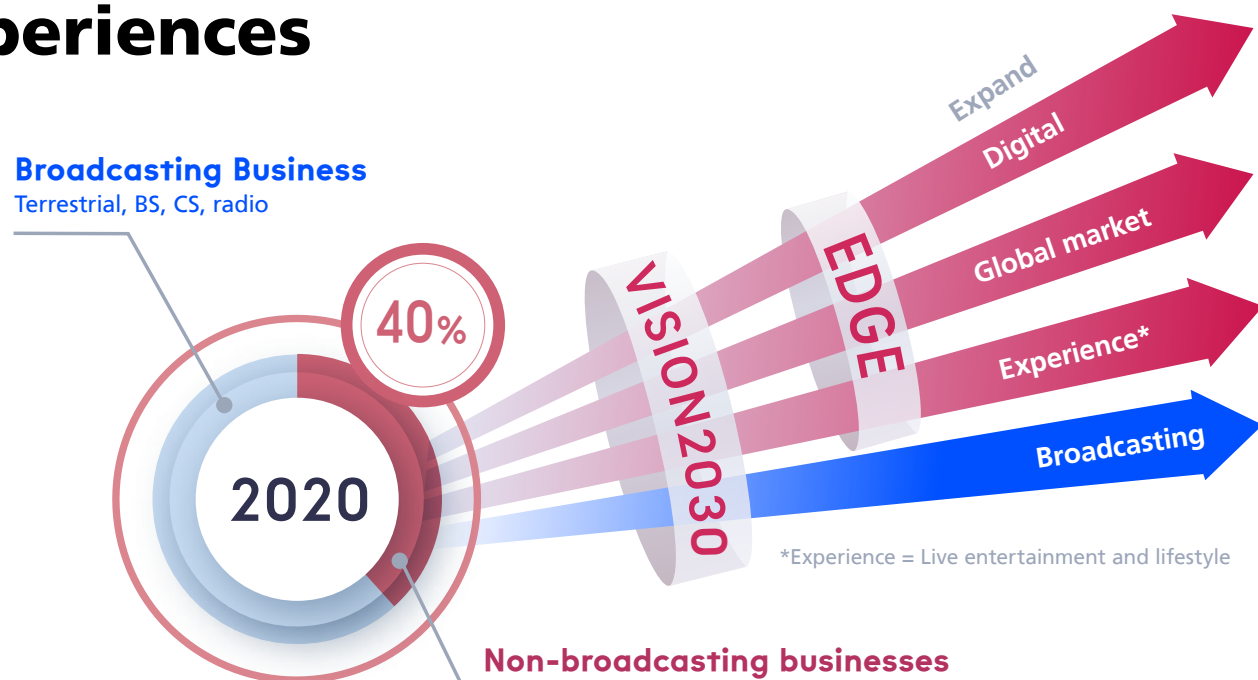


Understanding of the SDGs



TBS Group VISION 2030

Spreading content boundlessly beyond the framework of broadcasting, creating memorable experiences



The capacity to create content is the greatest asset of the TBS Group. Lifestyles are becoming more diverse and the media environment is changing rapidly, which includes the increasing importance of the internet. Amid these circumstances, in order to honor people's trust in us better than ever before, the TBS Group will create excellent content that enriches minds and lives, and will deliver this content beyond the traditional framework of broadcasting. Defining all things that move people's hearts as content, the TBS Group aims to become a group of content providers that maximizes the value of all those things.

Specifically, the TBS Group will bolster its creative capabilities by developing original intellectual property (IP). Going a step further, the TBS Group will drive forward initiatives dubbed EDGE* as its strategy for spreading created content boundlessly.

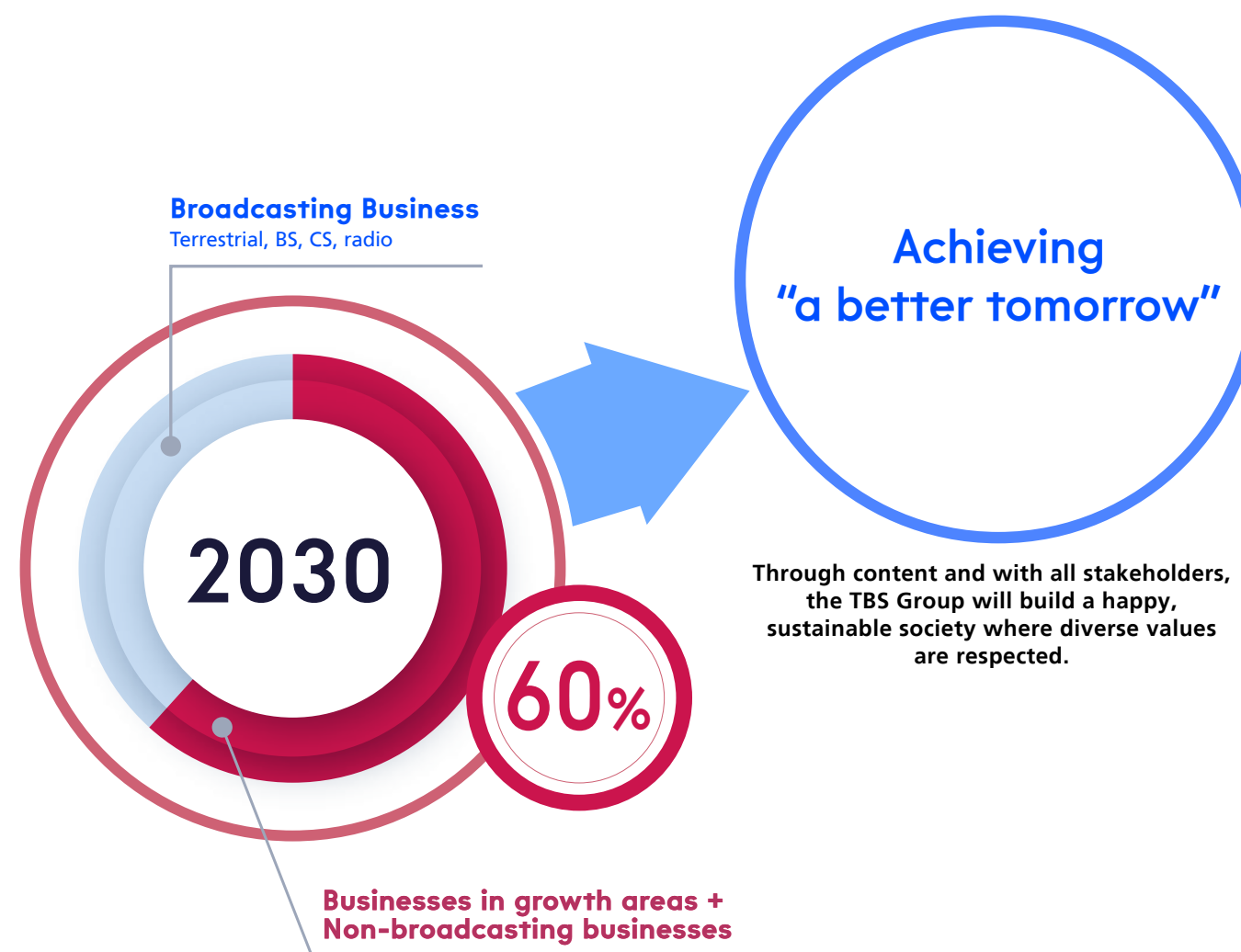
The TBS Group will develop digital content by strengthening streaming (Digital), pursue further breakthroughs in overseas markets (Global), and concentrate its resources on expanding the business of experiencing live entertainment and lifestyles (Experience).

The TBS Group seeks to achieve growth by expanding businesses in growth areas and businesses other than broadcasting to 60% of consolidated net sales based on the EDGE strategy for spreading created content.

At the same time, as the broadcasting business is a foundation for growth, we will continue looking to enhance its value. Going forward, the broadcasting business will win further trust from stakeholders as a value we have built up over the years, while serving as a hub for value co-creation that transcends advertising media functions. Together with our partners, the business will also offer new value and seek to bolster our media power through data marketing.

The TBS Group will pursue a number of measures to offer "wonderful moments" to the Earth (E) on which we live, and Society (S) in which we work, as a responsible company we are using Governance (G) including media organizations with public and social missions, as part of ESG management. Through content and with all stakeholders, the TBS Group will build a happy, sustainable society where diverse values are respected.

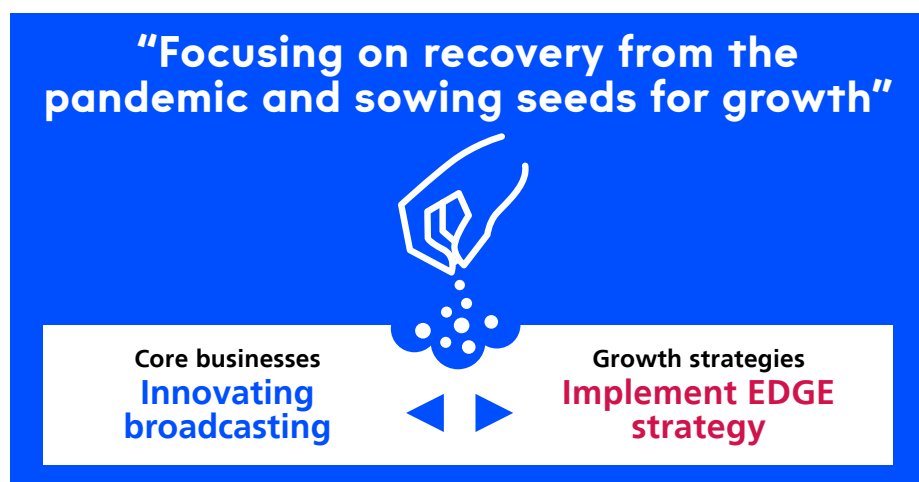
* EDGE: Expand Digital Global Experience



Dramatically increase earnings in non-broadcasting businesses by achieving VISION 2030

<p>Create excellent content that enriches minds and lives</p> <p>Emphasize original IP and strengthen creative capabilities</p> <p>Aim to transition from the previous content production system based on the broadcasting business to one that delivers content for all times of life</p> <ul style="list-style-type: none"> Further develop original IP Strengthen creative capabilities 	<p>Creating and disseminating content around the world, beyond the framework of broadcasting</p> <p>EDGE</p> <p>Expansion strategy that seeks to maximize content value</p> <p>Expand Digital Global Experience</p> <ul style="list-style-type: none"> D Strengthen streaming and digital content development G Pursue further breakthroughs in overseas markets E Expand the business of experiencing live entertainment and lifestyles 	<p>Seek to enhance the value of the broadcasting business</p> <ul style="list-style-type: none"> Deepen the unchanging value that is trust Become a hub for value co-creation that transcends advertising media Bolster our media power through data marketing <p>Social mission of media, and ESG management</p> <p>Environment For the earth on which we live</p> <p>Social For society and coworkers</p> <p>Governance As responsible companies</p> <p>Offer "wonderful moments"</p>
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TBS Group Medium-Term Management Plan 2023



Theme: Recovery and sowing

TBS Group Medium-Term Management Plan 2023 corresponds to Phase 1 of a target period of TBS Group VISION 2030 (FY 2021-2030), which has the theme "recovery and sowing." This involves recovering from the impact of COVID-19 and sowing seeds for growth toward the goals set in TBS Group VISION 2030, while expanding revenues based on growth strategies.

Core businesses: "Innovating broadcasting"

The TBS Group will work on innovating broadcasting, a core business for the Group, as an urgent issue in the period covered by the TBS Group Medium-Term Management Plan 2023.

The TBS Group aims to maximize the scope of its reach while positioning the new Family Core demographic (male and female individuals age 4 years to 49) as a priority target for winning next-generation viewers and rebuilding social value. The TBS Group will also explain and propose media value by strengthening data coordination.

Moreover, as a means to promote itself as a starting point for influencing society, the TBS Group will carry out large-scale projects oriented toward solving social problems and chasing dreams, undertake initiatives beyond content programming, and rebuild the value it provides based on trust and market reach.

To improve efficiency and boost competitiveness among JNN network affiliates, we will implement measures to strengthen our management infrastructure among all JNN network affiliates.

EDGE strategy for streaming content

As growth strategies, the TBS Group will first strengthen streaming and develop content in the digital area to put into tangible form the EDGE strategy for streaming content, as set out in the TBS Group VISION 2030. The TBS Group will expand the scope of news reach and develop new digital content businesses while expanding revenues by increasing the use of video streaming platforms every fiscal year.

Globally, the TBS Group will step up its efforts to rebuild distribution channels, expand format businesses, produce internationally-focused content assuming distribution in markets worldwide, and develop other businesses with overseas partners in order to accelerate progress in overseas markets

through alliance expansion and M&A efforts.

Taking an additional step in the Experience area, the TBS Group will premiere the first long-run presentation in Asia of *Harry Potter and the Cursed Child* to expand business "to experience" live entertainment. In addition, the TBS Group will advance initiatives, including original content development, multi-use application, and the establishment of a TV studio with an immersive element for visitors in the Akasaka Sacas area, to realize the Akasaka Entertainment City Plan.

In the Lifestyle Business, the TBS Group seeks to make a recovery in revenues through StylingLife Group restructuring and intra-Group coordination, while also aiming to get back to growth quickly as the COVID-19 pandemic abates. The TBS Group will also work to develop experience and value businesses in the intellectual training and education area.

Strengthening management infrastructure and carrying out ESG management

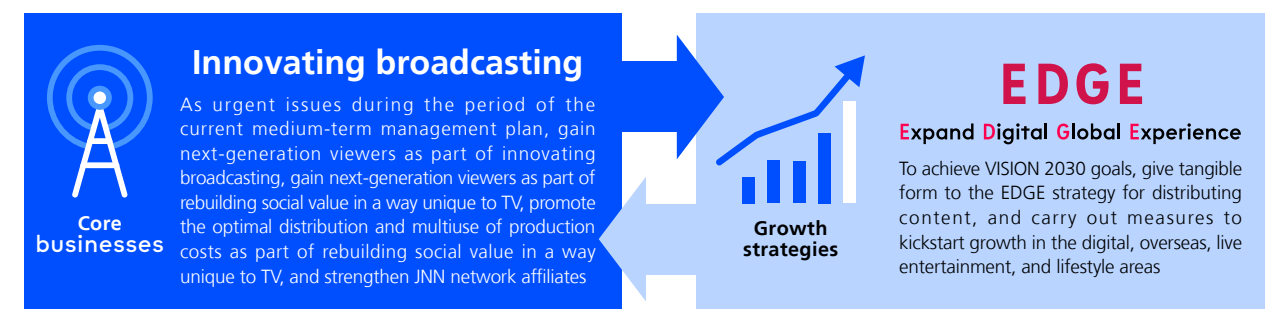
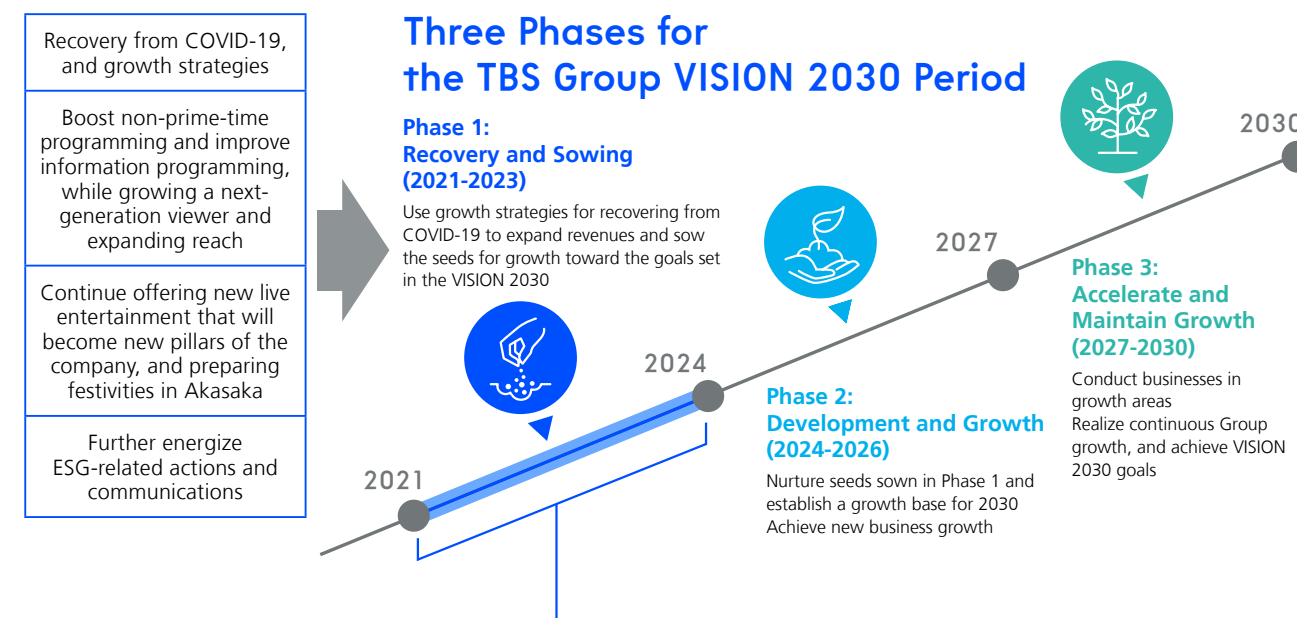
For management infrastructure, in support of corporate strategies, the TBS Group will continue to strengthen its corporate brand and reinforce organizations through Group reorganization.

Furthermore, for growth drivers, the TBS Group will leverage its competitive strengths and growth potential through strategic investments and digital technologies, and enhance organizational strength through creative, challenge oriented human resources.

In carrying out ESG management that is uniquely TBS, the Group will communicate facts fairly and accurately and disseminate reliable information as a means to fulfill its social mission and responsibilities as a media group, while working to address social issues and position itself as a starting point for influencing society. The TBS Group will work with various partners to achieve the SDGs by 2030.

Quantitative targets

Based on the initiatives described above, the TBS Group set consolidated net sales of ¥370 billion, consolidated operating profit of ¥18.5 billion and a ratio of operating profit to net sales of 5.0% as quantitative targets for FY2023 in the TBS Group Medium-Term Management Plan 2023.



- Management infrastructure**
 - Strategic investment for growth
 - Enhance creative capabilities, and develop and recruit digitally-capable human resources
 - Leverage competitive strengths through technologies
 - Enhance the corporate brand and foster a sense of unity
 - Establish a foundation for growth through Group reorganization
- ESG management**
 - Fulfill social mission and responsibilities as a media group
 - Address environmental and social issues, and contribute to SDGs achievement
 - Strengthen governance

Quantitative targets

Net sales	¥370 billion
Operating profit	¥18.5 billion
Ratio of operating profit to net sales	5.0%
Simplified EBITDA*	¥32.5 billion

* Simplified EBITDA: Operating profit + depreciation

Growth investment

More than ¥100 billion total over 3 years

To achieve business innovation and medium- to long-term growth, leverage assets from a rising market value of shares held long-term

Growth investment based on the EDGE strategy for distributing content

- M&A to expand business and enhance the organizational capabilities of human resources, etc.
 - IP investment and content that will serve as a wellspring for greater earnings
 - Investment in the Akasaka Entertainment City Plan
- Make large-scale investments that exceed projections in the event that investment opportunities arise that will facilitate a transformation of the TBS Group

Shareholder return

Stable dividends will continue for 3 years

¥30 per share as the minimum annual dividend

Pick Up

Providing Experiences of Live Entertainment

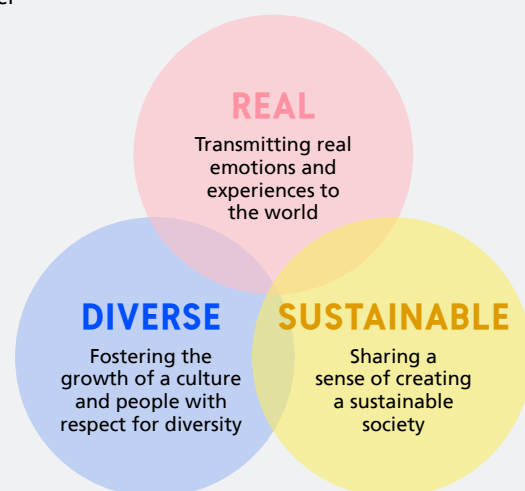
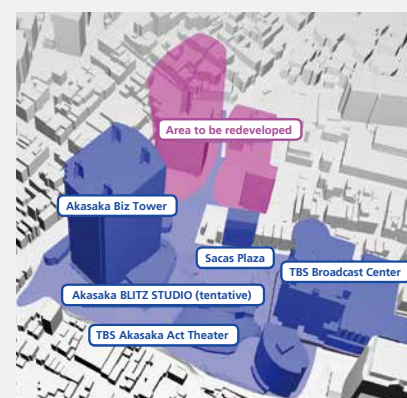


The combined strengths of the TBS Group will make Akasaka a place committed to people's happiness and enjoyment, a place that provides them with wonderful "moments."

Akasaka Entertainment City Plan

The Akasaka Entertainment City Plan combines TBS's brand promise, "From each moment, a better tomorrow," with TBS Group Vision 2030, so that the combined strengths of the TBS Group will make Akasaka an area dedicated to people's happiness and enjoyment, a place that provides them with wonderful "moments." The three hallmarks of this development will be "REAL," "DIVERSE," and "SUSTAINABLE," and they are part of a move toward a sustainable society with a high level of social consciousness, implemented together with production of the high-quality entertainment that TBS is known for. TBS will make use of its store of knowledge about live entertainment to create a theater that continues to transmit world-class content. The theater will be a multipurpose space, a hall that allows live delivery of performances that bring wonderful "moments" to the world.

The summer of 2022 will see the premiere of the long-running stage production *Harry Potter and the Cursed Child* in celebration of the 70th anniversary of TBS. In the fall, Akasaka BLITZ will be transformed from a live performance club into a broadcast studio that can also accommodate an audience. Then, 2028 is the projected date for completing the redevelopment of the Akasaka 2-chome and 6-chome areas.



Message from the Head of Finance Strategy



We are sowing seeds with a sense of urgency to achieve the Group's vision of itself in 10 years' time

Toshiaki Kawai
Representative Director, TBS HOLDINGS, INC.
Executive Vice President & Board Director,
TOKYO BROADCASTING SYSTEM TELEVISION, INC.

Overview of TBS Group Medium-Term Management Plan 2020

Investing for future growth amid accelerating change in the environment

Under the Group Medium-Term Management Plan 2020 initiated in FY2018, we increased our terrestrial television viewer ratings in the Family Core demographic, achieved the top results among commercial broadcasters for number of views and sales of TVer, our video streaming service, and maintained our top position in the radio ratings. We also enjoyed a strong performance in the BS-TBS viewer ratings survey, winning the triple crown in both the individual and household ratings for the daytime, early evening, and prime time slots. Furthermore, the strength of our brand as "TBS for drama" was also enhanced considerably over the three years, which we believe has translated into the branding of TBS as a whole.

Nevertheless, both consolidated net sales and operating profit fell short of targets, impacted greatly by the gradual downward trend in television advertising expenditure. Although the impact of COVID-19 was also a factor, the biggest issue was that our management reforms did not keep pace with the constantly changing environment.

As planned, we implemented investments of around ¥50 billion. These investments, which included the Akasaka Entertainment City Plan, digital technology, and IP strategy, were aimed at medium- to long-term growth. Therefore, the benefits from the investments were not apparent in report-

ed profits during the period. However, the effects, which include group reorganization and dramatic improvements in standardization and efficiency in terms of providing an environment in which it is easy to work, are greater than the investments. In addition, we promoted the introduction of renewable energy at our facilities, including the TBS Radio transmission station, TBS Akasaka ACT Theater, and Akasaka BLITZ. Midoriyama Studio, the home of our dramas, will shift to effectively 100% renewable energy use during FY2021.

Expanding business in growth areas other than broadcasting to 60% of net sales over the next 10 years

The most important message of TBS Group VISION 2030 in quantitative terms is expanding business in growth areas other than broadcasting from 40% of overall net sales to 60%. In terms of the actual amounts, we envisage growth in net sales from ¥130 billion now to around ¥330 billion, and through our EDGE strategy, which is a multi-layered expansion in the areas of digital (D), global (=overseas, G), and experience (=live entertainment and lifestyles, E), we aim to triple net sales in the three areas of D, G, and E. This means that broadcasting business net sales will decline to 40% in relative terms, but we plan to increase net sales in this business by 10% from ¥200 billion now to ¥220 billion.

We have positioned the TBS Group Medium-Term Man-

agement Plan 2023 as the phase of recovery from the impact of COVID-19 and sowing seeds for growth toward realizing TBS Group VISION 2030. In the plan, the Group set consolidated net sales of ¥370 billion, operating profit of ¥18.5 billion, ratio of operating profit to net sales of 5.0%, and simplified EBITDA of ¥32.5 billion as quantitative targets. In the Media Content Business, we will expand the streaming business while achieving a recovery in broadcasting income and the live entertainment business. In the Lifestyle Business segment, we will work to achieve a recovery in results of the StylingLife Group.

We will invest in growth utilizing funds from the sale of assets with the aim of expanding profit over the medium- to long-term and enhancing capital efficiency

As for the balance sheet plan during the period, we have presented a three-year cash allocation plan to give an idea of cash flow.

“Sales of assets, etc. ¥60.0 billion or more” included as part of this is primarily intended to be sales of cross-held shares. In the past three years, we have sold ¥71.8 billion of our holdings. We are considering further sales of shares for investment if we develop any good projects that will translate into growth strategies.

Meanwhile, we are considering investments of ¥100 billion or more in the three growth areas of digital, global, and experience to achieve medium- to long-term revenue growth. In order to expand the digital area and overseas business with a sense of urgency, we will invest in M&As, capital expenditures, and acquisition of human resources. We will enhance the value added of Akasaka and make it an attractive place through the implementation of the Akasaka

Entertainment City Plan, thereby increasing real estate values as well as the brand value of TBS.

In addition, the Group borrowed working capital out of safety considerations due to the COVID-19 pandemic but is planning to repay this borrowing as scheduled during the period of Medium-Term Management Plan. We have also incorporated the lower limit for shareholder returns into our cash allocation.

Toward a stable and sustainable dividend policy

Regarding shareholder returns, since we did not record a profit after the global financial crisis, we changed to a dividend policy linked to business performance, which was the prevailing policy at the time, and set the payout ratio at 30% of consolidated net income. As business results recovered soon after, we continued to increase the dividend until FY2018. In FY2019, we reduced the dividend in line with our policy because there was no longer an upward trend in revenue, excluding the effect from sales of cross-held shares. However, this had a significant impact on shareholders, particularly individual shareholders from whom we received complaints. The use of profit on the sale of shareholdings, which we have been implementing since FY2018, as funds for investments in growth strategies is certainly one of the factors that has made it difficult to understand the relationship between net income and dividends.

Although we are now in the process of achieving recovery in business results from COVID-19, we have changed to a policy of stable and sustainable dividends with a minimum dividend of ¥30 per share in order to make dividends stable and ongoing. During the Medium-Term Management Plan period, we will maintain a dividend of ¥30 per share and respond to any significant increase in profit by paying a special dividend or ac-

quiring treasury stock. Going forward, we hope to increase the number of shareholders who back TBS, and we will continue striving to be able to increase the lower limit for the dividend during the next Medium-Term Management Plan.

We will grow in partnership with all stakeholders to enhance corporate value

Here I would like to explain our thinking on takeover defense measures, which is one of the points at issue in our dialogue with investors.

As a listed company, TBS has a responsibility to contribute to the development of the market economy, and, at the same time, we believe we need to maintain our public nature as a broadcasting station entrusted with radio waves, which are finite, as well as our autonomy, diversity, and independence in order to uphold our impartiality as a news organization. In terms of our public nature, we have a social mission to allocate human resources and equipment and continue broadcasting as an “information lifeline” even without income in the event of the spread of infectious diseases such as the recent COVID-19 or major disasters such as the Great East Japan Earthquake. In terms of our independence as media, although diminished by the growth of the internet, television and radio still have significant influence, and we must ensure that we do not attempt to use broadcasting for the benefit of a particular idea or individual company only.

In accomplishing the aforementioned missions, we believe that people are important resources and that long-term relationships of trust with performers, clients, and others are also important, which is what leads to the enhancement of corporate value over the long term.

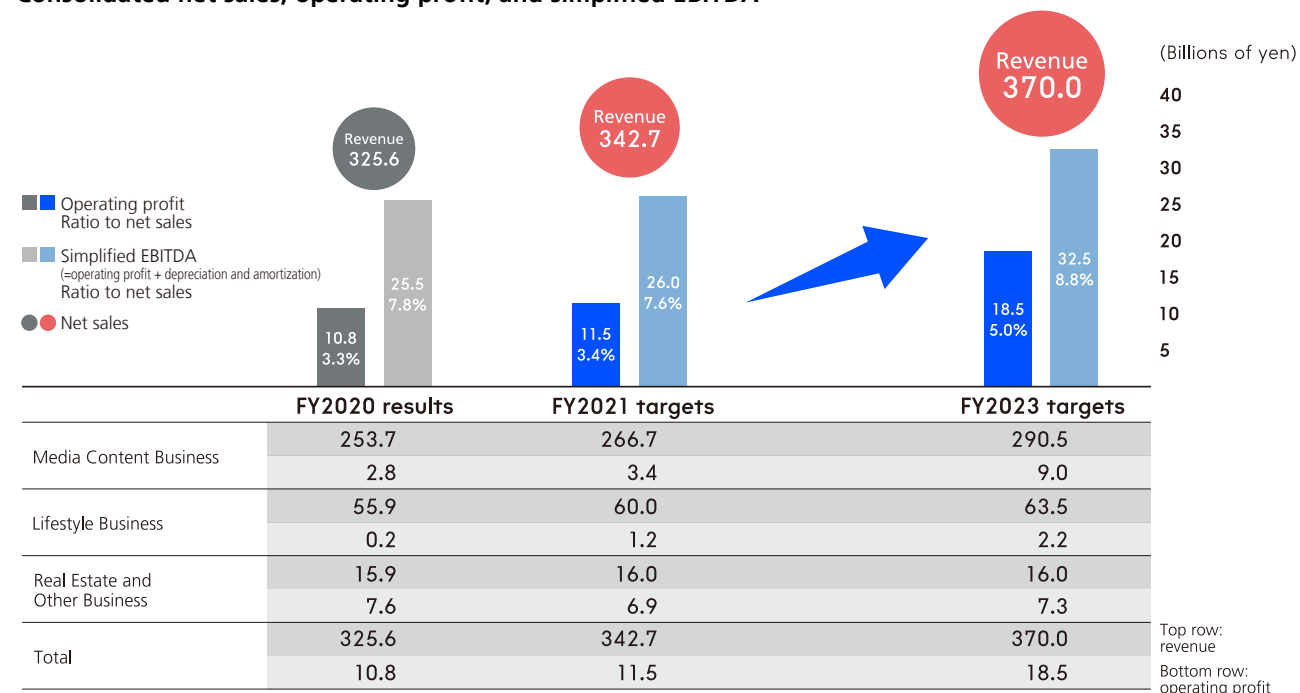
We are considering active incorporation of the opinions of investors and other external parties with regard to the

management of the TBS Group, including takeover defense measures (details on page 58), and we are also increasing the opportunities for dialogue with investors. In fact, we have utilized opinions received in the course of engagement with investors in areas that range from our medium- and long-term strategies, sales of cross-held shares, and shareholder returns to the publication of this Integrated Report, and we will continue this approach in the future. We are also taking proactive steps to create an even better framework for our management systems. In 2020, three of our nine directors were independent outside directors, and we commenced evaluation of the effectiveness of the Board of Directors.

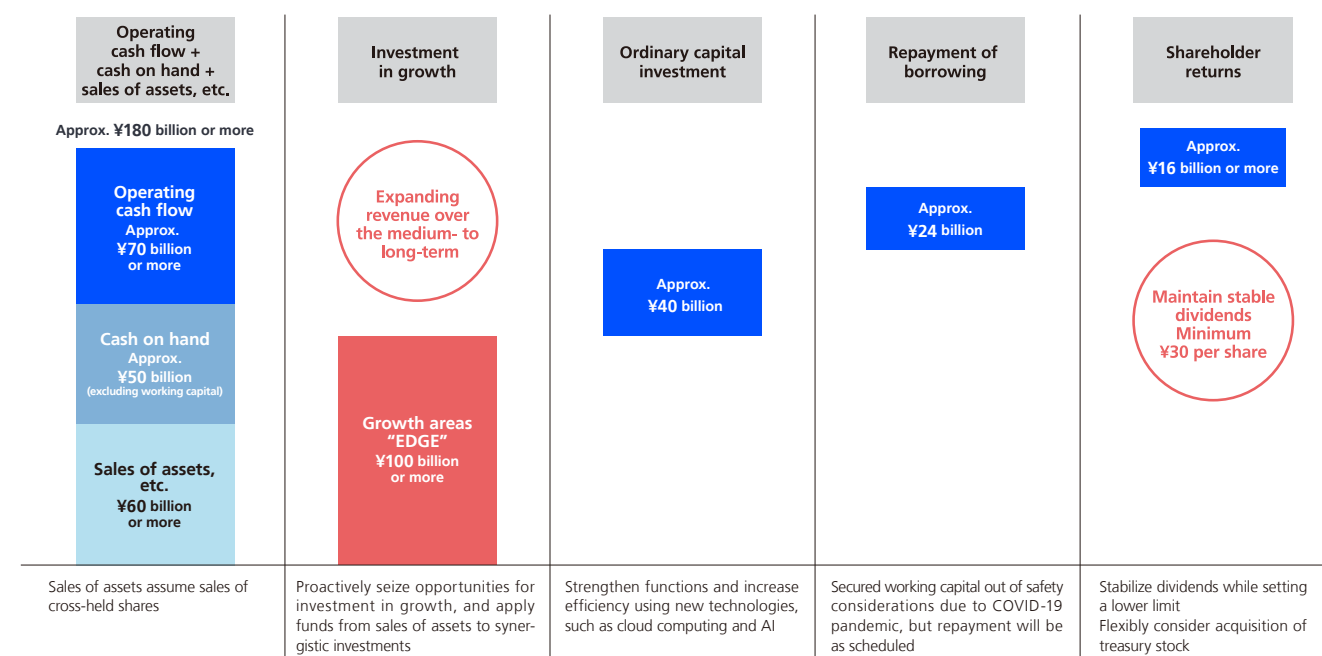
We aspire to grow into a sustainable company while giving back to society through provision of unique value as a media and entertainment company, in partnership with all of our stakeholders, including viewers, clients, employees, staff and performers who create content, news sources, partner companies, local communities, and the global environment. I would like to request your ongoing understanding and encouragement for TBS HOLDINGS, INC.



Consolidated net sales, operating profit, and simplified EBITDA



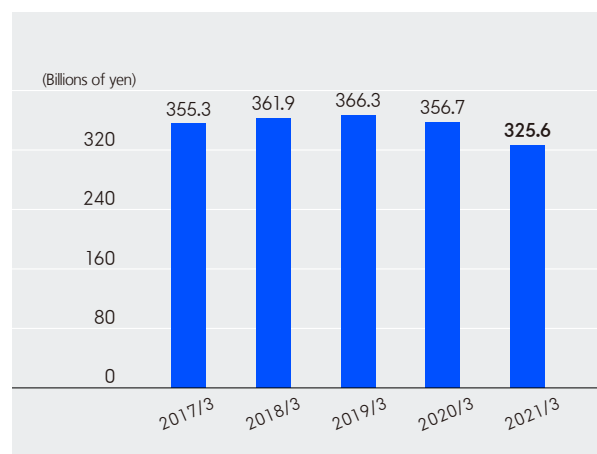
Three-Year Cash Allocation Plan



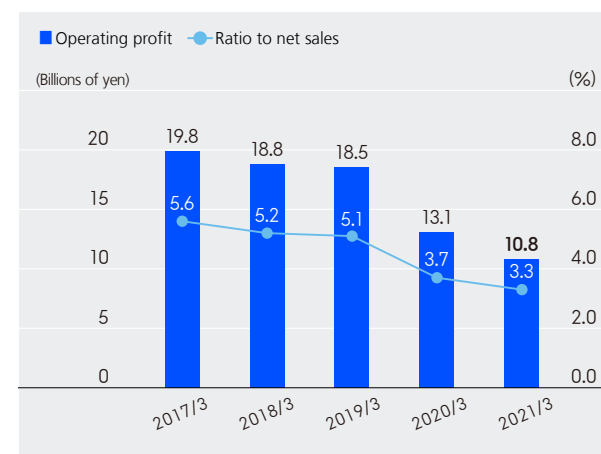
Financial and Non-Financial Highlights

Financial Highlights

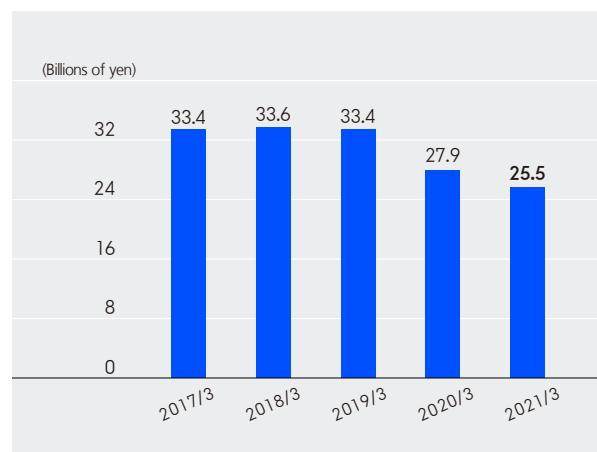
Net sales



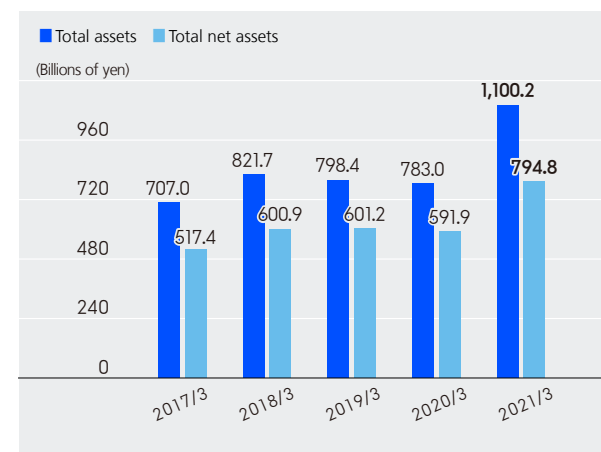
Operating profit/Ratio to net sales



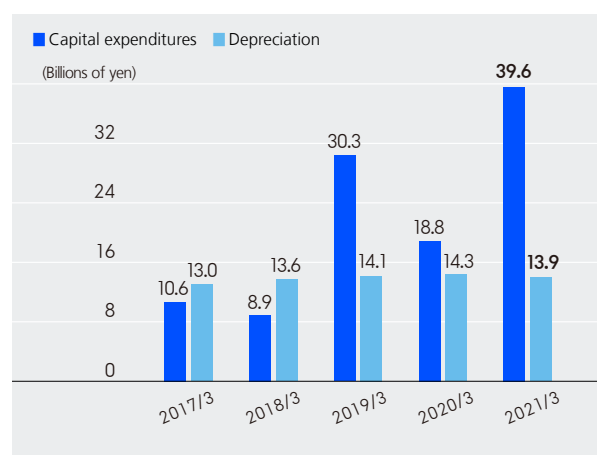
Simplified EBITDA (operating profit + depreciation)



Total assets/Net assets

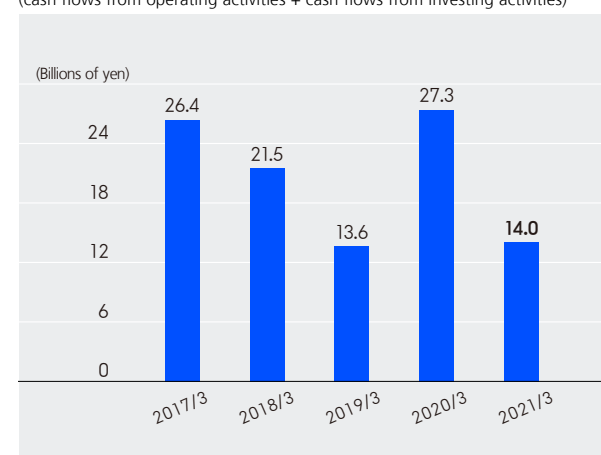


Capital expenditures/Depreciation



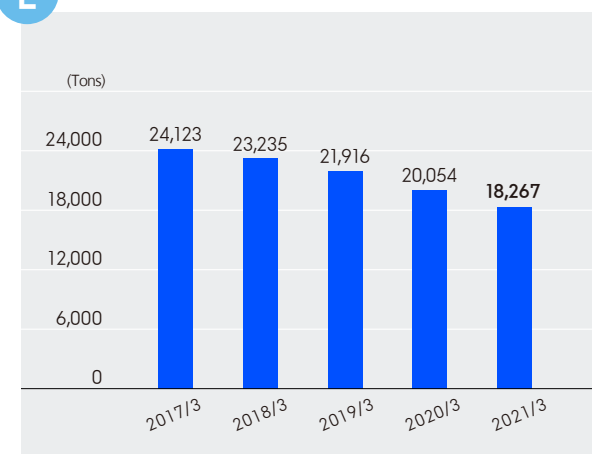
Free cash flows

(cash flows from operating activities + cash flows from investing activities)



Non-Financial Highlights

E CO₂ emissions (Broadcast Center and Cultural Facilities Building)



E Recycling rate (Broadcast Center and Cultural Facilities Building)

72.3%
(FY2020)

Bins for sorting and separating garbage are installed on each floor of Broadcast Center, and cleaning staff ensure further sorting and separation of garbage after collection

S Percentage of male and female employees taking childcare leave

Female **100%**
Male **18.2%**

(Births from April 1, 2019 to March 31, 2020, employees who used childcare leave up to April 1, 2021)

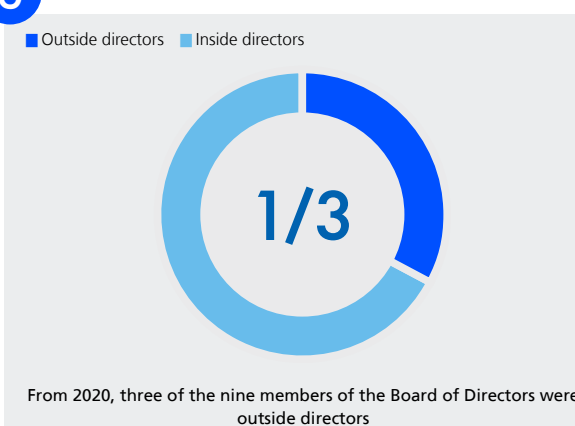
The amount of childcare leave used by male employees ranges from around one week coinciding with the wife's childbirth, with a growing trend toward applications to take long-term leave of one to six months

S Percentage of female managers (TOKYO BROADCASTING SYSTEM TELEVISION, INC., as of February 1, 2021)

13.5%

We are aiming to achieve at least 20% female managers by FY2024, and are implementing training and corporate culture initiatives

G Ratio of outside directors



G Reports of serious incidents related to personal information

0
(FY2020)

We ensure protection of personal information, including proprietary development of personal information protection systems "hogwan" and "Secure Mail Service" which we operate rigorously

TBS At a Glance

TBS will provide wonderful “moments” for everyone through content and services that are loved through the ages and contribute to the realization of a sustainable society full of hope where diverse values are respected.

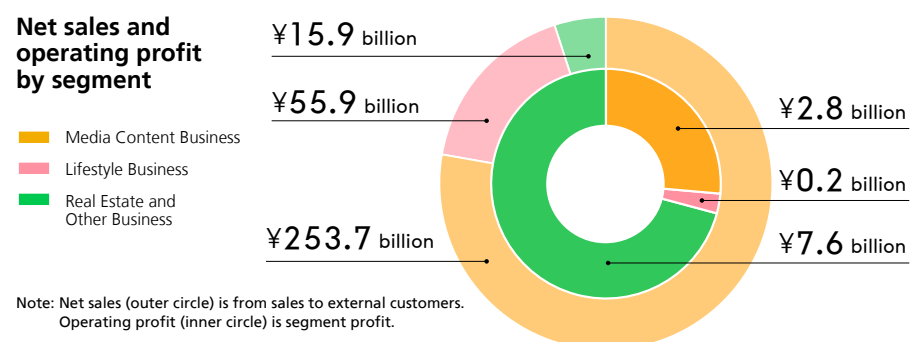


We provide a diverse range of services that go beyond the traditional framework of broadcasting

The TBS Group provides a diverse range of services from production and sale of video and audio software, to cultural businesses, lifestyle businesses, and real estate leasing, in addition to the television and radio broadcasting business.

TBS HOLDINGS, INC.

Media Content Business	
(Six core companies) (1) TOKYO BROADCASTING SYSTEM TELEVISION, INC. (2) TBS RADIO, Inc. (3) BS-TBS, INC. (4) TBS SPARKLE, Inc. (5) TBS GLOWDIA, Inc. (6) TBS ACT, INC.	(7) CS-TBS, INC. (8) SEVEN-ARCS Co., Ltd. (9) TC Entertainment Incorporated (10) TBS International, Inc. (11) TBS MEDIA RESEARCH INSTITUTE Inc. (12) NICHION, INC.
Centered on TOKYO BROADCASTING SYSTEM TELEVISION, INC., the heart of the TBS Group, the Media Content Business provides high-quality audio and video content through all types of media, including terrestrial, radio, and satellite broadcasting, in a comprehensive manner from upstream to downstream production. The business handles an unparalleled range of media and also has the infrastructure to adapt flexibly to globalization and the recent trend toward digital transformation (DX). The Media Content Business also focuses on live entertainment, including events and shows, and aims to constantly provide new forms of entertainment for all by bringing together the strengths of the TBS Group.	
Lifestyle Business	
(13) StylingLife Holdings Inc. (PLAZASTYLE COMPANY, BLC COMPANY) (14) CP Cosmetics Inc. (15) LightUp Shopping Club Inc.	The Lifestyle Business focuses on businesses that provide customers with new lifestyles by inextricably reaching into every consumer setting, such as retailing through PLAZASTYLE COMPANY, which operates stores throughout Japan, mail-order sales, and the mainstay beauty and wellness business. Another major feature of the Lifestyle Business is that it independently holds a huge amount of data, such as customer data, that can contribute to expanding TBS Group synergies.
Real Estate and Other Business	
(16) Akasaka Heat Supply, Co., Ltd. (17) TBS Kikaku Co., Ltd. (18) TBS Sunwork, Inc.	(19) TBS HEXA, Inc. (20) Midoriyama Studio City, Inc.
The Real Estate and Other Business is mainly engaged in the operation and management of the real estate owned by the TBS Group, with TBS Broadcast Center and Akasaka Biz Tower heading the list. It is also involved in urban development projects around the Akasaka area to remake Akasaka into a city offering “the greatest emotional experiences in the world.”	



2021/3

- Consolidated net sales: **¥325.6 billion**
- Consolidated operating profit: **¥10.8 billion**

TBS content gains wide support through a variety of media

In FY2020, TOKYO BROADCASTING SYSTEM TELEVISION, INC. gained the second ranked viewer ratings in the Family Core (male and female individuals age 13 years to 59) demographic for both the golden time (19:00-22:00) and prime time (19:00-23:00) slots. TBS RADIO, Inc. has maintained the top listener ratings for 19 years and 10 months in a row (as of April 2021). TBS ranked top out of the five Tokyo television stations on the full-year number of views for free catch-up streaming, which includes the TVer streaming service. The number of downloads of the Paravi subscription video streaming app exceeded 10 million. TBS content has gained high levels of support in each media. We also deliver unique value in the lifestyle and real estate areas.

FY2020 Family Core Demographic Viewer Ratings (male and female aged 13 – 59)				
	All day	Golden time (19:00-22:00)	Prime time (19:00-23:00)	Non-prime time (6:00-19:00, 23:00-24:00)
TBS	③ 2.4 (+0.4)	② 4.5 (+0.4)	② 4.6 (+0.4)	③ 1.8 (+0.4)
Nippon TV	① 4.5	① 7.2	① 6.9	① 3.8
TV Asahi	③ 2.4	④ 4.0	④ 4.3	③ 1.8
TV Tokyo	⑥ 0.9	⑥ 2.4	⑥ 2.2	⑥ 0.5
Fuji Television	② 2.8	② 4.5	③ 4.5	② 2.4
NHK	⑤ 1.4	⑤ 3.3	⑤ 2.8	⑤ 1.0
PUT	15.9	28.0	27.3	12.6

TBS Radio Top listener ratings for 19 years, 10 months in a row (as of April 2021)
BS-TBS Triple crown for daytime, golden time (19:00-22:00), and prime time (19:00-23:00) slots (both individual and household)

*First time since the start of individual viewer ratings surveys in 1997
 [March 30, 2020 to March 29, 2021: weekly basis]
 Survey by Video Research, Ltd.: Kanto region

Free Catch-up Streaming

TVer **TBS FREE** **GYAO!**

Number of views: **First** out of five Tokyo stations (FY2020)
 Monthly average 32.85 million views (up 42% year on year)

Net sales: Up **46%** year on year

App Downloads

Paravi

Over 10 million
 (Approx, double year on year)

[Number of stores of each StylingLife Group company*]

PLAZA	122 stores
CP Salon	1,240 stores
LightUp	4 stores
BCL	28 stores

*As of March 2021

[Real Estate and Other Business]

Real estate operated by the TBS Group

- TBS Broadcast Center/Akasaka Biz Tower/
- Akasaka The Residence/TBS Akasaka ACT Theater/
- The Hexagon/Midoriyama Studio City/Kinuta Studio/
- TBS Housing, etc.

TBS's Growth Trajectory

Ever since its founding, the TBS Group has maintained broadcasting as its core business while also expanding into a wide range of other businesses, such as films, stage productions, real estate, and retail. Through its varied content services, TBS Group has provided viewers, listeners, and customers with wonderful "moments."

One trait that TBS Group has placed a high priority on since its founding in 1951, down to the present as it approaches its seventieth year, is its enthusiasm for delivering high-quality entertainment. Each one of us has worked to bring people emotionally involving experiences and the truths that lie hidden in their everyday lives. As a broadcasting company, TBS maintains television and radio broadcasting as the core of its business, but it has also expanded into films, live entertain-

ment, real estate, retail, and a wide range of other businesses. In response to the proliferation of channels and digital TV, it is also emphasizing its commercial video streaming service TVer and its subscription video streaming service Paravi. In the summer of 2022, it will present the worldwide smash hit stage production of *Harry Potter and the Cursed Child* in a specially equipped theater in Akasaka.

- Media Content Business
- Lifestyle Business
- Real Estate and Other Business



JOKR-TV
Founded in 1955 as a television station, it became the only station in Tokyo to offer both radio and television services



JNN News
The first news network in commercial broadcasting



Takeshi's Castle
Takeshi's Castle is broadcast in 159 countries and regions around the world



TBS Akasaka ACT Theater
A new, fully equipped entertainment theater in Akasaka

2000



SASUKE
Popular worldwide, it has been a major hit in the United States under the title *American Ninja Warrior*

1990

1980

1970

1960

1950

Overseas expansion (sales of programming and program formats)

Television (TBS's core business of media content)

Radio (TBS's "starting point," with the greatest number of listeners in the Kanto area)

Times and Environmental Changes

► The 1950s
The early days of broadcasting
First radio, then television

► The 1960s
The period of rapid economic growth
Television becomes the principal form of media

► The 1970s
The oil crisis, color TV becomes available
TBS Entertainment enjoys a series of successes

► The 1980s
Video recording technology becomes widespread
Finding our way in the era of new media

► The 1990s
Evolving live broadcast technology: "from outer space" and "from the battlefield"
Ventures into non-broadcast entertainment

► The 2000s
Multiple channels via satellite and digital terrestrial broadcasting
Moving into lifestyle businesses

► The 2010s
The spread of the internet
A shift to "digital first"
TBS launches a video streaming business

► The 2020s
TBS expands into businesses beyond broadcasting
Intellectual training and education, Akasaka Entertainment City Plan

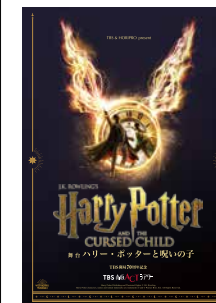
New Businesses

1951: TBS radio goes on the air
1955: TBS television goes on the air

1995: Akasaka Musical Theater (later renamed TBS Akasaka ACT Theater) opens
1996: Live performance venue Akasaka BLITZ opens
1998: News via cable, *News Bird*, goes on the air
2000: Satellite broadcasting goes on the air BS-i (renamed as BS-TBS, INC.)
2008: Akasaka Biz Tower opens
2008: StylingLife Holdings Inc. becomes a subsidiary

2015: Participation in the commercial video streaming system TVer
2017: IHI Stage Around Tokyo opens
2018: The subscription video streaming service Paravi starts
2020: Establishment of the next-generation educational development company, Schop
2028: Projected completion of Akasaka Entertainment City in the Akasaka 2-chome and 6-chome areas

2020



Harry Potter and the Cursed Child
This stage production will make its Asian premiere in summer 2022



Intellectual training and education (developing experience and value businesses)

Internet streaming systems (proactive investment and joint ventures)

Lifestyles (growth through attracting young customers)

Akasaka Entertainment City Plan

Live entertainment (a succession of famous and talked-about productions)

Communication Satellite and Broadcast Satellite (24-hour news on CS, and the most popular set of programs on BS)

Real estate (remaking Akasaka into a city that provides wonderful "moments")

2010



The Growth Trajectory of Our Content

Most of TBS's collections of content (programs, video streaming, films, and live performances) are made with an eye toward taking a close look at society and taking a leading role in this era. TBS wants its customers to be moved and comforted by its content and to find hints about the future while enjoying wonderful "moments."

TBS's content, including its dramas, has given rise to words and expressions that became popular with the general public, including such as *juugosai no haha* "fifteen-year-old mother" from *Mr. Kimpachi in Class 3B*, "barrier free" from *Beautiful Life*, *arafoo* an abbreviation of the program title *Around 40*, *baigaeshi* "paying back double" from *Naoki Hanzawa*, and *muzukyun* "being desperately attracted to someone and not knowing what to do about it" from *The Full-Time Wife Escapist*. By capturing the mood of society and portraying as yet unexposed problems, TBS's content

arouses viewers' sympathies on a wide range of issues and serves as a starting point for influencing society. TBS does not limit itself to ephemeral entertainment but provides a collection of programming that touches people's hearts, remains with them a long time, and sometimes even influences their lives. TBS's content creators are allying themselves with many partners to produce new works, believing that the combined wonderful "moments" that people experience will affect the way in which they create a better tomorrow.

1958-

Drama
I'd Rather Be a Shellfish 1958

This drama commemorates Japanese citizens who were punished as Class C war criminals and asks questions about war and peace.

Reportage
NewScope 1962

The first news program in Japan to employ newscasters instead of announcers, it continues to provide cutting-edge reportage.

Variety
Come On! It's 8PM 1969

The gold standard for live variety show broadcasts, it charted a new course with its use of a revolving stage in its wildly creative comedy sketches.

Music Program
The Best Ten 1978

This program presents songs in various genres, ranked by sales. It has served as an innovative model for the music programs that came after it.

Drama
Relentless is Found Everywhere 1990

This soap opera portrays the everyday life of a family and has been a favorite of the Japanese people for many years.

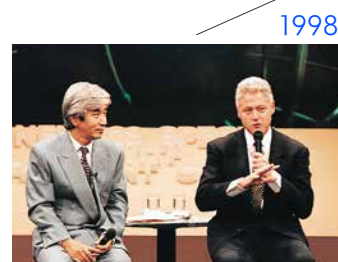
Special Programming
A project to Commemorate the 40th Anniversary of TBS's Founding Correspondent Akiyama, the first Japanese Person in Space 1990



Sending the first Japanese person into space was a massive project accomplished with the cooperation of the Soviet Space Agency.

1990-

Special Programming
Tetsuya Chikushi News23 President Clinton Special



Mr. Chikushi, a Japanese journalist, invited then-US President Clinton to the studio during his visit to Japan and had him engage in dialogue with Japanese citizens.

Drama
NAOKI HANZAWA 2013

A major hit drama that earned a 44.1% viewer share. The recurring line "I will pay them back double" has become a watchword among workers across Japan.

2021

1 2 3 4



- Drama**
- 1 The Full-Time Wife Escapist New Year's Special in January 2021
 - 2 Dragon Sakura, on Sunday Theater program
 - 3 The Tuesday drama Why I Dress Up for Love
 - 4 The Friday drama How to Get a Divorce for the Whole Family

-2021

Overseas Sales (Programs and Formats)

TBS has been selling its content overseas for more than sixty years. In addition to selling the dramas, anime, and films that it has produced, TBS has also been a world pioneer in "format sales," that is, selling program concepts and production expertise. In recent years, it has expanded its activities into multimedia uses of its Intellectual Property and joint production and streaming projects with companies overseas.

TBS has produced many programs that have become worldwide hits, including *Happy Family Plan*, *Waku Waku Animal Land*, and *K-ON*. Since its premiere in 1987, *Takeshi's Castle* has been shown in 159 countries and regions. In 2003, TBS began marketing *SASUKE/Ninja Warrior* overseas, and it is now enjoyed by viewers in 165 countries and regions. In particular, the locally produced U.S. version, *American Ninja Warrior*, has been a flagship program for the American terrestrial broadcaster NBC, broadcast during primetime since 2009, and continuing to attract fans.

In addition to these programs, TBS is marketing more

than 200 different products in the United States online and through a network of brick-and-mortar shops. In the United Kingdom, it has been diversifying its activities by going into businesses such as theme parks in more than ten British cities.



Strengths and Business Model

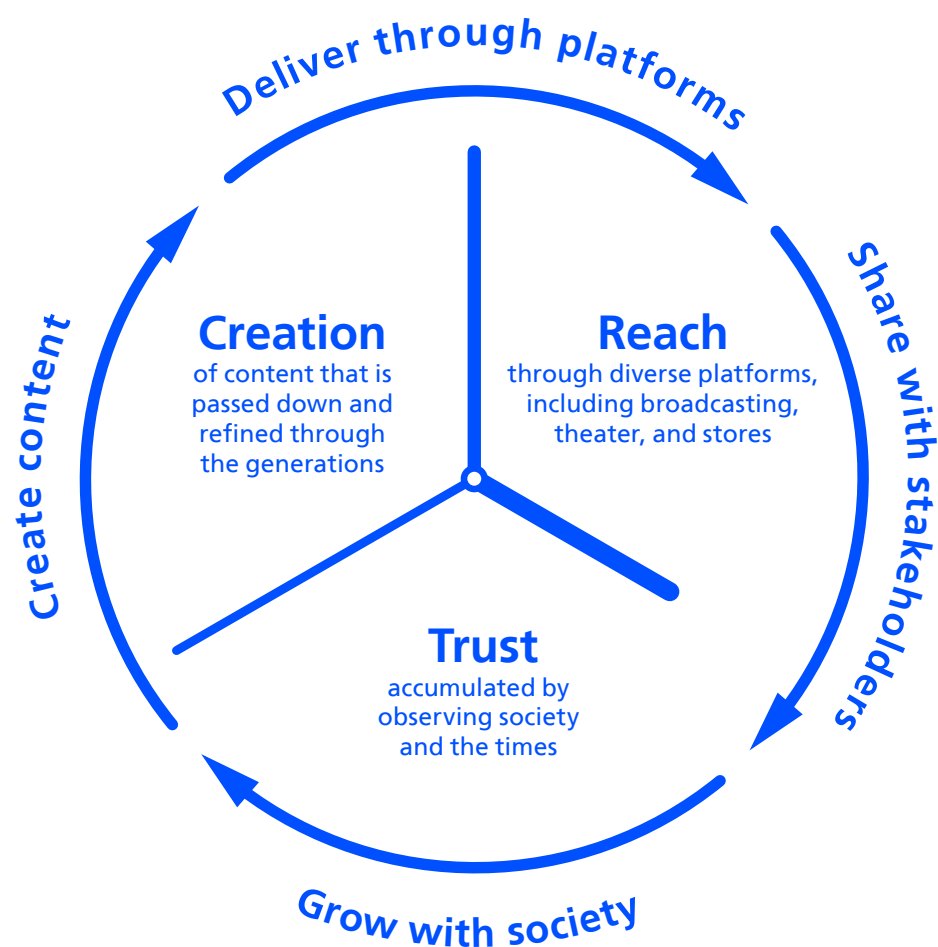
The value creation of the TBS Group consists of “making” and “delivering” wonderful “moments.”

By “sharing” our created content with stakeholders, we aim to gain various insights to achieve growth and further creation of value.

The “creativity” that we have developed and passed down through our television and radio production is the origin of our strengths. By “making” and “delivering” high-quality content that reflects the times and society, or that focuses on social issues that are ahead of the times, we have gained the empathy of many people and built up our own unique value. Today, the content we produce is no longer limited to broadcasting, but has expanded to include online stream-

ing, movies, theater, retail, education, and real estate, and we are continuing to create new value. We will aim for further “growth” toward being a sustainable corporate group by delivering wonderful “moments” in Japan and overseas, “sharing” them with viewers, listeners, and customers, and gaining their “trust” through our powerful “reach” using diverse platforms including broadcasting, theaters, and stores.

Our Business Model From each moment, a better tomorrow.



Content and Platforms

TBS is creating a diverse array of content and services that go far beyond the framework of broadcasting. Our diverse platforms deliver our content and services to all.

For TBS, which came into being as a broadcasting station, “content” was originally “programs” which were delivered to viewers, listeners, and customers via terrestrial broadcasting. TBS has delivered “moments that move the heart” through such programs as dramas, variety shows, news, sports, and anime, and we have expanded our business and services with the times. We have launched businesses in satellite broadcasting, movies, theater, musicals, live music, real estate, retail, and virtual reality/extended reality (VR/XR), as well as taking on new challenges in intellectual training and

education, manga, and more. The value running through all of these business domains is our desire to deliver wonderful “moments” that move the heart, and we consider everything we create through our business activities to be content in the broadest sense of the word.

Our diverse platforms support this content. The main platforms for the content of TBS include the finite airwaves entrusted to us by the public, movie theaters and theaters, online streaming, real estate and stores, and the Akasaka Entertainment City Plan.

Main Content and Platforms

	Content	Platform
Media Content Business	<ul style="list-style-type: none"> • Television and radio content (Dramas, variety shows, news, sports, anime, etc.) 	<ul style="list-style-type: none"> • Terrestrial & satellite broadcast
	<ul style="list-style-type: none"> • Performance content (Movies, theater, musicals, live music, etc.) 	<ul style="list-style-type: none"> • Radio broadcast
	<ul style="list-style-type: none"> • Program formats 	<ul style="list-style-type: none"> • Web streaming platforms
	<ul style="list-style-type: none"> • Manga 	<ul style="list-style-type: none"> • Recorded media (DVD/BD etc.)
	<ul style="list-style-type: none"> • Patents, intellectual property, and music 	<ul style="list-style-type: none"> • Theaters (TBS Akasaka ACT Theater, IHI Stage Around Tokyo, etc.)
	<ul style="list-style-type: none"> • Intellectual training and education (SCHOP Inc., etc.) 	<ul style="list-style-type: none"> • Overseas broadcast & streaming company
Lifestyle Business	<ul style="list-style-type: none"> • Household goods, Apparel etc. 	<ul style="list-style-type: none"> • Stores (PLAZA VECUA Honey)
	<ul style="list-style-type: none"> • Cosmetics, Quasi-drugs etc. 	<ul style="list-style-type: none"> • Wholesaling (Domestic drug stores)
	<ul style="list-style-type: none"> • Character licenses 	<ul style="list-style-type: none"> • Licensed retailers (CP Salon)
	<ul style="list-style-type: none"> • Facial aesthetic care etc. 	<ul style="list-style-type: none"> • E-Commerce & Catalog sales
Real Estate and Other Business	<ul style="list-style-type: none"> • Building leasing 	<ul style="list-style-type: none"> • Overseas general trade
	<ul style="list-style-type: none"> • Residential condominiums 	<ul style="list-style-type: none"> • Akasaka Biz Tower, The Hexagon Building, etc.
	<ul style="list-style-type: none"> • Studios, parking lots 	<ul style="list-style-type: none"> • Akasaka The Residence
	<ul style="list-style-type: none"> • Heating & cooling, electricity 	<ul style="list-style-type: none"> • Midoriyama Studio, Kinuta Studio

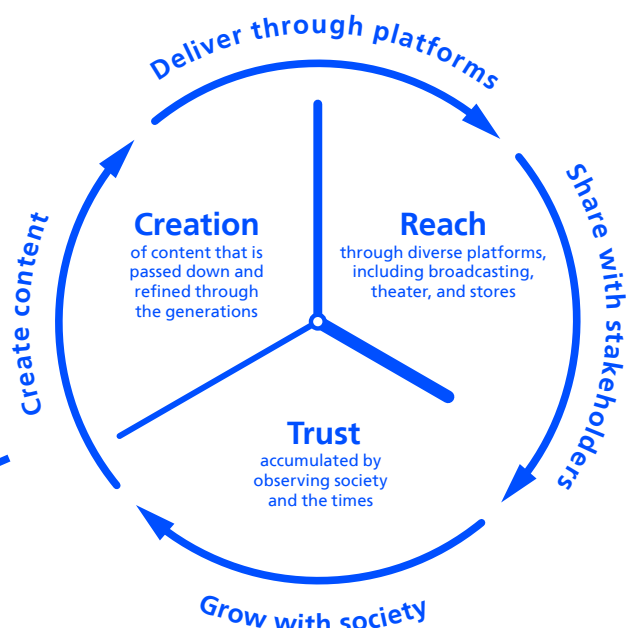
Value Creation Process

The TBS Group will create content and services that are loved by people around the world throughout the ages and contribute to the realization of a society full of hope in which diverse values are respected.

The driving force behind our value creation is making the utmost effort so that people connect with TBS content and services for the longer "moments" of the "disposable time" they are able to spend freely during their lives. We create "high-quality entertainment" and "information lifelines"

to support life and living in collaboration with our many partners and achieve "reach" through our diverse and extensive range of platforms, including the airwaves, theater, and stores. It is our aspiration to grow TBS and contribute to making "a better tomorrow" by enabling more viewers, listeners, and customers to spend "wonderful moments" and building up "trust" by responding to feedback with sincerity.

Six Capitals	
Human Capital Outstanding people to create the wonderful "moments"	Social and Relationship Capital Collaboration with partners
Intellectual Capital Content and proprietary technologies	
Manufactured Capital Sites that create content	
Natural Capital Promotion of green energy	
Financial Capital	



Content
Dramas, variety shows, and news
Sports and events
Movies, theater, and musical performances
Manga, intellectual property, and proprietary technologies
Diverse Platforms
Terrestrial and satellite broadcasting
Internet
Theaters, stores, and various media



A society where peace, freedom, and human rights are protected
Respect for diverse values
Communication of fair and accurate information
Protection of the environment and solution of social issues
Enhancement of intellectual training and education

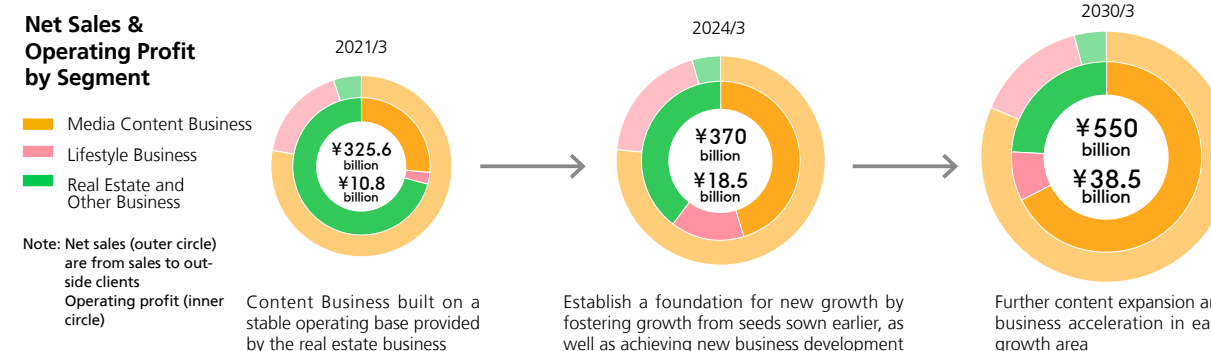


Business Outline

TBS Group does business across three segments.

The Media Content Business is the group's primary line, accompanied the Lifestyle Business aimed at supporting daily life, and the Real Estate and Other Business that generates stable profits.

Building on these three linked pillars, TBS seeks to strike an optimum balance for both growth and stability.



Business segment

Business outline

Main content and platforms

Primary KPI

Media Content Business

P.34

The Media Content Business is the most profitable segment of the Group, which is built around six core companies: TOKYO BROADCASTING SYSTEM TELEVISION, INC., the nucleus of the TBS Group; TBS RADIO, Inc. and BS-TBS, INC., the core broadcasting businesses; TBS SPARKLE, Inc. and TBS GLOWDIA, Inc., which comprise the Group's program production, and audiovisual and culture businesses; and TBS ACT, INC., which handles technical, art and computer graphics related work.

While we grow our primary broadcasting business value, we will also focus on the three growth areas of streaming business, overseas business, and live entertainment to achieve the goals of TBS Group VISION 2030 and further strengthen profitability and drive the performance of the entire TBS Group.

We are also serving as content provider in the Akasaka Entertainment City Plan to help provide wonderful "moments" to everyone.

Content	Platform
<ul style="list-style-type: none"> Television and radio content (Dramas, variety shows, news, sports, anime, etc.) Performance content (Movies, theater, musicals, live music, etc.) Program formats Manga Patents, intellectual property, and music Intellectual training and education (SCHOP Inc., etc.) 	<ul style="list-style-type: none"> Terrestrial & satellite broadcast Radio broadcast Web streaming platforms Recorded media (DVD/BD etc.) Theaters (TBS Akasaka ACT Theater, IHI Stage Around Tokyo, etc.) Overseas broadcast & streaming company Physical stores (TBS Store, THE MARKET, etc.) Licensed Retailers Akasaka Sacas

- Terrestrial broadcast ratings
- Viewer ratings
- Number of videos distributed
- Radio listener ratings
- Number of CS subscribers
- Number of visitors
- Box office revenue

Lifestyle Business

P.36

The StylingLife Group is developing a business based on "demand creation" market development which develops new needs in the market, centered around PLAZASTYLE COMPANY (retail household goods) and BCL COMPANY (cosmetics development, production, and sales) along with LightUp Shopping Club Inc. (mail-order retail) and CP Cosmetics Inc. (beauty salon business). We aim to keep developing and providing products and services with superior profitability in our main field of Beauty & Wellness by taking advantage of our unique integrated manufacturing and sales approach, which combines the development and manufacture of products with a broad distribution network that includes specialty stores, mass merchandisers, beauty salons, and mail order.

Content	Platform
<ul style="list-style-type: none"> Household goods, Apparel etc. Cosmetics, Quasi-drugs etc. Character licenses Facial aesthetic care etc. 	<ul style="list-style-type: none"> Physical stores (PLAZA, VECUA Honey) Wholesale (Domestic drug stores) Licensed retailers (CP Salon) E-Commerce & Catalog sales Overseas general trade

- Number of purchasers & Unit purchase price
- Customer base
- Shops, mail order membership, membership base
- Number of shops (retailers, wholesale customers, etc.)
- Number of licensed beauty salons
- Number of beauty salons
- Ratio of overseas sales (BCL)
- Ratio of operating profit to net sales

Real Estate and Other Business

P.38

This segment covers all the business involving real estate management, such as TBS Broadcast Center, Akasaka Sacas, and Midoriyama Studio City.

TBS is also working on urban development to help turn Akasaka into "the city offering the greatest emotional experiences in the world" with the Akasaka Entertainment City Plan.

Content	Platform
<ul style="list-style-type: none"> Building leasing Residential condominiums Studios, parking lots Heating & cooling, electricity 	<ul style="list-style-type: none"> Akasaka Biz Tower, The Hexagon etc. Akasaka The Residence Midoriyama Studio, Kinuta Studio

- Capacity rate
- Occupancy rate
- Renewable energy rate
- CO₂ reduction rate

Media Content Business

Offering timeless and beloved content and services to people all over the world



Segment Strengths and Issues

Strengths

- Largest reach in the media industry
- Content production and comprehensive promotion capabilities cultivated over years
- Information reliability in the midst of information overload
- Company owned theaters
- Format sales expertise
- Extensive program video materials & archives
- TBS Group content strength concentrated through Group reorganization

Issues

- Dependence on advertising income in terrestrial TV
- Contraction of the TV advertising market

Growth Trajectory and Overview for FY2020

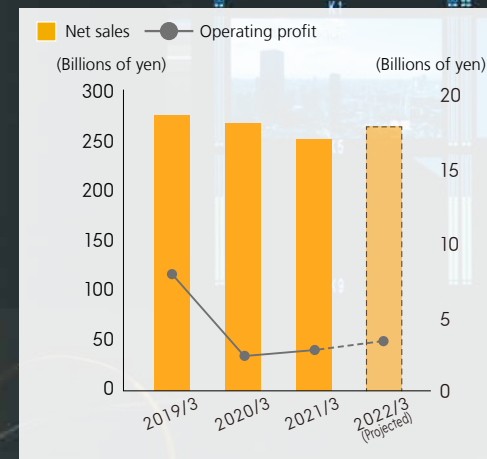
Growth trajectory

- As a broadcaster built around a core of television and radio, where television remains a media king, the company has been delivering high-quality content to viewers through a variety of platforms
- With widespread internet adoption, there has been a shift to "digital first" broadcasting along with terrestrial and satellite broadcasting
- Our comprehensive production capabilities allow us to offer entertainment through not only audiovisual content but on the live stage as well
- Started the subscription video streaming service Paravi (from April 2018)
- IHI Stage Around Tokyo (From March 2017)
- SASUKE: Developed in 165 nations around the world

Overview for FY2020

- **2020 advertising expenditures in Japan (calendar year, as per Dentsu)**
 - Total advertising expenditures in Japan: ¥6,159.4 billion (-11.2% YoY)
 - Terrestrial TV advertising expenditures: ¥1,538.6 billion (-11.3% YoY)
 - Internet advertising expenditures: ¥2,229 billion (+5.9% YoY)
- **Spot sales revenues decrease due to contraction of spot advertising market**
 - Spot sales revenues: ¥69.8 billion (-11.9% YoY)
 - Kanto area advertising broadcast decrease: -13.6% YoY
 - Share among 5 stations: 19.7% (up 0.4 points YoY)

Media Content Business Net Sales and Operating Profit



Cancellation or reduction of sporting and live events due to the COVID-19 pandemic

- Time sales revenues: ¥78.4 billion (-10.0% YoY)
- Event & box-office revenue: ¥2.6 billion (-63.2% YoY)

Strong performance in streaming and shopping businesses due to home nesting demand

- Content revenue: ¥15.8 billion (+45.7% YoY)
 - Free catch-up streaming: First of the five Tokyo stations with 32.85 million monthly views
- Licensing business revenue: ¥2.2 billion (+76.8% YoY)

Market Overview

Risks

Dependence on terrestrial TV advertising revenue and domestic economic fluctuations

Television advertising revenue accounts for a large percentage of Group revenue, but it is strongly linked to advertising company performance and the domestic economy, and so is susceptible to sharp downward trending.

Intermedia competition and content acquisition

As we shift from broadcasting to streaming, the number of competitor services has increased and competition intensified, and the demand for quality content has led to greater competition in content acquisition.

Film and event business

Despite initial profitability assessments before any decisions on planning, production, and investment, there is a risk that funds might become uncollectable due to issues with audience attraction or merchandising.

Copyrights and other intellectual property rights

Many people, like original authors, scriptwriters, and performers are bound up with copyright and adjacent intellectual rights. If the appropriate measures are not taken when developing multi-use products, there is a risk that broadcast-

ing and distribution could be stopped or that liability for damages could arise.

Capital expenditures

In addition to maintaining and updating our broadcasting infrastructure, the expansion of digital media will require investment in new technologies, but those additional costs may not be commensurate with revenues and so may not be fully recovered.

Technology, systems, security

We are updating and renovating core systems in the terrestrial and satellite broadcasting business, developing systems in the video streaming business, and responding to new technologies such as 5G, but we may need to reinvest more than initially planned in order to respond to the speed of technological innovation and changes in consumer needs.

In addition, although we have taken security measures against the recently increasing precision and sophistication of cyber-attacks, there is a risk that even more significant investment and costs for response and countermeasures may be required in the event of new, even stronger security threats, or if any risk such as a personal information breach is exposed.

Growth Strategies

Opportunities

- Development and expansion of digital business, including streaming
- Borderless content distribution
- "Goods - Time - Emotion" consumption behavior, experience, and fulfillment needs
- Corporate, organizational, and individual social issue initiatives

Issues needing addressing

- Enhancing and expanding content
- Platform diversification
- Innovation acceleration
- Responsibilities as a broadcaster
- Staff education & workstyle improvements
- Human resources investment & organizational reform
- Growth strategy investment & R&D

As seen in TBS Group VISION 2030

- Growth in video streaming business and earnings expansion
- Business development through XR content, etc.
- Content creation for global distribution
- Taking live entertainment at Akasaka Sacas to the next stage
- Expanding broadcasting business in existing regions
- Increasing value of broadcast business
- Growing Intellectual training and education business

Lifestyle Business

Bringing customers a more comfortable, more individual lifestyle



Segment Strengths and Issues

Strengths

- Leveraging integrated manufacturing and sales for improved profitability
 - Leveraging BCL's development and manufacturing strengths to introduce private brand products (retail business)
 - Develop products using retail business data (cosmetics business)
- Target Generation Z by leveraging PLAZA's name recognition

Issues

- Enhance digital functions for emergency situations, such as the COVID-19 pandemic
 - Encourage shop customers to adopt e-commerce, and offer greater supplementary service to regions with no shops
 - Maintain customer contact through reinforced web and social media presence
- Compensate for rural gaps in the currently urban-focused network of directly managed shops
 - Promote franchise (FC) business
- Accelerate overseas business to reduce Japanese business focus

Growth Trajectory and Overview for FY2020

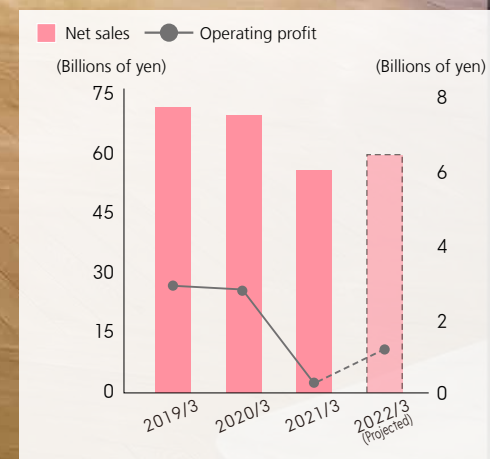
Growth Trajectory

- Retail Business: PLAZASTYLE COMPANY, which operates the general merchandise retail store PLAZA, has seen sales growth driven in part by an increase in young female customer numbers and strong sales in the cosmetics field.
- Cosmetics Business: BCL COMPANY which develops, manufactures, and sells cosmetics generated significant sales and profits around the major hit "Saborino," which created demand in the new market for morning face masks.

Overview for FY2020

- The StylingLife Group faced difficult market conditions due to temporary closures and shortened business hours in response to emergency declarations and other factors related to the COVID-19 pandemic, as well as a significant trend towards a stop in human traffic because of telework and remote classes.
- Under these circumstances, LightUp Shopping Club Inc. (mail-order retail) and CP Cosmetics Inc. (beauty salon business), both of which target the Group's membership-style customer base segment, performed well. LightUp Shopping Club Inc., in particular, successfully captured consumers' home nesting demand and achieved a significant increase in sales and profits over the previous year, mainly in the food and household goods fields.

Lifestyle Business Net Sales and Operating Profit



Market Overview

Risks

Response to changes in demographics and lifestyle

As Japan's population ages and decreases, and domestic lifestyles change, resulting impacts on product development and sales could impede Group growth, even as it responds with reinforced expansion into overseas markets.

Response to increased frequency and severity of disasters and increase in unseasonal weather

We can assume that future disasters like earthquakes, typhoons, and new pandemics may halt production, logistics, or operations, and although we have countermeasures in place, they could have a significant impact on our financial position and business performance.

Growth Strategies

Opportunities

- Respond to changes in consumer mindset or behavior
 - Strengthen targeting for younger demographic, which has increasing demand for cosmetics, by integrating production and sales
 - Expand customer contact opportunity and time through enhanced coordination between retail shops and web/social media presence

Response to market changes

- Life Post-/With-COVID: Enhanced mail-order and regional (FC) development
- Reorganized drugstore market: Faster proposals to major distributors

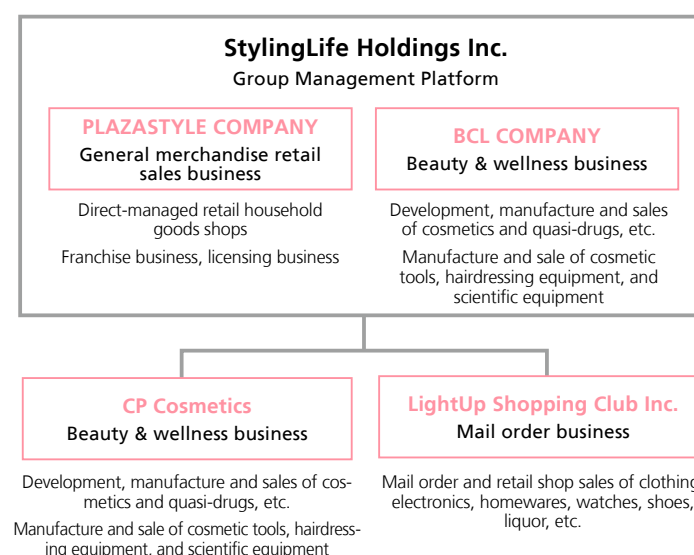
Issues needing addressing

- Early recovery into a growth trajectory after the COVID-19 pandemic
- Recreating profitability through PLAZASTYLE COMPANY restructuring
- Expanding highly profitable fields (beauty & wellness)
- Strengthening proposals to major distributors in the reorganized drugstore market

As seen in TBS Group VISION 2030

- Expansion of "lifestyle proposal" style business: food, clothing, home, and beauty
- Accelerate digital (web/social media/e-commerce) measures
- Identify and nurture "seeds" within the group
- Increase brand value
- Strengthen overseas development (production & sales)
- Establish alliances outside the group

StylingLife Holdings Group Organization



StylingLife Holdings Inc.

Number of shops			
PLAZA	CP Salon	LightUp	BCL (VECUA·ROA)
122	1,240	4	28

PLAZA PASS	
PLAZA Members	PLAZA App
4.16million	3.5million
105% YoY	186% YoY

Note: All figures are current as of the end of March 2021; PLAZA App number is the total number of downloads.

Real Estate and Other Business

Transforming Akasaka to provide wonderful "moments" to every visitor

■ Segment Strengths and Issues

Strengths

- Property owned in the Akasaka area, including Akasaka Biz Tower
- Achieving profit generation from stable tenants

Issues

- Limits to future growth due to limited tenant capacity
- Significant impact from external environmental changes, such as the decline in occupancy due to the slump in the restaurant business and the trend toward office-less work due to the pandemic

■ Growth Trajectory and Overview for FY2020

Growth Trajectory

- The company has been generating stable profits in the real estate leasing business
- We have continued acquiring land and buildings in the Akasaka area, including The Hexagon
- We established TBS HEXA Inc. to promote a stronger real estate operation and management system

Overview for FY2020

- Decrease in tenant occupancy and rent income due to the COVID-19 pandemic
- Further capital expenditures in relation to the Akasaka Entertainment City Plan

■ Market Overview

Risks

- Impact on rental income due to changes in the real estate & lease market
- Increase in capital expenditures due to soaring real estate market value in the Akasaka area
- Increase in operating costs due to real estate acquisitions

■ Growth Strategies

Opportunities

- Increase in rent income due to the acquisition of properties in the Akasaka area
- Increase in revenues from attracting customers to existing facilities because of the Akasaka Entertainment City Plan

Issues needing addressing

- Current state of "the city offering the greatest emotional experiences in the world"
- Efforts to address global environmental problems

As seen in TBS Group VISION 2030

- Completion and operation of Akasaka Entertainment City Plan
- Making Asakasa another Broadway

Real Estate and Other Business Net Sales and Operating Profit



Topics

The Group is seeing a variety of seeds sprouting that explore and usher in the TBS Future Vision. They are creating a vision of TBS that pursues content to appeal to a wide, global audience; a TBS which nurtures practical creativity in the children who will shape our future; and a TBS which embodies the group's inherent spirit of challenge. Here, we introduce three examples.

Topic 1 Signing a strategic partnership agreement with Korea's CJ ENM

CJ ENM is South Korea's largest content creator. It invested in and distributed the film *Parasite*, winner of numerous awards at the Cannes Film Festival and US Academy Awards, and it is parent company to Studio Dragon, which created the popular Netflix series *Crash Landing on You*.

Moving forward, CJ ENM and TBS Group's top creators will collaborate in developing and producing television dramas, variety shows, movies, and other content targeting the global market, and the two companies will cooperate in fields where both have strengths, such as live entertainment (music, theater, etc.), anime, and manga. In addition, they will work together to promote multifaceted initiatives such as mutual exchange of creators.



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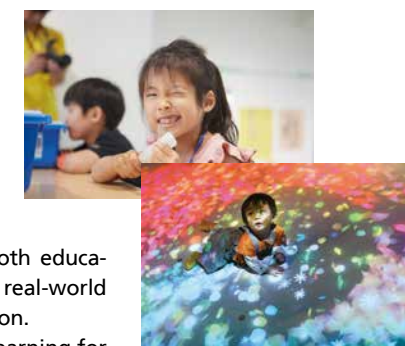
Topic 2 Fostering Practical Creativity: Fulfilling intellectual training and education business like Schop School

TBS established Schop, a next-generation education development company, in collaboration with Dentsu and Edusol.

At Schop School, children not only learn, but also develop the essential skills to survive and thrive in an uncertain society through understanding the essence of issues and how they work, and then letting their imaginations run to explore new ideas.

This school will bring in a growth cycle for of "practical creativity" through our uniquely designed methods. Those methods are based on both educational theories from around the world, and the efforts of creators with the real-world achievements and knowledge, who are engaged in socially-relevant education.

In addition, TBS's intellectual training and education business supports learning for a wide range of generations through investments in Place Holder, Inc., which plans and operates experience-based digital theme parks, and through a business alliance with UZABASE, known for the social, economic media NewsPicks.



Topic 3 Connecting cross-organizational ideas JNN Business Challenge

Based on the starting question "What will it take to survive in the general media industry in five years?", we launched the business proposal system "TBS Group Business Challenge" in 2018 with two goals: 1) create new business models and 2) foster business mindsets in our staff.

We have adopted two proposals each from the three past sessions, and commercialization for each is underway. From 2021, the call for proposals will be extended beyond the TBS Group to JNN affiliate stations, and the name will be changed to JNN Business Challenge (details on page 45).

List of Adopted Proposals

- FY2018** Smartphone-first Video Content Event Business (PURPOSE)
VR/AR Business (*Kaiju no Sumika* Kaiju Haven VR Adventure)
- FY2019** Animal Content-based Educational Entertainment Business (*Amazing Animals/WAKUWAKU* YouTube Channel)
Wellness Business Offering the Wonderful "Moments" (Akasaka Sauna Project)
- FY2020** Rental Space Service to Relive TV Drama Experience (*The Full-Time Wife Escapist* Space)
Video Upload Service for Dance Lovers (CYPHER (Provisional Name))



TBS's Non-financial Capital and Strengths

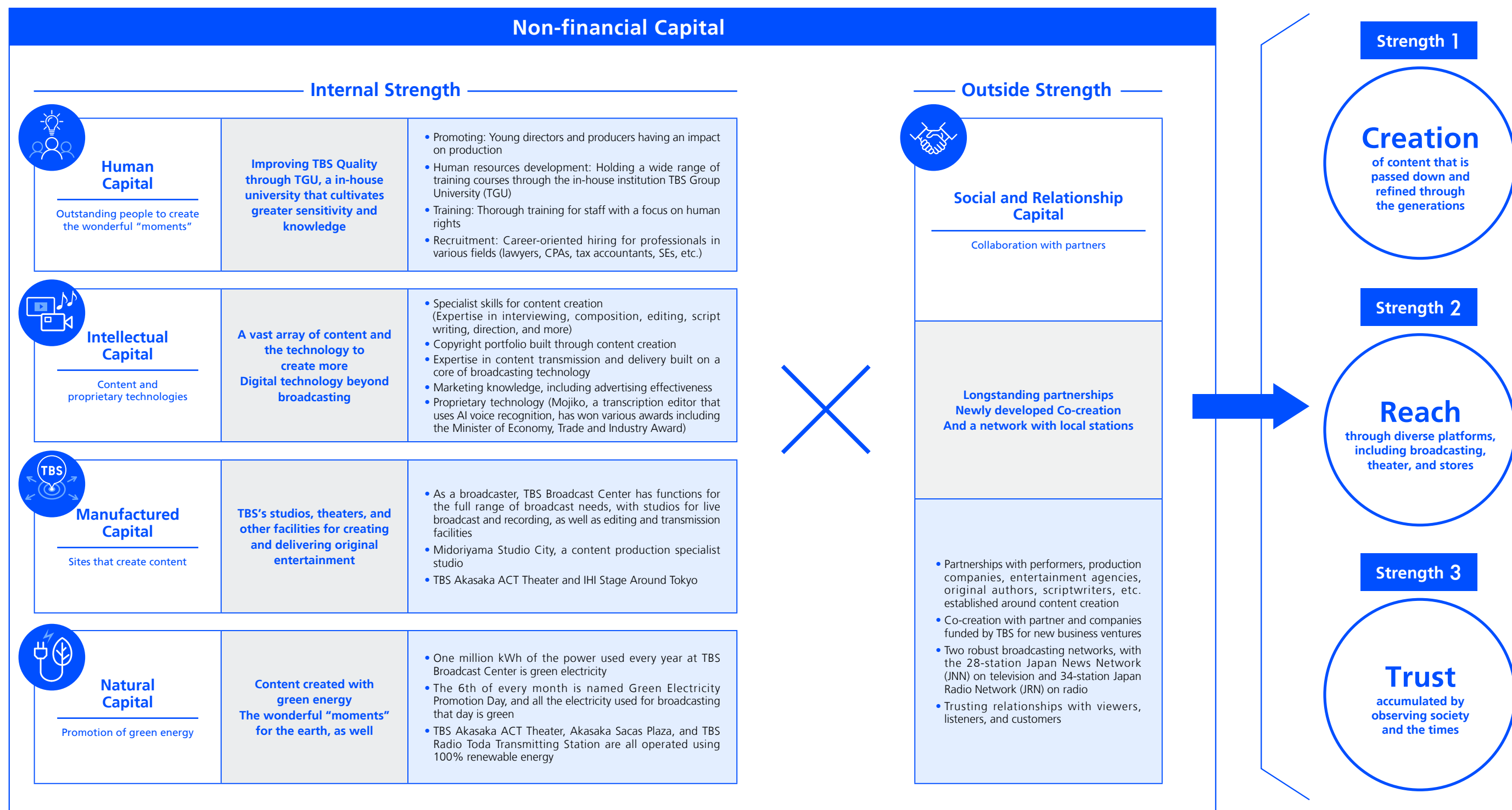
TBS has always focused on strengthening its three main non-financial assets of Creation, through which it makes timeless, high-quality content; Reach, which brings it direct multi-platform contact to viewers, listeners and customers via the airwaves, theater performance, and in retail shops; and Trust, which has been accumulated by observing society and the times.

When we renewed the TBS brand in 2020, we investigated and adopted the concept of redefining our company's ideal as "Personality," much like any individual. With input from outside opinions, we came up with the following words to express what we have worked on, and what we have achieved: Intelligent, Honest, Energetic, and Filled with a Spirit of Challenge. This character and way of thinking are the driving force behind all of TBS's non-financial capital.

The core is People Power. Placing as its main pillar acquiring and training professional human resources (human capital), the company has built a wide range of partnerships cultivated through content production (social and relationship capital), has collected a stock of IP through active research

and development, including proprietary technology and accumulated video archives (intellectual capital), and studios, editing facilities, and theaters for production (manufactured capital). TBS is also constantly examining and improving on earth-friendly business practices (natural capital).

Through these non-financial capital, we "create" content, "reach" people's lives using diverse platforms, including the publicly funded airwaves allotted to us, our own theaters, and shops; and hope to continue building Trust by engaging with society and listening with sincerity to diverse voices. We look to deliver the wonderful "moments" to everyone through the three strengths of Creation - Reach - Trust.



TBS's Human Resources (Human Capital)



Outstanding people to create the wonderful "moments"

One of the foundational elements we offered for the TBS Group Medium-Term Management Plan 2023 is "enhance organizational strength through creative, challenge oriented human resources," and so we will strive to build up the human resources, develop job satisfaction and skills, and build an organization that produces real results. We are also promoting initiatives to revitalize the organization, pass on skills, provide active training through TGU and other means, and increase the percentage of female managers.



The Characteristics and Strengths of TBS's Human Resources

Human resources full of sensibility and knowledge

Actively promoting young directors and producers

TBS values the ideals of inheritance and creation in the production studio. Rather than relying solely on the personal abilities of individual outstanding creators, we encourage inheritance—the sharing of expertise from senior employees—while newer hires create content by refining that inheritance through modern sensibilities.

In the variety show area, which requires younger sensibilities, eight of our regular programs have producers who have joined the company since 2010, and at least 10 one-off programs in the past year have had similarly new producers or directors.

In the drama area, programs with producers and directors who joined the company from 2009 on (10, of which 8 were women) reached 14, including the much-talked-about *Sannin no Papa* which was produced by woman in her third year with the company.

Women in the Newsroom

The number of women serving as senior editors in the TBS News Division, with the authority to determine program direction and news items, has increased significantly in recent years.

Five of the eight editors-in-chief of the weekday evening program *N-ST* and the evening program *News23* are women. Most of them have been with the company for around 25 years, but the youngest woman editor-in-chief has been here for 16 years.

All offer full support of daily news program production

with their extensive experience in interviewing and production.

The editor-in-chief of the *News Special* broadcast on Saturday is also a woman. Another woman, who joined the company in 1999, is in charge of news digital development, an increasingly important field in recent times.

The world of news reporting has had an identified bias toward patriarchal social values, but TBS has been engaged in rapid reform to counter that.

Hiring employees with diverse backgrounds

Beyond hiring highly qualified people like certified public accountants and lawyers, TBS actively recruits those with diverse backgrounds from various industries for career positions.

Career hires from prominent IT companies, electronics manufacturers, and trading companies are involved in business strategy planning; a former electric power company employee is involved in the live entertainment division; and a former professional baseball player (a first-round draft pick) is in the sales division. In the news bureau, we have gathered reporters from leading weekly magazines, newspapers, and other media with different reporting methods to add coverage depth, and one reporter who previously worked as a Shinkansen driver provides accurate commentary on railroad accidents.

New college-graduates hires include a licensed doctor who helps with a medical drama, and a licensed pharmacist working in the TBS Programming Division, each of them bringing new perspectives to various areas of the TBS business.

TBS's Human Resource Strategy

Honing greater sensibility and knowledge

TBS Group Medium-Term Management Plan 2023 Management Infrastructure

Enhance organizational strength through creative, challenge oriented human resources

Build up the human resources, develop job satisfaction and skills, and build an organization that produces real results

- Expand career employees with specialist knowledge & capabilities
- Train and acquire group creative employees for the EDGE strategy
- Secure digital talent for a more flexible, capable organization

Raise growth potential for the TBS Group as a whole Enhance the sense of unity within the TBS Group Foster a culture of innovation

As a comprehensive media group, TBS is engaged in the broadcasting, video, culture, video streaming, real estate, and shopping businesses. As we further spread our wings toward a new age, we have positioned as some of our most important tasks the hiring and training of human resources for active roles in every field.

We are focusing on hiring employees who can embody our new management philosophy and brand promise. Not only is our orientation toward the television business strong, but our selection criteria aims for people willing to take on new challenges beyond the framework of television.

In development, we provide group training for different employee classes when they join the company, then in their second, third, fifth, and eighth years, and at the age of 35. Together with regular individual interviews, we support the growth and ambition of each employee toward their own

career. As part of the various training programs for managers, we conduct Next Generation Leader Training and Department Manager Selection Training sessions, which focus on the development of management-level employees, and the results of which are presented directly to top management.

In 2018, we opened the TBS Group University (TGU), the centerpiece of our human resources development program. TGU provides selective learning opportunities for 6,000 people working as a part of TBS. It aims to raise growth potential for the TBS Group as a whole, enhance the sense of unity within the TBS Group, and foster a culture of innovation. The underlying principle for this training is to nurture everyone working as a part of TBS who can adapt to a rapidly changing environment in order to continue to contribute to society and achieve sustainable growth for the TBS Group.

TGU offers a wide variety of programs, including various courses essential for advanced business; broadcasting, media, and human rights courses closely related to daily operations; lectures from invited guests; courses offered jointly with other companies; and overseas study tours. 4,339 students enrolled in 121 courses in FY2018, and 4,150 students enrolled in 137 courses in FY2019. In FY2020, despite the COVID-19 pandemic, 3,800 people enrolled in 95 courses, which were mainly remote.

In order to develop in terms of management while still recognizing the highly public nature of our position, it is essential to have employees with a sense of ethics who are willing to engage in self-led education and development. TBS will continue to build human resources development initiatives to nurture employees who can contribute to the creation of a more hopeful society, and one that is more sustainable and prosperous.

TBS's Intellectual Property (Intellectual Capital)

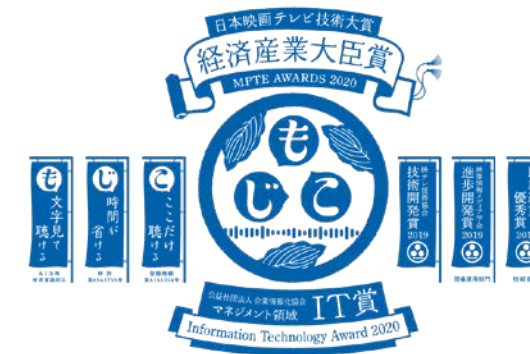


Content and original technology

TBS's intellectual capital is built upon the vast array of content that it has created since its founding as a television broadcaster, and now ranges far beyond the television framework. This also includes the expertise, skills, and unique technology needed to create that content. Based on our core value of delivering "the wonderful moments to touch the heart," we have promised in the TBS Group VISION 2030 to accelerate content production through digital skills.



From the information website for ultra-high speed file transfer software STORM®



Mojiko, the AI-based app that helps reduce transcription effort

The Characteristics and Strengths of TBS's Intellectual Capital

A vast array of content and the power to continue creating

Outline of TBS's Intellectual Capital

Our vast array of content, and the proprietary technology we developed to create it, are the two capitals most representative of TBS.

From broadcast programs to movies and stage performances, TBS's reach has expanded beyond Japan to nations overseas, and all the specialized skills (expertise in interviewing, composition, editing, script writing, direction, and more) cultivated in the production process have been passed from generation to generation, and are being refined on a daily basis.

TBS has a high ratio of internal production, which gives it the advantage of a large internal skill reserve.

Content does not end with a program broadcast. It lives on in the ongoing copyright and reaches viewers through online streaming, DVD sales, etc., which generates multiple layers of revenue through overseas program sales and "format sales" (multi-use of content). Our knowledge of marketing, including the impact of advertising on content distribution, is also growing stronger every day.

TBS continues to develop its own proprietary technology for content production and delivery, and technologies initially envisioned for its own broadcasting are increasingly being used by other companies in the industry, as well as for academic research.

TBS's Patents and Trademarks

			Notes
Patents	Registered and Existing	18	Including joint
	Pending	10	
Trademarks	Japan - Registered and Existing	120	All independently owned - HD/TV/R only
	Japan - Pending	25	All independently owned - HD/TV/R only
	Overseas - Japan - Registered and Existing	75	All independently owned - HD/TV/R only
	Overseas - Pending	10	All independently owned - HD/TV/R only

Content

Media Content	Television and radio content (Dramas, variety shows, news, sports, anime, etc.)
	Performance content (Movies, theater, musicals, live music, etc.)
	Program formats
	Manga
	Patents, intellectual property, and music
	Intellectual training and education (SCHOP Inc., etc.)

Content production Abilities	<ul style="list-style-type: none"> Specialist skills for content creation (Expertise in interviewing, composition, editing, script writing, direction, and more) Copyright portfolio built through content creation Expertise in content transmission and delivery built on a core of broadcasting technology Marketing knowledge, including advertising effectiveness Proprietary technology (Mojiko, a transcription editor that uses AI voice recognition, has won various awards including the Minister of Economy, Trade and Industry Award)
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TBS's Intellectual Strategy

Reinforcing and accelerating continued content production strength

TBS Group Medium-Term Management Plan 2023 Growth Strategies

Digital: Strengthen streaming and digital content development

- Growth in video streaming business and earnings expansion
- Expand the scope of news reach and monetization
- Develop new digital content business

Ultra-high speed file transfer software STORM® and AI-based transcription editor Mojiko

TBS has developed and patented STOR® software. The initial purpose was to transfer large amounts of data like video or audio interview footage quickly and safely over ordinary internet lines, but its incredible ability to transmit a file the size of a full DVD in less than a minute has led to its widespread use by not only broadcasters but also major manufacturers, mail-order companies, medical companies, and national research institutes.

Mojiko, a patented transcription editor using an AI voice recognition engine, was developed to free program production employees from the burden of transcribing interview content. Mojiko has been introduced as a tool to improve the working environment in any workplace that requires transcription, and has received various awards including the Minister of Economy, Trade and Industry Award 2020 and

the IT Award from the Japan Institute of Information Technology. So, along with its content and services, TBS develops proprietary technology that offers values beyond broadcasting to various aspects of society.

Monetizing proposals adopted from the business proposal system

We have adopted two proposals each from the three past sessions of the TBS Group Business Challenge (JNN Business Challenge from 2021), and commercialization is underway. One of the proposals from FY2019 was for an animal content-based educational entertainment business (Amazing Animals! YouTube Channel). As a result, TBS is now developing an educational entertainment business by optimizing for online-viewing its animal video archive, which has been gathered for popular animal programs like *Amazing Animals!* and *Waku Waku Animal Land*. It is not now possible to film much of what TBS has stockpiled, making the archive of ecological footage a highly valuable intellectual asset. This archive is being offered to society in a new form, as a business model that offers deeper understanding of biodiversity, and from September 2020 we started the YouTube channel *Amazing Animals/WAKUWAKU*. In less than a year, this content has amassed 188 thousand subscribers (as of August 2021), including a strong fan base overseas, and has monetized with some content having 3.96 million views.



Co-creation with Partners (Social and Relationship Capital)



Co-creation has been in our DNA since our founding

Since its beginning as a broadcaster, TBS has grown through co-creation with partners. TBS has co-creation embedded in its business DNA, such that continuing its current business would be impossible without partners, who are performers, interviewees, local stations, and outside production companies, all of which help form a network that delivers our broadcasts nationwide.

The Characteristics of TBS's Social and Relationship Capital

Co-creating value with a wide range of partners

Joint project with the United States government: A Discussion with President Clinton in Tokyo, Japan (1998)

TBS has long worked hand in hand with outside partners to serve as a hub for value creation to offer the wonderful "moments," with projects like The First Japanese Cosmonaut (1990), produced in cooperation with the Soviet Union's general space command Glavkosmos, and A Discussion with President Clinton in Tokyo, Japan (1998), a joint project with the United States government. Today, and always, TBS offers value to society and the world through co-creation with its partners. Partnerships starting in 2022 include bringing the hugely popular British stage show *Harry Potter and the Cursed Child* to Japan. This will make the Asian debut for the show, which has been a long running hit in London and New York.

TBS Group Business Partners

TBS Group business partners include joint partners and companies funded by TBS, production companies, entertainment agencies, performs, and indicate any enterprise, group, or individual that works with the Group.

With TBS as the key station, we have built a robust nationwide broadcasting network with the 28-station Japan News Network (JNN) on television and 34-station Japan Radio Network (JRN) on radio.

Both the JNN and JRN include long-established local stations, many of which do not receive any TBS investment, and the contractual relationship is between independent companies. However, these partnerships have been strengthened to cope with recent changes in the broadcasting station environment by promoting DX through inter-affiliate cooperation, implementing joint projects and events, and improving efficiency by transforming Tokyo branch office for 13 stations into a shared office, which also helps with rent.



March 2008
Town Hall Meeting with former UK Prime Minister Tony Blair



November 1998
Town Hall Meeting with US President Bill Clinton



June 2003
Town Hall Meeting with South Korean President Roh Moo-hyun



Stage show *Harry Potter and the Cursed Child*

Co-Creation with the World: Steps Toward Achieving SDGs

One of the key examples of TBS's recent co-creation projects with partners is its promotion of SDGs achievement. In August 2019, TBS joined the UN's SDGs Media Compact, signifying its commitment to join media organizations around the world in actively promoting the SDGs in and outside of Japan. TBS Television has offered informational series like *Save the Oceans: Plastic Pollution* and *SDGs Toward the World of 2030*, while on TBS Radio we have offered "Challenge Zero CO₂ Reduction Campaign". TBS further strengthened and scaled up these efforts with the SDGs campaign "Week to Make the Earth Smile" (details on page 11), which was held in November 2020 and again from April to May 2021. We continue to pursue co-creation with partner companies.



The first "Week to Make the Earth Smile" featured an exclusive interview with António Guterres, Secretary-General of the United Nations.



TBS's Own Facilities (Manufactured Capital)



Bases for content creation

This section introduces TBS's manufactured capital, the equipment and facilities that make possible TBS's value creation cycle of Creation and Delivery.

The Broadcast Center in Akasaka, Tokyo, has studios, sub-control rooms, and editing facilities for content Creation, with a network control center and master control room for delivering content over the airwaves.

Apart from TBS Broadcast Center, we have OB van helping to deliver video and audio, information cameras perma-

nently installed in various locations around the country to help bring disaster updates and other vital information on location, and also a transmission facility in Tokyo Sky Tree. TBS also has theaters like Akasaka ACT Theater that both create and deliver content, such as plays and concerts, as well as Midoriyama Studio City, a spacious studio dedicated to television drama creation. TBS has a wide range of production capital.

As a broadcaster, TBS Broadcast Center has functions for the full range of broadcast needs, with studios for live broadcast and recording, as well as editing and transmission facilities



SNG OB van



N-Sub (News studio sub-control room)

Midoriyama Studio City, a content production specialist studio



Outside of Midoriyama Studio City



Inside of Midoriyama Studio



Network Control Center



Transmission Station in Tokyo Sky Tree

TBS Akasaka ACT Theater and IHI Stage Around Tokyo



TBS Akasaka ACT Theater



IHI Stage Around Tokyo

The TBS Group's Take on Sustainability

Creating a Happy and Sustainable Society Together

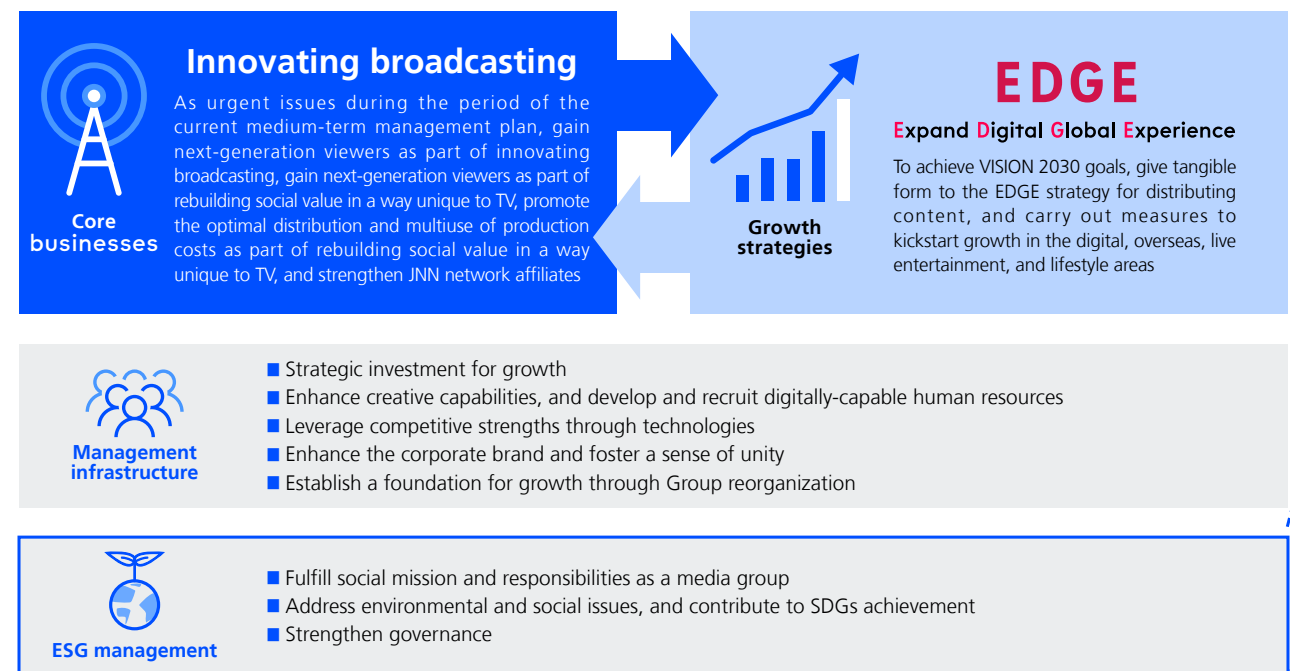
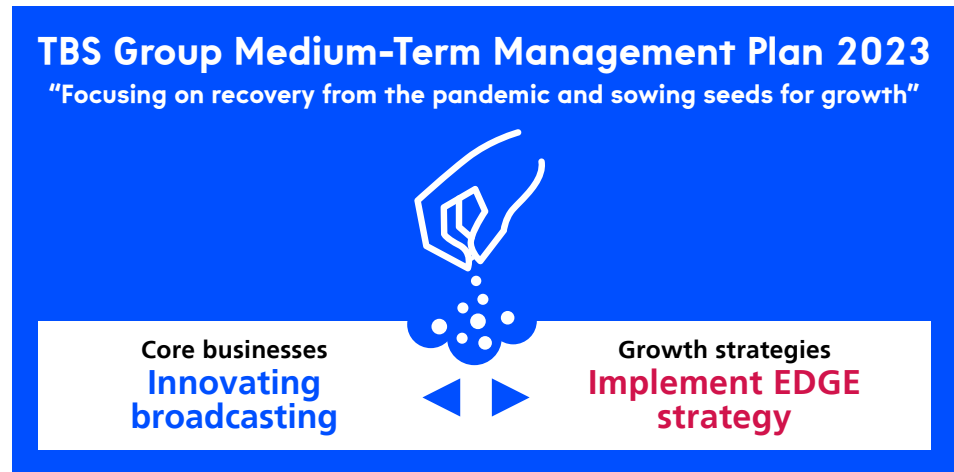
Achieving the social mission of media, and contributing to SDGs

The TBS Group is working as a media company together with companies, non-profit organizations, regional communities, and all stakeholders to build a wide range of partnerships, and together is building a happy and sustainable society. Within the Earth (E) on which we live and Society (S) in which we work, as a responsible company we are using Governance (G) to take a variety of management measures to provide wonderful "moments."

Additionally, we will be more aware of the social mission of media, fulfilling our responsibility in being a starting point for influencing society.

Our actions target achieving our social development goals—the SDGs—which are self-imposed goals set by international society for 2030.

In June 2020, we also put in place a new "ESG Strategy" director, and a system to further promote ESG management.



ESG Promotion System

At TBS, our CSR Planning Department has been central to our efforts towards sustainability. For the environment, we have established the Energy-saving Promotion Committee. We are promoting the rational use of energy, and continuing with activities to promote measures to counter global warming.

In 2020, to achieve further Group growth and increased corporate value, one board director takes responsibility for

ESG strategy, and one executive director takes charge of this. The SDGs Planning and Strategy Department has also been established in the President's Office in order to promote SDGs and ESGs throughout the Group as a whole.

We are building an organization to urgently promote sustainability management that addresses important ESG issues across the whole TBS Group.



Environmental Initiatives



Wonderful “moments” for the earth on which we live

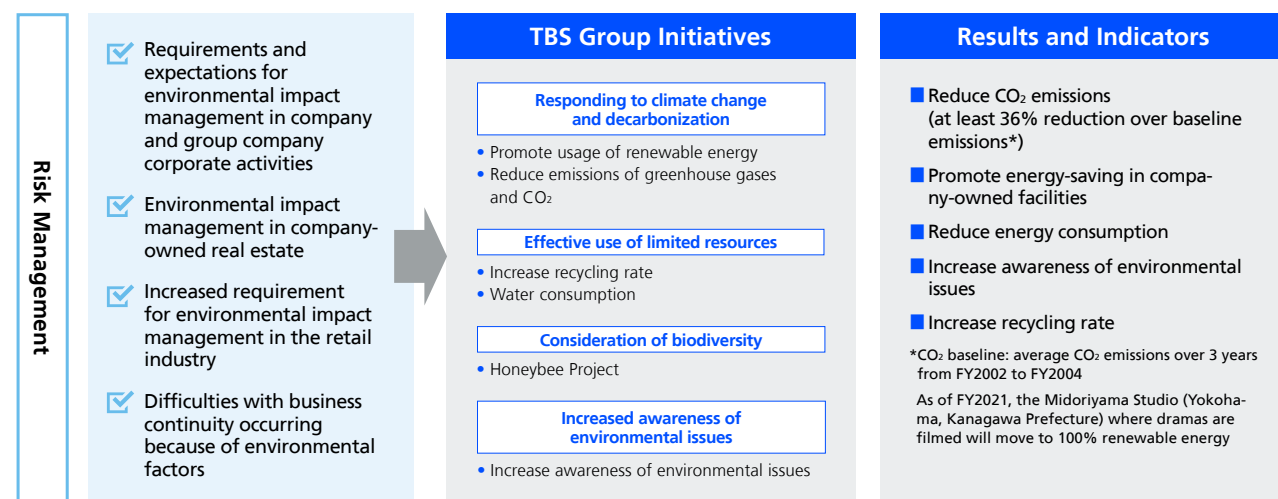
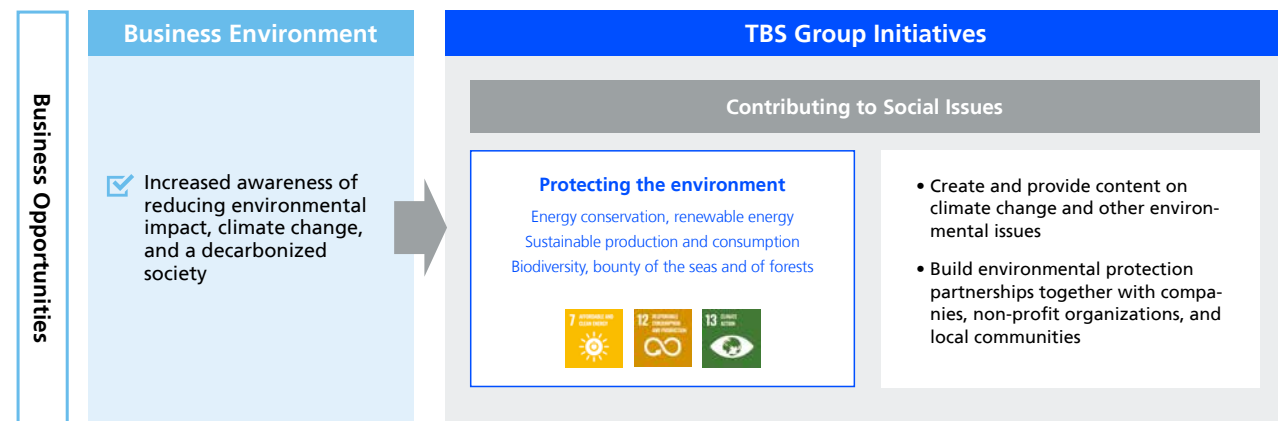


TBS launched the Honeybee Project in 2011, and through activities such as beekeeping, honey collection, and interactive children’s classes together with the residents of Akasaka, is working for coexistence with nature throughout the community.

Bees fly between and pollinate the innumerable flowers in the area, helping them fruit.

A single bee only produces one teaspoon (0.5g) of honey in its lifetime, but that tiny quantity brought to us with the buzz of tiny wings has an exquisite value in that it sustains life, enriches nature, and brings nourishment to people.

Through these and other unique efforts, the TBS Group is working to contribute to the protection of the global environment.



Solve Global Environmental Problems

“TBS Group Environmental Vision”

TBS created its TBS Group Environmental Vision in January 2007 declared that it would set and act in line with clear activities targets “so that we can pass this beautiful earth on to following generations,” a problem facing the whole world, and formulated its “Voluntary Environmental Action Plan.”

The “TBS Group VISION 2030” and “TBS Group Medium-Term Management Plan 2023” announced in May 2021 also set forth our commitment to protecting the global environment and to working to resolve problems confronting it.

Responding to climate change and decarbonization

Promote usage of renewable energy

The TBS Group has partnered with Minna-Denryoku Inc., and in December 2018 switched the Toda Transmitting Station, the main AM broadcaster for TBS Radio AM, over to 100% renewable energy.

In October 2019, the TBS Akasaka ACT Theater, Akasaka BLITZ, and the Akasaka Sacas Plaza all switched to 100% renewable energy at the same time. The TBS Akasaka ACT Theater became the first large theater in Japan to be a 100% renewable energy theater, and this uses blockchain technology to verify the origin of this power.

Furthermore, the TBS Midoriyama Studio will switch over to 100% renewable energy in FY2021. This switch to renewable energy is being carried out using J-Credits that certify the origin of renewable electricity. J-Credits derived from renewable energy generated from solar cells installed on homes in Japan will be purchased through Minna-Denryoku Inc.

Using this system, the Midoriyama Studio will become Japan’s largest 100% renewable energy studio, with 100% renewable energy being used for studio filming of all TBS dramas airing from April 2021 onwards.

Under the J-Credit system for renewable electricity, the government certifies as credits the amount of greenhouse gas emissions reductions from renewable energy. Under this initiative, we have managed to achieve zero-carbon, 100% renewable energy by using J-Credits generated using solar photovoltaic generation installed on houses.

The TBS Group will continue to study and promote usage of renewable energy.

<Collaboration with Minna-Denryoku Inc.>

Minna-Denryoku is an energy venture that sells renewable energy procured from around Japan using its own electronic trading platform.

The company was the first to use blockchain technology to verify the origin of the power generated, and its development of advanced technologies is garnering attention. In December 2020, Minna Denryoku received the SDGs Chief’s Award (by Prime Minister) at the 4th “Japan SDGs Awards,” recognizing its outstanding achievements in attaining SDGs.

TOPICS

“Midoriyama Studio 100% Renewable Energy” and “HOUSE that Makes the Earth Smile”



[Midoriyama Studio]

The huge 264,500 m² Midoriyama Studio using 100% renewable energy



[HOUSE that Makes the Earth Smile]

In Summer 2021, “HOUSE that Makes the Earth Smile” was opened as a new location that communicates SDG initiatives in one part of Akasaka Sacas. In conjunction with SDGs-related projects broadcast on TBS Television, TBS Radio, and BS-TBS, TBS has held interactive exhibits that visitors can see and interact with. We will also hold online and real-world workshops to provide visitors with the chance to experience SDGs as something that they own. The first of these exhibitions provides content with which children could use for free learning during their summer vacation. This includes learning about SDGs using wisdom from life in the Edo period, as well as learning the rules of para-sports and experiencing its equipment (scheduled to run to November 2021).



[In-house garbage separation]

The “TBS Color Box” system makes separating trash easier to understand. Leftovers from lunches are used as livestock feed

Social Initiatives



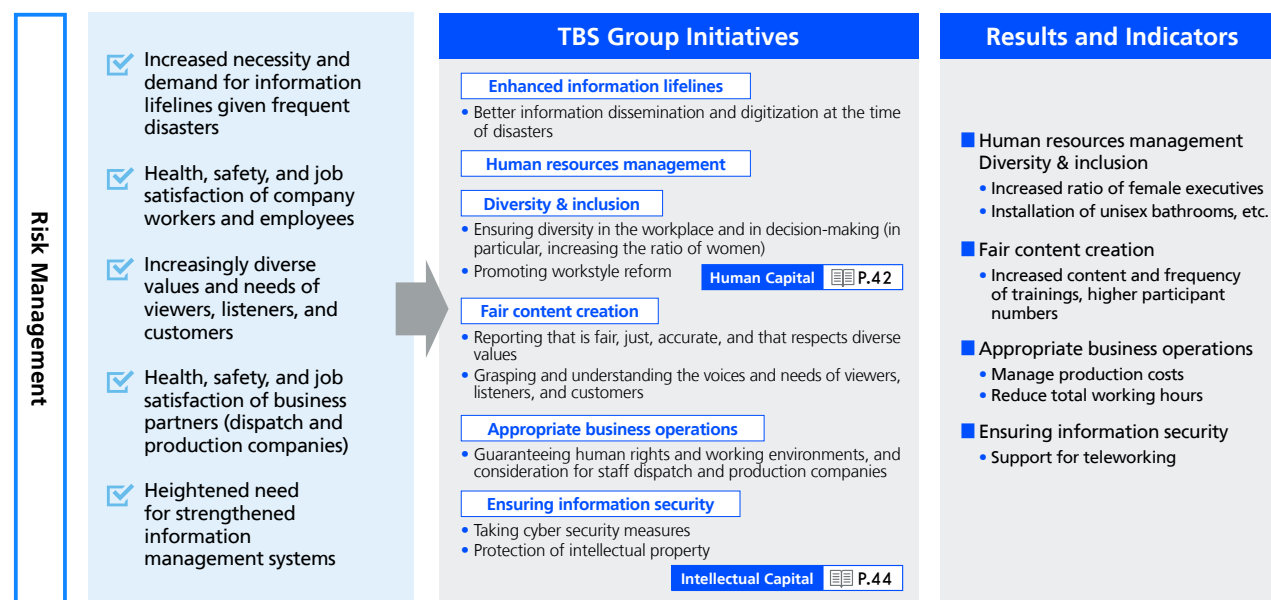
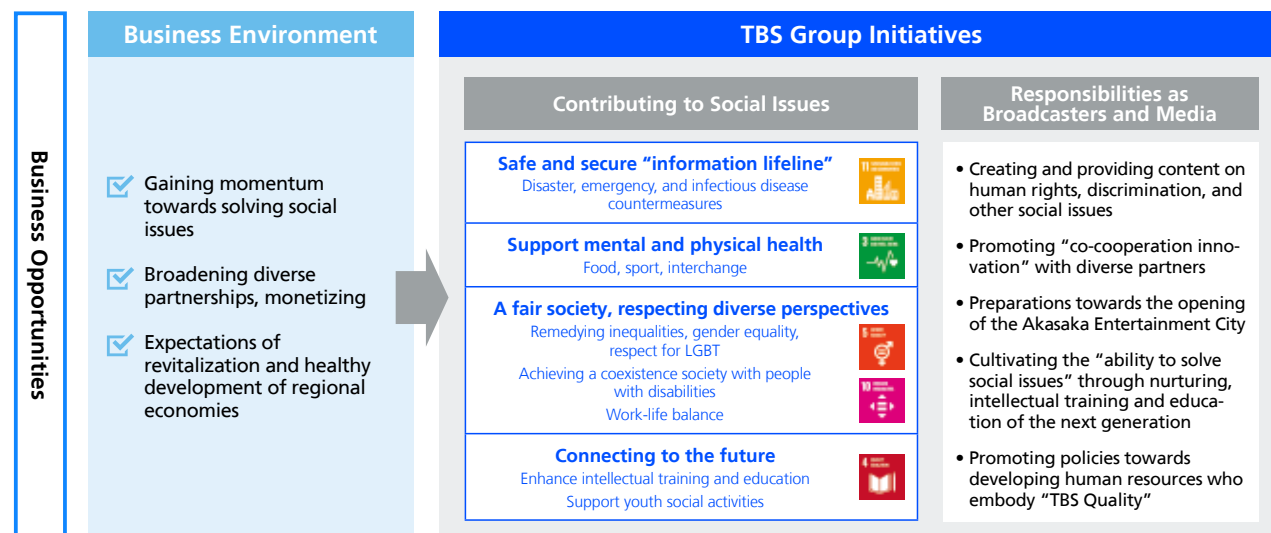
Providing wonderful "moments" to all members of society



While fulfilling our responsibility as a media outlet, the TBS Group's approach regarding society is to pose questions about social issues, and to look for opportunities for their resolution.

The Group has an in-house university, TGU, at which everyone working as a part of TBS can experience a diverse range of viewpoints and different values.

We have also established the in-house Hanasaku Nursery School as a way to support employees who are raising children.



Responsibilities as broadcasters and media

As a media company with a social mission, TBS fulfills different roles. As a cornerstone of democracy and of a society that safeguards peace, freedom, and human rights, it also acts as an information lifeline in the event of disasters occurring or when countermeasures against infectious diseases are required.

Diversity & inclusion (Workstyle reform, human resources development)

Promoting the TBS way of working

We have designated and are promoting "T-Work," a way of working unique to TBS in which people with diverse values and ideas can work in concord to create new value.



TBS Group University (TGU) is an in-house university that opened in 2018 as a venue for learning within the TBS Group. This supports self-learning of everyone working with the TBS Group, including temporary staff.

In collaboration with Hakuodo and Hakuodo DY Media Partners, in April 2018 we opened the Hanasaku Nursery School to help employees raising children be able to return to work, contribute to their career plans, and contribute to local communities. This nursery is also open to the local community, and its popularity means it is always at capacity.

We are constantly promoting T-Work not only amongst TBS employees, but also temporary staff, the local community, and a range of other people.

Ensuring diversity

In 2019, TBS established the Office of Diversity Promotion within the human resources department. TBS is implementing career support training for female employees, seminars targeting managers to help them develop female subordinates who are raising children, and seminars to create a culture supportive of diversity (seminars on different types of harassment, to promote LGBT understanding, etc.).

We are also promoting the development of an environment surrounding employment in which women can play an



active role. We have set a goal to increase the percentage of women in management positions to 20% or more during the five-year period of the plan (April 1, 2020 to March 31, 2025). To this end, we are working to 1: carefully scrutinize promotion decisions, 2: ensure training that has an awareness of diversity and inclusion, and 3: create an environment in which employees who works while raising children can play an active role.

*Ratio of female managers at TBS Television: 13.5% (as of February 1, 2021)
*Combined ratio of female employees at TBSHD and TV companies: 23.0% (as of February 1, 2021)

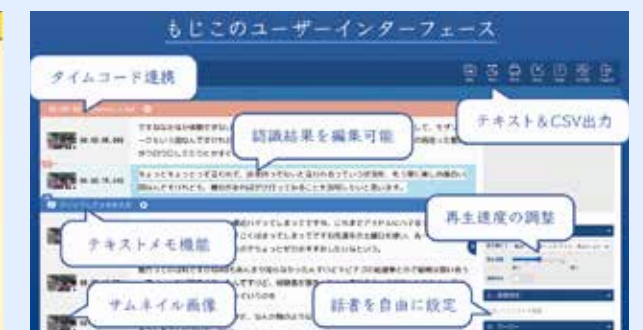
Appropriate business operations

Guaranteeing human rights and working environments, and consideration for staff dispatch and production companies

In response to dramatic revisions to the Worker Dispatching Act in 2015, TBS has been improving the working environment through the establishment of a new Labor Support Department to ensure better management of the dispatch systems, which formerly came under the aegis of the Labor Policy Department. We held seminars conducted by specified social insurance labor consultants to explain laws and regulations—in 2015 covering the dispatch licensing system, and in 2020 covering equal pay for equal work (in the dispatch system). These garnered high praise from participants. TBS is also a member of the SDG Media Compact, a global movement which seeks to advance SDGs. Towards achieving the 8th goal, Decent Work, we are working every day to provide everyone who works at the TBS Group with job satisfaction, training opportunities, and new work environments (teleworking, etc.).



Providing information to support people's lives and livelihoods using a special website during times of disaster



Reducing working hours using Mojiko, an AI-based transcription editor

Governance Initiatives



Each moment to be a responsible company



TBS has a responsibility to contribute to the market economy growth as a listed company. And at the same time, as a certified broadcasting holding company with a limited number of broadcasters under its umbrella, TBS is the company empowered with a high public mission.

Our basic approach to corporate governance is to improve the management efficiency of the Group and maximize TBS's corporate value, while fulfilling the social responsibility as a certified broadcasting holding company.

	Business Environment	Issues	Approach	Results and Indicators
Business Opportunities	<ul style="list-style-type: none"> Accelerate management decision-making and ensure transparency and fairness Enhance the content value by strengthening the management of group companies Foster the next generation of management Dialogue with shareholders and investors through positive IR activities 	Effectiveness of Board of Directors	<ul style="list-style-type: none"> Restructure the Board of Directors Elect specially appointed Executive Officers 	<ul style="list-style-type: none"> Independent Outside Director accounting for one-third of the Board of Directors Increase Independent Outside Directors of the Compensation and Nomination Advisory Committee
		Group governance	<ul style="list-style-type: none"> Reorganize 30 related subsidiaries (TBS SPARKLE, Inc., TBS GLOWDIA, Inc., and TBS ACT, INC.) Introduce the Group Executive Officer System 	<ul style="list-style-type: none"> Group Management Efficiency Thorough Compliance Ideal Group Financial Results
		Reduction in cross-shareholdings	<ul style="list-style-type: none"> Review the purpose of holding each issue by the Board of Directors 	<ul style="list-style-type: none"> Approx. ¥32.4 billion reduction by sales in FY2020
Risk Management	<ul style="list-style-type: none"> Prevent compliance violations and problems related to content and business execution Reinforce information security Prepare for a catastrophic disaster Ensure accountability for fair stock market creation 	Ensuring information security	<ul style="list-style-type: none"> Take cyber security measures: Participate in ICT-ISAC Create a dedicated in-house team (TBS CSIRT) Protect personal information: Develop original personal information protection system "hogwan" and "Secure Mail Service" 	<ul style="list-style-type: none"> Zero reports of serious accidents, including leakage of personal information in FY2020
		Risk management	<ul style="list-style-type: none"> Comprehensive risk management: internal audits and reviews Compliance (prevention of corruption and fraud) BCP (Business Continuity Plan) 	<ul style="list-style-type: none"> Define and evaluate risk management criteria



Corporate Governance

Effectiveness of the Board of Directors

The Board of Directors of TBS HOLDINGS, INC. has transformed its structure in 2020. Of the nine Board Directors, three are Independent Outside Directors. Each of Outside Directors has experience in Corporate Management that differs from those with TV and Radio background, and excels in skills in Finance and Accounting, and in Organization and Human Resources. In addition to ensuring diversity of governance in this way, since 2021 we have evaluated the effectiveness of the Board of Directors, commissioned by an external organization. TBS HOLDINGS, INC. is a company with a Board of Directors, an Audit & Supervisory Board, and an Accounting Auditor, and has established a Nomination Advisory Committee and a Remuneration Advisory Committee.

Governance Topics

Elect specially appointed Executive Officers (Resolution by the Board of Directors on October 1, 2020)

Specially appointed Executive Officers, whether full-time or

part-time, were established to have them demonstrate their superior capabilities by leveraging their specialized knowledge and abundant experience from outside the Company.

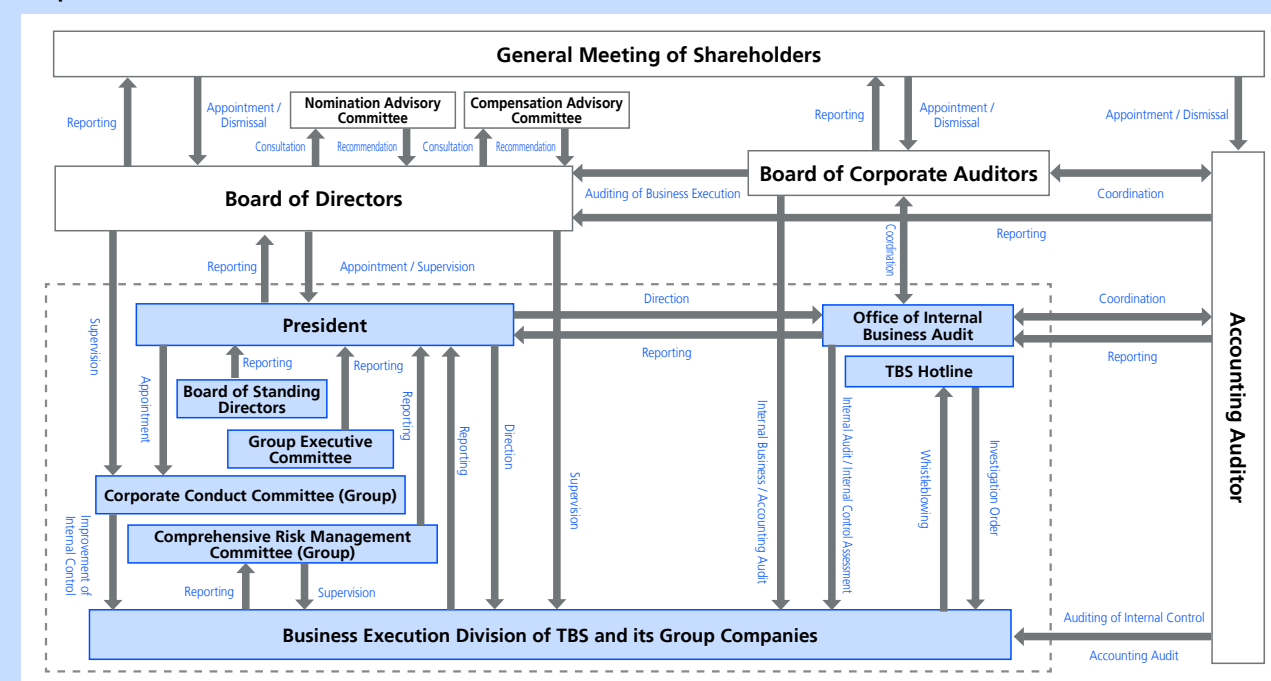
Reorganization of the Nomination & Remuneration Advisory Committee

Members include three Outside Directors as of January 2021 (Three Inside Directors, three Outside Directors; Chaired by an Outside Director).










Introduction of "Restricted Share-based Remuneration System" for Officers' Compensation





The Board of Directors reviewed the Officers' Compensation System and resolved to introduce the "Restricted Share-based Remuneration System," which was approved at the 92nd Ordinary General Meeting of Shareholders. The system provides incentives for Board Directors other than Outside Directors of the Company to improve the continuous corporate value of TBS, and aims to share greater value with shareholders. As a result of the management restructuring in June 2020, we have also introduced the system for Executive Officers.

Corporate Governance Structure (as of June 29, 2021)



Corporate Officers (as of June 29, 2021)

Board Director										
Position	 Shinji Takeda Chairman and Board Director	 Takashi Sasaki President & Representative Director	 Toshiaki Kawai Representative Director	 Tatsuo Sugai Board Director	 Shoichi Watanabe Board Director	 Masaya Chisaki Board Director	 Hitoshi Kashiwaki Independent Outside Director	 Yosuke Yagi Independent Outside Director	 Makoto Haruta Independent Outside Director	
Responsibility	Chair of Board of Directors	Office of Internal Business Audit	Head of Finance Strategy	Head of Growth Strategy	Head of Competitive Strategy General Manager of Multi-Platform Media Division	Head of ESG Strategy				
Concurrent position	<ul style="list-style-type: none"> Chairman & Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. Director, StylingLife Holdings Inc. Director, MBS Media Holdings, Inc. 	<ul style="list-style-type: none"> President and Representative Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Executive Vice President and Board Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Senior Managing Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Managing Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Managing Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Outside Director, ASICS Corporation Outside Director, Matsuya Co., Ltd. Outside Director, Kewpie Corporation 	<ul style="list-style-type: none"> Representative Director, people first, Ltd. Director, ICMG Co., Ltd. Chairman and Director, IWNC Inc., Ltd. Auditor, GE Healthcare Japan Corporation 	<ul style="list-style-type: none"> Representative Director and CEO, betaCatalyst Inc. Adviser, Money Forward, Inc. 	
Biography	<ul style="list-style-type: none"> Division President, Head Office of Sales Division of the Company Director, General Manager of Management Media Division President & Representative Director Chairman & Director, TBS RADIO, Inc. President & Representative Director, BS-TBS, INC. President & Representative Director, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Division President of Finance Division of the Company Division President of Group Managerial Planning Division Division President of Programming Division, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Division President of Technology Division, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Division President of Sales Division, TOKYO BROADCASTING SYSTEM TELEVISION, INC. Division President of Group Managerial Planning Division of the Company 	<ul style="list-style-type: none"> Division President of TV Production Division, TOKYO BROADCASTING SYSTEM TELEVISION, INC. 	<ul style="list-style-type: none"> Division President of President's Office of the Company Division President of Administration Division Division President of Division of Human Resources and Labor 	<ul style="list-style-type: none"> President & Representative Director of Recruit Co., Ltd. (Current Recruit Holdings Co., Ltd.) Outside Director of Suntory Beverage & Food Limited 	<ul style="list-style-type: none"> Director & General Manager of Human Resource Department of GE Yokogawa Medical Systems Ltd. (current GE Healthcare Japan Corporation) Director of GE Japan Inc. Executive Officer & Executive Vice President of JS Group Corporation (current LIXIL Corporation) 	<ul style="list-style-type: none"> Director & Executive Chairman of DeNA Co., Ltd. 	
Appointed as Director	June 2007	June 2015	June 2014	June 2015	June 2018	June 2018	June 2018	June 2020	June 2020	
Number of shares held (as of March 31, 2021)	39,912	39,758	31,322	23,049	12,705	15,198	0	0	0	
Attendance at Board of Directors (FY2020)	13/13 (100%)	13/13 (100%)	13/13 (100%)	13/13 (100%)	13/13 (100%)	13/13 (100%)	13/13 (100%)	10/10 (100%)	10/10 (100%)	
Committee										Ratio of Outside Directors on the committee
Nomination Advisory Committee		○	○			○	○ (Chairman)	○	○	3/6
Compensation Advisory Committee		○	○			○	○ (Chairman)	○	○	3/6
Expertise										
Corporate management	○	○	○				○	○	○	Corporate management
Business strategy	○	○	○	○						Business strategy
Finance and accounting			○						○	Finance and accounting
ESG							○			ESG
Legal and compliance							○			Legal and compliance
Organization and human resources							○	○		Organization and human resources

Corporate Auditor					
					
Position	Standing Statutory Auditor	Standing Statutory Auditor	Auditor	Auditor	Auditor
		<ul style="list-style-type: none"> Advisor, Sumitomo Mitsui Banking Corporation 	<ul style="list-style-type: none"> Lawyer Partner (lawyer), TMI Associates 	<ul style="list-style-type: none"> Certified Public Accountant Director & Chairman, ZECO Partners Inc. 	

Overview of Corporate Governance System

As a system to ensure that board directors' duties are executed in an efficient manner, the Board of Directors meets in principle once a month to make decisions regarding important company business, and to report important matters. In addition, there is in place a Standing Officers Committee which conducts discussions to assist the president in decision-making and company business. This comprises 10 full-time board directors and executive officers (10 males) and meets in principle once a week. This carries out advance discussions of agenda items for the Board of Directors' Meetings, and discusses execution policies for overall business management, including Group operations. Under this are the Budget Committee and Loan Committee, and the Facility Planning Committee. These consider budgets and investments for the Company and the Group, and report these to the Standing Officers Committee. The Compensation Advisory Committee has been established as an advisory body for the Board of Directors to discuss remuneration for Directors.

The Company has set up a system to ensure that the ex-

ecution of duties by board directors is compliant with laws and regulations and with our Articles of Incorporation. (1) It has put forth its corporate philosophy so that the Group can grow as the optimal corporate entity and formulated the "TBS Group Code of Conduct" which serves as a basic pledge to be observed by all officers and employees. The Company has set the "TBS Group Action Standards" as standards towards the concrete implementation of this charter, and we are working to ensure thorough compliance with these. (2) The company has formulated the "TBS Group Basic Policy on Information Disclosure" and is ensuring timely and appropriate disclosure of information, thus striving to fulfill the Group's accountability. (3) In response to inquiries from the Board of Directors, the Special Committee for Corporate Value Evaluation comprising Company outside directors, auditors, and outside experts considers the suitability of policies aimed at maximizing corporate value, and reports the results of deliberations to the Board of Directors.

Group Governance

We have introduced the Group Executive Officer System for Group companies with the aim of expeditiously implementing management strategies, and improving the effectiveness of their business execution. This fiscal year, the presidents of six core companies were appointed.

The Group Executive Committee of TBS Group has been held twice a month since July 14, 2020, comprising directors

of TBS HOLDINGS, INC., Executive Officers responsible for the Group and Group Executive Officers as a body for liaising and consulting between companies, in order to supplement the business execution of the President of TBS HOLDINGS, INC. These meetings have been incorporated as a part of the corporate governance system.

Overview of the "Policy on Responses to Takeover Bids for Company Shares"

At a TBS Board of Directors meeting held on February 28, 2007, the Company formulated a "Policy on Responses to Takeover Bids for Company Shares." At the ordinary general meeting of shareholders held on June 28, 2007, this Policy and its continued application were approved through the approval of a majority of shareholders who were entitled to exercise their voting rights.

This policy was put in place in accordance with the Companies Act and other corporate laws and regulations, governmental guidelines issued by the Ministry of Economy, Trade and Industry and the Ministry of Justice, and rules and regulations issued by the Tokyo Stock Exchange, and as a result of thorough consideration of the impact on shareholders' rights and their exercising, and the impact of Company shares on the market.

This policy is to be automatically renewed for a period of three years unless there is a resolution to abolish it adopted at the ordinary general meeting of shareholders to be held every three years.

An important feature of takeover defense measures is that as long as a purchasing group which has the intent to acquire shares representing 20% or more of the voting rights complies with the policy, a general meeting of shareholders shall in principle be held prior to the implementation of any takeover defense measures (measures to counter takeover bids), and shareholders will be entrusted with the decision as to whether or not to implement such measures.

However, if the Special Committee for Corporate Value Evaluation, an advisory body independent of the Board of Directors, evaluates and examines the takeover proposal and recommends that the takeover defense measures not be exercised, then said countermeasures will not be implemented without waiting for the General Meeting of Shareholders to be convened.

Details of the Policy on Responses to Takeover Bids for Company Shares are available on the TBS company website.

Compliance

Basic Concept Regarding Compliance

The TBS Group is a media company, and as such is aware of its public mission, and is expected to act with high levels of ethics and responsibility. In our corporate activities, as well as complying with laws and regulations and refraining from any wrongdoing, we are constantly striving to act in a fair and upright manner in order that we remain a trusted company. In our broadcast content, we are working to improve our sense of ethics in order that we do not betray the trust of viewers and listeners.

Compliance system

As a core aspect of promoting compliance within the TBS Group, a Compliance Office has been established under the Compliance Division that can provide employees and staff with guidance as to how to prevent violations of laws and regulations, internal rules, ethics, and harassment. In the event there is a problem with compliance, the department in charge works in collaboration with the Division of Human Resources and Labor, seeking advice from outside lawyers if necessary to promptly investigate the problem. There is in place a system to take measures as appropriate, including internal disciplinary action, investigation of causes, and formulation of measures to prevent recurrence.

Internal Training and Seminars

The Division of Human Resources and Labor together with the Compliance Department co-host compliance-related sem-

inars for not only new Group employees but also mid-level staff and managers.

Heightened Broadcast Ethics

In producing programming, the TBS Group creates fair and wholesome content that neither violates the Broadcasting Act and the broadcasting standards of the National Association of Commercial Broadcasters in Japan, nor loses the trust of our viewers. We are constantly working to improve broadcast ethics not just at production venues, but also through ongoing discussions at internal committees and regular meetings.

Internal Reporting Systems

The TBS Hotline has been established in order to purge any sort of fraudulent activity on the part of the TBS Group. This can be used by not only employees and staff of the TBS Group, but also former employees and business partners to report any wrongdoing that they may become aware of. Whistleblower confidentiality is maintained, and they may not be subject to any disadvantageous treatment whatsoever. Points of contact are set up within the company, and also at an external lawyer's office.

Furthermore, separate to the TBS Hotline, the Personnel Department has set up a Harassment Desk which can respond to inquiries at any time regarding sexual harassment and power harassment. If instances of harassment are found, then action will be taken in accordance with employment regulations.

About TBS Broadcasting Standards

TBS recognizes its social responsibility and the public mission inherent to broadcasting. This mission is to fully utilize the characteristics of media to promote and enhance culture, and to contribute to the realization of a peaceful and democratic world, a better social environment, a better global environment, and public welfare. Based upon the principle that the airwaves belong to the people, TBS shall respect basic human rights and public opinion, maintain a fair position, and ensure its autonomy, thereby upholding freedom of expression, enhancing the social benefits from advertising and publicity, and meeting the expectations and trust of the populace. To this end, TBS will organize broadcast programming that meets the following standards.

1. Ensures close cooperation with a wide range of broadcast companies and related parties within Japan and abroad, strives to enhance the content of broadcasts, and works to achieve mutual international understanding.
2. Broadcast programming shall cover the fields of news, culture, education, arts, entertainment, sports, and advertising, and shall strike a good balance taking into consideration the characteristics of the media and broadcasting time.
3. Respects the opinions of the Council of Program Practice, and ensures that broadcast programming is appropriate.
4. Always understands public opinion and viewer requests, and reflects these in broadcast programming.
5. Understands the intentions of advertisers, and strives to improve the effectiveness of advertising.
6. Ensures a fair position regarding political, economic, and other social issues, and when there are conflicting opinions, clarify positions from as many points of view as possible.
7. Does not broadcast content that is counter to social decency or good morals.
8. News programs that are free from interference, that deal with facts in an objective, accurate, and fair manner, and that leverage the characteristics of the airwaves to exhibit mobility and rapidity. There shall be a distinction between news and opinion programming.
9. Educational programming shall enlighten viewers, enhance their knowledge, and serve as a source of information in real life, and when making determinations regarding social issues. Medical and academic programming shall be accurate, in line with scientific evidence, and take a measured tone.
10. When broadcasting educational programming, ensures that the content is beneficial and appropriate for the target audience, and that it is systematic and continuous.
11. Arts, sports, and entertainment programming should provide wholesome enjoyment to viewers, enrich their lives, and enhance their development.
12. Children's programming should foster a healthy common sense and a sense of aesthetics, and not include material that may have a detrimental psychological effect.
13. Advertising shall be truthful, be in accordance with applicable laws and regulations, and have a sense of responsibility towards viewers.
14. If programming is revealed to be untruthful, this shall be promptly corrected or canceled.
15. In addition to as set forth in these standards, JBA Broadcasting Standards shall apply correspondingly.

Risk Management

Group Internal Controls and Risk Management

In order to establish and promote the internal control system within the TBS Group, the Company has established the TBS Group Corporate Action Committee chaired by the President in order to achieve appropriate and efficient business execution and to maintain and increase corporate value as a corporate group. The committee comprises the directors of the Company and the Group, as well as outside committee members (lawyers), and this is responsible for the following matters.

1. Development, evaluation, and improvement of the internal control system
2. Establishment of corporate ethics
3. Risk management and the promotion of appropriate and effective business operations
4. Information disclosure system
5. Advising the Board of Directors for each Group company

Specific methods for risk management are overseen and promoted by the TBS Group Integrated Risk Management Committee which has been established as a subcommittee supervised by the TBS Group Corporate Action Committee. The Integrated Risk Management Committee in principle meets semiannually in April and November, and receives reports regarding risk management for that period.

Specific Methods for Risk Management

This committee identifies individual potential risks reported from TBS HOLDINGS, INC. and Group companies and aggregates these based upon their degree of impact and their frequency with which these materialize. As well as working to visualize risks, if a risk materializes, this makes efforts to control the risk by analyzing why this happened and putting in place improvement measures within each department to prevent its recurrence. Through the steady application of these efforts, the Group as a whole properly addresses these risks, thus hoping to become an organization trusted by customers, stakeholders, society, and our employees.

Main Risks

Risks for the Media Content Business

Reliance on advertising revenue from terrestrial television broadcasting, and the risk of domestic economic fluctuations

Revenue from terrestrial television broadcasting is closely linked to the business performance of advertisers as well as consumer sentiment, and a sense of economic uncertainty means that customers are moving their advertising costs from fixed to variable expenditures.

Competition Between Media/ Competition in Acquiring Content

In addition to terrestrial broadcasting, there is more widespread use of satellite (BS and CS), cable TV, and online streaming services, and competition for viewers' disposable time is intensifying. Sports content is seeing skyrocketing broadcast fees, with increasingly intense competition to acquire quality content.

Investment in and Return from Film and Event Business

The TBS Group plans, produces, and invests in movies as well as owning two theaters in Tokyo at which it plans, produces, and invests in theatrical productions, etc., but there is a risk that business income may fall short of as planned due to unexpected changes in social conditions.

Availability of Usage of Copyrights and Other Intellectual Property Rights

In addition to content for terrestrial broadcasting, the TBS Group also develops content for satellite broadcast and delivery. When doing so, the Group gives full consideration to the rights of the various copyright holders, however if we are unable to receive usage rights from the rights holder, there is the risk of broadcasting being halted, or of us being sued for damages.

Risks of Data Loss and Increased Costs Associated with Capital Expenditures

We are converting the core equipment that supports our broadcast and streaming businesses over to general-purpose equipment. Accordingly, there is the risk of data loss from damage to storage media, as well as the unexpected failure of developed software. Large-scale software development carries with it the risk of unexpected increases in development costs.

Speed of Technical Innovation and Changing Needs

The speed of technical innovation as well as changes to consumer needs have accelerated in recent years, and the technologies and systems that we have developed may become obsolete beyond our initial expectations. Accordingly, it may be necessary to reinvest more than originally planned, and there are risks of impairment of non-current assets and increased depreciation costs.

Security Risks

Cyber attacks are becoming more sophisticated and advanced, and various systems are facing increased security risks every year. There are risks that new security threats may come to light requiring major investment in countermeasures, or that personal information may be leaked.

Lifestyle Business Risks

In addition to changes in consumer preferences and purchasing behavior, skyrocketing distribution and production costs, the Lifestyle Business may also suffer a decrease in profit opportunities as a result of store closures or reduced operation hours, or of a loss in inbound demand brought about by the issuance of emergency declarations because of the spread of the COVID-19 pandemic.

Real Estate Business Risks

The Group owns real estate for rent as well as other assets. Due to the spread of infectious diseases, there is a real possibility of a decline in profitability due to the impact of tenant rent reductions or exemptions resulting from facility closures and shortened hours.

Other Business Risks

Changes in the market value of investment securities may affect our business performance and financial positions. In addition, investment securities with no market value are evaluated appropriately at the end of the fiscal year, however a deterioration in the performance of companies in which we invest means that impairment losses may affect business performance and financial position.

Handling of Personal Information, etc.

The TBS Group holds a large amount of personal information, and given increasingly sophisticated and advanced cyber attacks, there is a risk of its leakage or unauthorized usage. We take great care in the handling of this information, and implement advanced security measures.

Impact of Legal Regulations

TBS is regulated by the Broadcasting Act and other laws as a Certified Broadcasting Holding Company as stipulated by the Broadcasting Act*. Additionally, the television broadcast business is regulated by the Radio Act, the Broadcasting Act, and other laws and regulations.

*Under the Broadcasting Act, the Company may refuse to enter or record any foreign nationals, etc., in the shareholders' register if they will comprise one-fifth or more of the Company's voting rights. Furthermore, if the total percentage of the Company's shares held by such foreign nationals, etc., will exceed 33% of the voting rights, then said foreign nationals, etc., will not have voting rights for that excess portion.

Impact of the COVID-19 Pandemic

In addition to a significant decrease in advertising revenue due to the COVID-19 pandemic, this also had a major impact on the cancellation and postponement of production of programs, sports and other events, and sponsored events. The Lifestyle Business was also significantly impacted in a range of ways, including restrictions on stores sales.

Impact of Climate Change and Disasters

In the event of an actual or potential disaster, broadcasters are obligated under the Broadcasting Act to provide information to prevent or mitigate damage. The broadcast of special emergency news programs should a disaster occur may cause scheduled advertising to be suspended, thus leading to a decrease in revenue.

Dialogue Session Between Chairman and Outside Board Director



Yosuke Yagi

Appointed independent outside Board Director of TBS HOLDINGS, INC. in June 2020. His main writings include *Senryaku Jinji no Vision: Seido de Shibu na, Story wo Katate* (Vision for Strategic HR: Use Stories Rather Than Bureaucracy) and *Mamori no Jinji Kara Seme no Jinji he* (Shifting from Defense HR to Proactive HR).

Shinji Takeda

Chairman & Board Director, TBS HOLDINGS, INC.

In 2020, the TBS Group revamped its Board whereby one-third of its members are now outside directors as part of its efforts to strengthen the Board's effectiveness. At that time, incoming Outside Board Director, Yosuke Yagi, and Chairman & Board Director, Shinji Takeda, sat down to discuss governance at TBS.

TBS viewed from the outside and TBS viewed from the inside

Takeda One year has passed since you were appointed Outside Board Director, Mr. Yagi. Has your view of TBS changed during this time?

Yagi Yes, it has. I had a very flashy impression of the company since its part of the television industry, but since my appointment I've found that TBS is working diligently on a number of things. I was surprised at the very serious discussions taking place. However, in terms of governance, I found that the company was very male-dominated with few women. Although, this is something that I expected.

Takeda This is one of our most important issues.

Yagi When you asked me (to become a Board Director) I thought you were looking for a global viewpoint and I feel like TBS can globalize itself a little more.

Takeda I'm aware that our ratio of overseas sales is low even after adding StylingLife Holdings, Inc. to our corporate portfolio. We've held a number of discussions under TBS Group VISION 2030 and cited "global" as one of the pillars of our growth strategies.

Yagi When I lived abroad I found that there was a lack of options in terms of Japanese broadcasters, so I felt like I wanted to change this situation. Today, Japan is losing its confidence, but more than three centuries ago Japan came up with the concept of "sanpo-yoshi (three-way satisfaction)," which advocated benefits to the seller, buyer and local community. This shares similarities with the SDGs today. Japanese companies have good qualities that should be showcased to the world and I really hope that TBS can pave the way in the field of media.

Takeda Conversely, do you feel there are any "vestiges of a bygone area" within TBS?

Yagi Having participated in board meetings, I feel like the discussions are a little bland. The board is very diverse, so discussions should be livelier, more open and franker. Outside Board Members contribute to discussions without hesitation, so if we can communicate more effectively with Internal Board Directors, it will be very beneficial in terms of governance.

What is the level of governance at TBS?



Takeda Mr. Yagi, as you've been involved with the management of many companies, including non-Japanese companies, how do you evaluate the extent of TBS's governance?

Yagi TBS has a proper Nomination Committee and Board of Auditors, which provides a sense of formality, but to me discussions are more important than formality. I feel TBS is conducting quality, substantial discussions, and therefore, the company has a high level of governance. I believe governance refers to the sound development of a company. Defensive governance, which entails compliance and avoids illegal activities, is the basis. However, I also personally feel there's too much emphasis on defense.

Seeing the current condition of fewer and fewer sound Japanese companies, I think TBS should probably put more effort into "expansion." I noticed that the TBS Group VISION

2030 and the TBS Group Medium-Term Management Plan 2023 have placed an emphasis on how to convey to stakeholders the message of perhaps not quite "proactive" but "we'd like to use these strengths of ours to further expand." I believe it takes governance in doing so.

Takeda Are you saying that we should be more edgy if we are to focus on content as a group of creators?

Yagi Speaking of global expansion, this should not stop at taking Japanese-made content overseas, but rather more actively appeal to the strengths and capabilities as Japanese media. Don't be satisfied with second best in viewer ratings; always strive to be the best in Japan, but also realize there's the whole wide world ahead. Without this frame of mind, TBS will not be able to embrace challenges.

As an in-house university, TBS Group University (TGU) (details on page 43) serves as a strong statement to show intent of the company in terms of enhancing management and governance. I believe people are the most important intangible assets of a company. This comes across as a display of intent to grow the comprehensive abilities of TBS, aside from its financial assets.

The "people" and "top successor candidates" of TBS

Takeda What kind of people do you think are needed as successors to top management at TBS and each Group company?

Yagi No matter how much experience one has, if they do only what's told, they will not become someone who takes the initiative on their own. I think the basis is thinking about how to foster someone who has repeatedly asked themselves what they'd like to accomplish once they've reached the top, and has come up with a resolution. I think TBS has

already taken off from that start line. Anyone would take on a challenge with over a 50% of success rate, but I think it is important to cultivate top candidates who possess a strong conviction and decisive strengths to take on risks with only a 5% chance of success. I feel succession is having about three people in the candidate pool when it is time to replace the president. If TBS achieves this, it should be able to drastically improve the quality of management.

Reasons for paying attention to brain science/AI and management

Takeda Mr. Yagi, I hear that you have become interested in brain science lately.

Yagi That's right. We are beginning to understand when people feel motivated, and how to get more dopamine release as it comes with money, but also disappears fast. We are also looking into how to handle and overcome unconscious bias when it comes to promoting diversity and inclusion.

Besides brain science, I feel that companies won't be able to thrive if it doesn't incorporate what is known about things like AI into the management. Companies are paying attention to how to develop deep learning* and to apply it in management. Some companies in the U.S. have already started this. While TBS utilizes AI for what it is good at, it is important to distinguish our management by identifying the

values unique to people, as something that AI cannot achieve.

In this day and age, a leader cannot make decisions on their own. Therefore, it is important to develop a culture where each employee focuses on the latest happenings in the world with a sense of curiosity and fosters open discussion and communication. It is crucial for the leadership of each person and the decision making from top management to fit together well.



* Deep learning: The technology of automatically identifying features from a large amount of data by a computer without human manual processing. This is the core algorithm of artificial intelligence (AI). Applications that apply to non-numerical data, such as image classification, voice recognition, object detection, and content description, have been put into practical use in many fields, while research and implementation are also in progress in business.

This dialogue was conducted and recorded on Monday, May 17, 2021. The transcription is provided using Mojiko (details on page 45), an AI-voice recognition-based transcription system developed by TBS.

Analysis of Financial Position and Business Results (MD&A)

[Business Results]

Performance Highlights

During FY2020, the Japanese economy experienced a significant impact from the COVID-19 pandemic worldwide, and business conditions deteriorated rapidly after the declaration of a state of emergency in April. After the declaration was lifted in May, the economy showed some signs of recovery supported by the Japanese government's financial measures. However, the infection spread again in January, and the state of emergency has been declared several times since then, thus the outlook still remains uncertain.

Under such circumstances, total advertising expenditures in Japan amounted to ¥6,159.4 billion (down 11.2% year on year), marking the first negative growth in nine years since 2011, the year of the Great East Japan Earthquake (based on "Japan's advertising expenditures for calendar 2020," released by Dentsu). Of which, terrestrial TV advertising expenditures accounted for ¥1,538.6 billion (down 11.3% year on year), satellite media-related expenditures accounted for ¥117.3 billion (down 7.4% year on year), and radio advertising expenditures accounted for ¥106.6 billion (down 15.4% year on year). On the other hand, online advertising expenditures increased from the previous year to ¥2,229 billion (up 5.9% year on year).

The TV advertising market remained very challenging, with spot advertising expenditures in the Kanto region at a year-on-year rate of 86.4%.

Against this backdrop, the TBS Group's consolidated net sales for FY2020 (Figure 1) totaled ¥325.682 billion (down 8.7% year on year) due to a significant decrease in time and spot commercial sales revenue. In addition, the infection spread of COVID-19 has led to the cancellation, postponement, and restricted admission of events, resulting in a decrease in box office sales.

Operating expenses (sum of cost of sales and selling, general and administrative expenses) totaled ¥314.840 billion (down 8.4% year on year) due to a reactionary decline in production costs and broadcasting rights fees related to one-off major sports events in the previous fiscal year and a decrease in advertising agency commissions.

As a result, operating profit (Figure 2) reached ¥10.841 billion (down 17.3% year on year). Ordinary income totaled ¥19.233 billion (down 9.6% year on year), mainly due to a decrease of dividends received, and net income attributable to owners of parent (Figure 3) totaled ¥28.072 billion (down 7.0% year on year), mainly due to a gain on sales of investment securities as extraordinary income.

Figure 1 Net sales

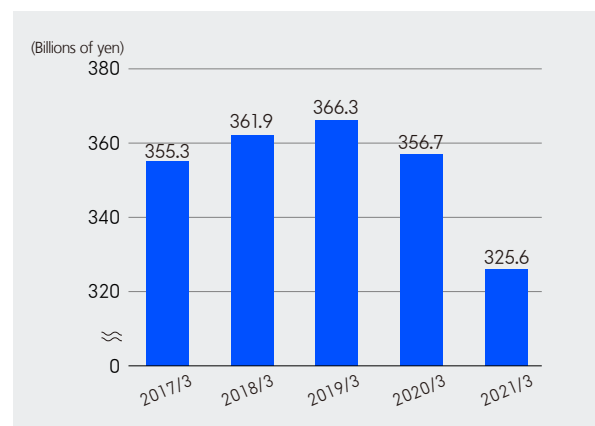


Figure 2 Operating profit/ Ratio of operating profit to net sales

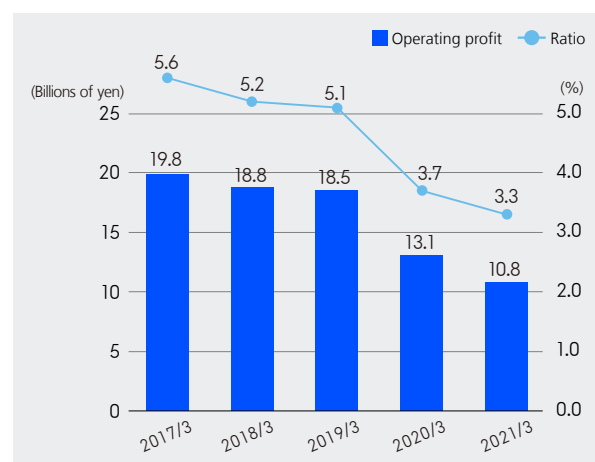
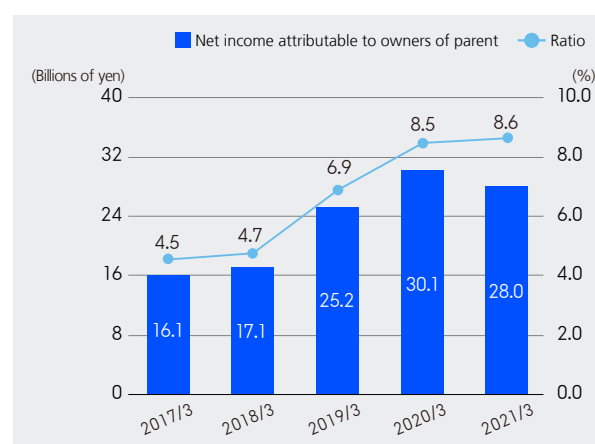


Figure 3 Net income attributable to owners of parent/ Ratio of net income to net sales



Performance by Segment

Media Content Business Segment

The Media Content Business segment reported net sales of ¥253.778 billion (down 6.1% year on year) and operating profit of ¥2.881 billion (up 19.6% year on year) in FY2020 (Figure 4).

Net sales in the Television division of TOKYO BROADCASTING SYSTEM TELEVISION, INC. for FY2020 decreased ¥13.936 billion to ¥168.147 billion (down 7.7% year on year). Of these, time sales revenue totaled ¥78.467 billion (down 10.0% year on year), spot sales revenue totaled ¥69.879 billion (down 11.9% year on year), and content sales revenue, which advertising revenue earned through domestic broadcast syndication and free video streaming, totaled ¥15.870 billion (up 45.7% year on year). In terms of time revenue, in addition to the reaction to "IAAF World Championships Doha 2019" in the previous year, sales declined significantly due to a series of cancellations and postponements of large-scale one-off events, mainly sports programs, led by the postponement of "Tokyo 2020 Olympic Games" due to the spread of COVID-19, as well as sluggish regular sales. In the spot advertising market, the share of five stations increased to 19.7% (up 0.4 points year on year), but the market conditions remained harsh, as advertisers in the Kanto area dropped 13.6% from the previous year, resulting in a year-on-year decline. Content revenue saw a significant increase in both free and paid video streaming, capturing the demand for "stay-at-home" that has increased due to changes in lifestyles since the declaration of a state of emergency.

Net sales in the business division of TOKYO BROADCASTING SYSTEM TELEVISION, INC. for FY2020 decreased ¥6.862 billion to ¥18.441 billion (down 27.1% year on year).

For events, concerts and stage performances, sales decreased significantly due to continued admission restrictions as a measure against the spread of COVID-19 even after the declaration was lifted. In the film business, *Threads - Our Tapestry of Love* and the *Hinatazaka46 documentary Movie: Debut after 3 years* had a long run, but the sales fell short of the revenue scale compared to the year-ago period. In the overseas business, although there were some signs of improvement in market conditions, mainly in the Asian market, sales dropped as market conditions remained severe.

In the media business, sales increased in the CS business thanks to improved channel unit prices from various platforms, but, overall sales decreased due to the transfer of the streaming business to the Television division. The licensing business recorded an increase in sales thanks to strong demand for shopping programs and DVDs, and hit products related to high-rating dramas such as *MIU404*.

Net sales of BS-TBS, INC. for FY2020 decreased ¥1.475 billion to ¥15.374 billion (down 8.8% year on year) due to a decline in one-off sports event programs impacted by the spread of COVID-19 and sluggish regular sales.

Net sales of TBS RADIO, Inc. for FY2020 decreased ¥1.074 billion to ¥8.492 billion (down 11.2% year on year) in the midst of a difficult radio advertising market.

In terms of expenses, in addition to a significant decrease in production costs due to the cancellation or postponement of program recordings as a result of the spread of COVID-19, the business division also saw a decrease in expenses due to the cancellation of events and performances.

As a result, operating profit (Figure 4) in the segment increased ¥471 million to ¥2.881 billion (up 19.6% year on year).

Share of consolidated net sales by segment (FY2020)

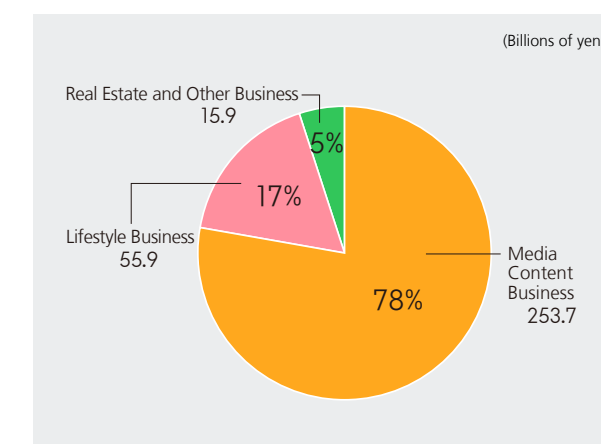
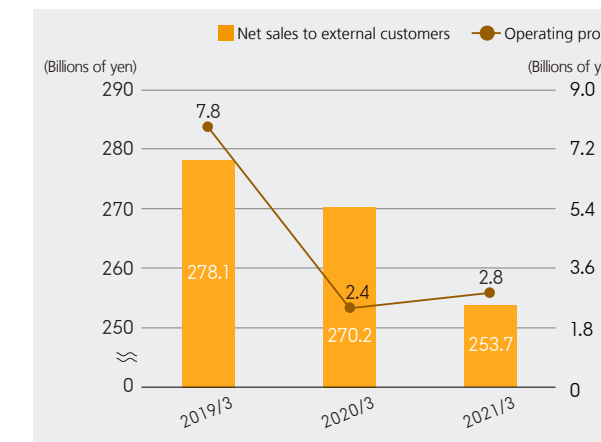


Figure 4 Net sales/Operating profit by segment (Media Content Business)



Analysis of Financial Position and Business Results (MD&A)

◆ Lifestyle Business Segment

The Lifestyle Business segment reported **net sales** of ¥55.983 billion (down 20.0% year on year) and **operating profit** of ¥281 million (down 89.8% year on year) in FY2020 (Figure 5).

StylingLife Group saw increases in both sales and profit in the mail-order business LightUp Shopping Club Inc. thanks to the expansion of demand for stay-at-home. However, both sales and profits decreased significantly due to the significant impact of temporary closures and shortened business hours at stores in the core retail business, PLAZASTYLE COMPANY.

◆ Real Estate and Other Business Segment

The Real Estate and Other Business segment reported **net sales** of ¥15.920 billion (down 3.6% year on year), and **operating profit** of ¥7.679 billion (down 3.3% year on year) in FY2020 (Figure 6).

Looking at income, sales decreased due to a drop in the occupancy of Akasaka Biz Tower caused by the infection spread of COVID-19. As for expenses, profit decreased although expenses remained under control by shortening business hours.

Figure 5 Net sales/Operating profit by segment (Lifestyle Business)

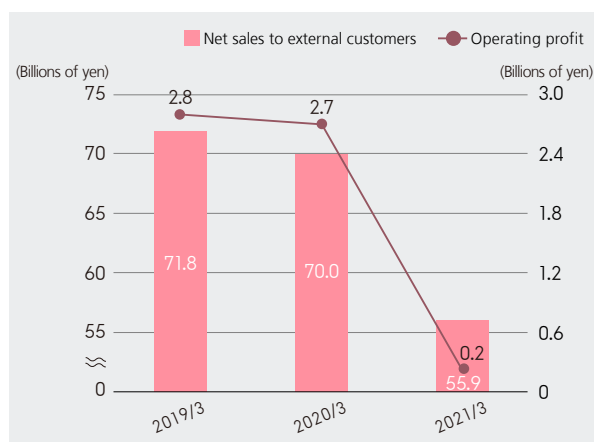
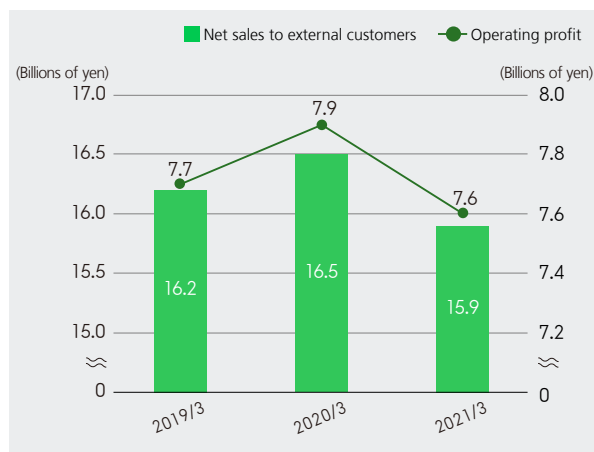


Figure 6 Net sales/Operating profit by segment (Real Estate and Other Business)



[Financial Position]

Total assets at the end of FY2020 (Figure 7) stood at ¥1,100.223 billion, an increase of ¥317.199 billion compared to the end of FY2019. Factors were that cash and deposits increased by ¥30.702 billion, property, plant and equipment increased by ¥21.213 billion mainly due to an increase in land, while investment securities increased by ¥266.615 billion mainly due to an increase in unrealized gains on shares held.

Total liabilities stood at ¥305.338 billion, an increase of ¥114.245 billion compared to the end of FY2019. Factors were that income taxes payable increased by ¥5.891 billion, long-term loans payable (including the current portion) increased by ¥25.8 billion due to the financing and repayment of borrowings, and deferred tax liabilities increased by ¥83.731 billion due to an increase in the fair value of shares held, while accounts payable decreased by ¥2.071 billion.

Total net assets stood at ¥794.884 billion, an increase of ¥202.953 billion compared to the end of FY2019. Factors were that retained earnings increased by ¥22.572 billion because of the recording of net income attributable to owners of parent and payment of dividends as well as valuation difference on available-for-sale securities increased by ¥182.609 billion.

As a result, the **equity ratio** (Figure 8) reached 71.0%, and net assets per share equaled ¥4,575.61.

[Cash Flows]

Cash and cash equivalents at the end of FY2020 totaled ¥116.061 billion, an increase of ¥31.002 billion compared to the end of FY2019. Each cash flow and their factors were as follows:

Cash Flows from Operating Activities

Net cash provided by operating activities (Figure 9) stood at ¥22.713 billion (compared to ¥21.406 billion provided in the previous fiscal year). Positive factors included income before income taxes of ¥44.176 billion, depreciation of ¥14.751 billion, and interest and dividend income of ¥8.872 billion, while negative factors included gain on sales of investment securities of ¥29.751 billion and income taxes paid of ¥14.062 billion.

Figure 7 Total assets/Net assets

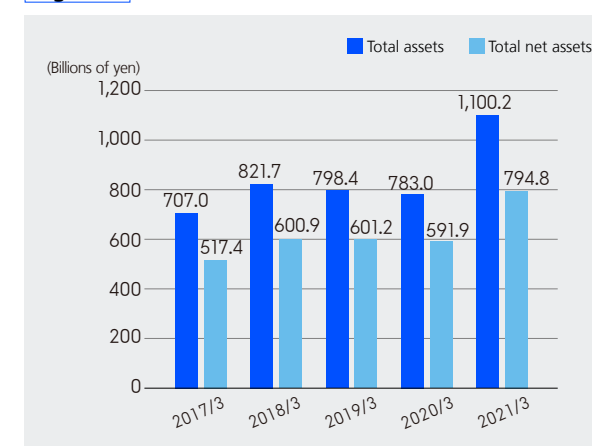


Figure 8 Equity ratio

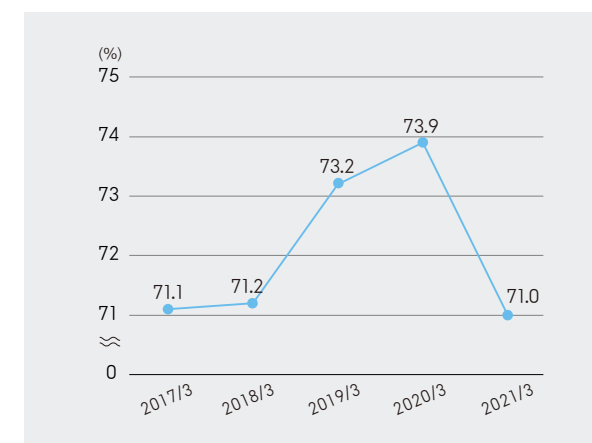
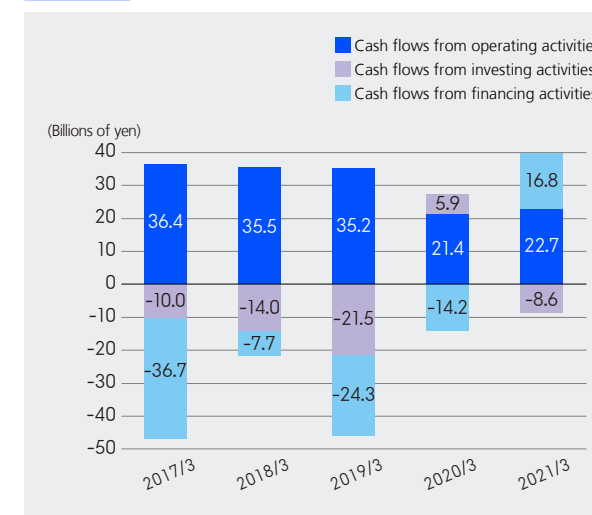


Figure 9 Cash flows from each activity



Analysis of Financial Position and Business Results (MD&A)

Cash Flows from Investing Activities

Net cash used in investing activities (Figure 9) stood at ¥8.618 billion (compared to ¥5.962 billion provided in the previous fiscal year). Major factors included proceeds from sales of investment securities of ¥33.05 billion, purchase of property, plant and equipment of ¥38.814 billion, and purchase of shares in subsidiaries and associates of ¥3.026 billion.

Cash Flows from Financing Activities

Net cash provided by financing activities (Figure 9) stood at ¥16.898 billion (compared to ¥14.202 billion used in the previous fiscal year). Major factors included proceeds from long-term loans payable of ¥27 billion, repayment of long-term loans payable of ¥1.2 billion, purchase of treasury shares of ¥2.605 billion, and cash dividends paid of ¥5.491 billion.

[Financing]

Cash flows from operating activities for FY2020 exceeded that of the previous year by ¥1.3 billion, with ¥33 billion in proceeds from sales of investment securities and ¥27 billion in proceeds from long-term loans payable. In addition, cash on hand increased by ¥31 billion due to the posting of ¥38.8 billion in purchase of property, plant and equipment. Short-term capital expenditures and strategic investments are now expected to be financed by cash on hand and full-year operating cash flows.

[Capital Expenditures]

Capital expenditures for FY2020 (Figure 10) which include intangible assets but exclude asset retirement obligations, totaled ¥39.946 billion. Capital expenditures by reportable segment were as follows:

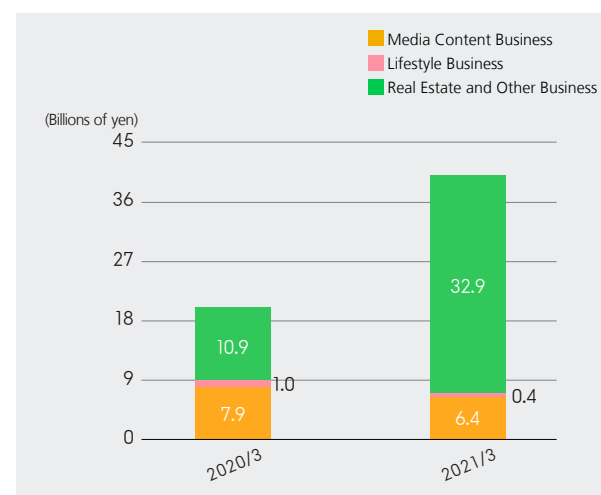
◆ Media Content Business

Capital expenditures totaled ¥6.481 billion.

Major items included ¥2.243 billion in broadcasting equipment for TBS Broadcast Center, including studio equipment for TBS Television, ¥600 million in shopping system construction for TBS GLOWDIA, Inc., and renewal of other general facilities.

There was no disposal or sale of important facilities in FY2020.

Figure 10 Capital expenditures by segment



◆Lifestyle Business

Capital expenditures totaled ¥480 million.

Major items included ¥362 million for store facilities of PLAZASTYLE COMPANY, and renewal of other general facilities.

There was no a disposal or sale of important facilities in FY2020.

◆Real Estate and Other Business

Capital expenditures totaled ¥32.984 billion.

Major items include ¥29.61 billion related to TBS's Akasaka Entertainment City Plan, ¥2.003 billion for the renewal of TBS Broadcast Center access equipment, and renewal of other general facilities.

There was no disposal or sale of important facilities in FY2020.

[Research & Development]

The TBS Group devotes its lifework to providing high-quality and diverse services to the people over the public airwaves. In addition, we are researching and developing new program production, transmission, and broadcasting technologies to contribute to the practical use of next-generation digital broadcasting.

The R&D activities by reportable segment for FY2020 were as follows:

◆Media Content Business

Our main R&D activities include developing (1) a remote presence system using a conference system development framework, (2) a 3D/CG system and viewing web application using aerial photogrammetry, and (3) a live broadcasting subtitled system using voice recognition AI technology and touch panel operation. As for (1) in particular, the system provides real-time and highly flexible production for remote presence on programs. As such, we expect that it will be of great use in the future as a new type of entertainment solution for the With and Post COVID-19 era.

R&D expenses totaled ¥43 million.

◆Lifestyle Business

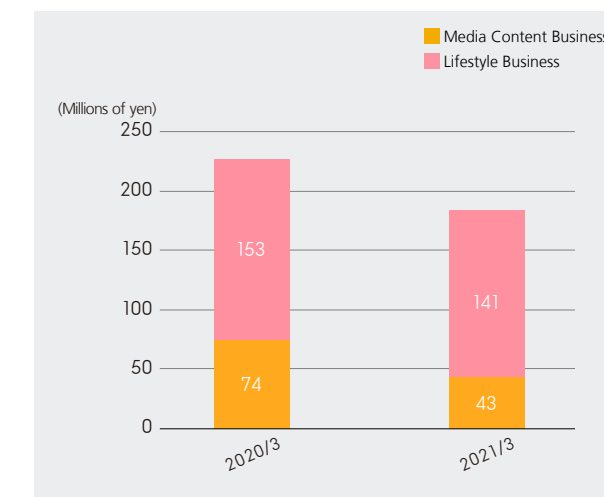
We endeavor to research ideal skincare for modern women, plan new product concepts from the perspective of consumer needs, marketability, and differentiation from competitors, and develop unique products based on the planned product concepts. As for basic research, we are primarily engaged in the development of new raw materials. We also conduct joint research with external research organizations to ensure the effective application of advanced research.

R&D expenses totaled ¥141 million.

◆Real Estate and Other Business

There was no specific research and development activity.

R&D expenses by segment



Financial and Non-Financial Data for the Past 10 Years

Millions of yen

	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3
Consolidated Financial Data										
Fiscal Year:										
Net sales	346,538	352,351	354,338	347,817	348,539	355,363	361,954	366,353	356,796	325,682
Gross profit	102,451	107,164	108,839	106,665	107,072	113,296	113,750	115,728	107,008	95,418
Selling, general and administrative expenses	90,288	90,975	93,142	90,936	89,893	93,417	94,949	97,156	93,904	84,576
Operating profit	12,162	16,188	15,696	15,728	17,179	19,878	18,800	18,572	13,103	10,841
Ordinary income	14,313	17,671	18,096	18,915	22,678	26,207	26,923	28,835	21,274	19,233
Net income attributable to owners of parent	11,671	9,173	9,644	12,811	14,497	16,136	17,182	25,205	30,174	28,072
Cash flows from operating activities	30,072	28,156	23,038	27,851	32,337	36,485	35,536	35,215	21,406	22,713
Cash flows from investing activities	(5,731)	(13,649)	(11,326)	(2,326)	(8,956)	(10,078)	(14,028)	(21,588)	5,962	(8,618)
Cash flows from financing activities	(16,993)	(25,475)	(23,567)	(25,242)	(5,326)	(36,718)	(7,730)	(24,387)	(14,202)	16,898
Free cash flows	24,341	14,507	11,712	25,525	23,381	26,407	21,508	13,627	27,368	14,095
At year-end:										
Total assets	555,159	559,626	579,039	653,732	649,970	707,063	821,737	798,481	783,024	1,100,223
Current assets	146,368	139,130	130,262	131,127	149,478	145,479	155,660	144,192	158,800	190,053
Cash and cash equivalents at end of period	78,801	68,031	56,312	56,728	74,734	67,391	81,129	72,033	85,059	116,061
Non-current assets	408,790	420,496	448,777	522,604	500,492	561,583	666,076	654,289	624,223	910,170
Liability	232,561	215,152	193,068	197,613	191,762	189,633	220,786	197,189	191,093	305,338
Current liabilities	95,156	96,090	83,117	63,072	95,278	77,231	93,382	80,099	81,021	86,176
Non-current liabilities	137,405	119,062	109,951	134,541	96,483	112,402	127,403	117,090	110,072	219,162
Net assets	322,597	344,473	385,971	456,118	458,208	517,430	600,950	601,291	591,931	794,884
Key Performance Indicators (%)										
Net sales growth rate	1.1	1.7	0.6	(1.8)	0.2	2.0	1.9	1.2	(2.6)	(8.7)
Operating profit growth rate	57.8	33.1	(3.0)	0.2	9.2	15.7	(5.4)	(1.2)	(29.4)	(17.3)
Ratio of operating profit to net sales	3.5	4.6	4.4	4.5	4.9	5.6	5.2	5.1	3.7	3.3
Net income attributable to owners of parent	3.4	2.6	2.7	3.7	4.2	4.5	4.7	6.9	8.5	8.6
ROE	3.6	2.9	2.8	3.2	3.3	3.4	3.2	4.3	5.2	4.1
ROA	2.5	3.2	3.2	3.1	3.5	3.9	3.5	3.6	2.7	2.0
Equity ratio	55.5	58.7	63.3	66.7	68.3	71.1	71.2	73.2	73.9	71.0
Total assets turnover	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.4
PER	16.5	23.4	19.5	19.2	21.0	21.5	22.9	14.0	8.7	13.2
Payout ratio	20.1	29.9	31.0	27.8	30.1	30.3	30.5	22.9	17.2	18.3
Per Share Data (yen)										
Annual dividend per share	15.00	18.00	19.00	22.00	25.00	28.00	30.00	33.00	30.00	30.00
EPS	74.71	60.27	61.22	79.12	83.12	92.46	98.38	144.31	173.28	164.32
BPS	2,025.89	2,158.00	2,263.65	2,689.56	2,545.60	2,878.29	3,349.52	3,347.03	3,356.30	4,575.61

Non-financial Data

Number of employees (Year-end)	5,271	5,234	5,634	5,585	5,641	5,610	5,552	6,090	6,155	6,134
CO ₂ emissions (tons)*	27,242	26,952	26,019	25,336	24,525	24,123	23,235	21,916	20,054	18,267
CO ₂ reduction (tons)*	4,554	4,844	5,777	6,460	7,271	7,673	8,561	9,880	11,742	13,529
CO ₂ reduction rate (%)*	14.3	15.2	18.2	20.3	22.9	24.1	26.9	31.1	36.9	42.5
Recycling rate (%)*	71.6	73.7	72.7	72.2	67.5	67.8	70.7	68.4	71.3	72.3
Tap water usage (m ³)*	102,090	100,392	103,508	98,972	97,322	80,258	73,558	73,840	74,759	53,855
Groundwater usage (m ³)*	118,840	109,322	115,897	102,169	106,967	102,376	96,064	99,032	96,254	75,526
Percentage of male employees taking childcare leave (%)**	—	—	—	—	—	—	—	7.5	18.2	—
Percentage of female employees taking childcare leave (%)**	—	—	—	—	—	—	—	100.0	100.0	—
Ratio of female managers (%)***	9.9	9.7	10.2	10.1	10.4	11.2	11.4	12.5	13.2	13.5

*Only in TBS Broadcast Center (Broadcast Center + Cultural Facilities Building)

** TBS HOLDINGS, INC. + TOKYO BROADCASTING SYSTEM TELEVISION, INC.

*** As of February 1, TOKYO BROADCASTING SYSTEM TELEVISION, INC.

Company and Investor Information

Company Profile (as of March 31, 2021)

Name	TBS HOLDINGS, INC.
Date Established	May 1951
Head Office	5-3-6 Akasaka, Minato-ku, Tokyo 107-8006 Japan (+81) 3-3746-1111 (main)
Number of Employees (consolidated)	6,134
Total Number of Shares Issued	174,709,837 shares (including treasury stock)
Minimum	100 Shares
Number of Shareholders	10,789
Listing	First Section of Tokyo Stock Exchange
Closing Date	March 31
Ordinary General Meeting of Shareholders	Held in June
Administrator of Shareholders' Registry	Mitsubishi UFJ Trust and Banking Corporation
Capital	¥ 54,986,892,896
Securities Code	9401
URL	https://www.tbsholdings.co.jp/en/
Accounting Auditor	KPMG AZSA LLC



External Assessments

Awards

Programs and Services	Name of Award
Mojiko (Transcription web editor)	Progress and Development Award, Institute of Image Information and Television Engineers Technical Development Award, Motion Picture and Television Engineering Society of Japan Minister of Economy, Trade and Industry Award; Motion Picture and Television Engineering Society of Japan Award 2020 Information Technology Award (Management Area)
The 61st Japan Record Awards, Staging with LiDAR Sensors	Content Technology Award, Institute of Image Information and Television Engineers
Development of the TBS MEDIABOX System	Technology Committee, Japan Commercial Broadcasters Association Award for excellence program
Harusuke (Digital signage software)	2020 Information Technology Award (Collaboration Area)
News documentary, <i>SCRATCH: Discrimination in the Heisei era</i> (TBS Radio, RKB Mainichi Broadcasting System)	Special Jury Award, Asia-Pacific Broadcasting Union (ABU)
Branding Initiatives at TBS	Japan Branding Awards 2020 Winners
Sunday Theater, <i>NAOKI HANZAWA</i>	AMD Award, Association of Media in Digital, AMD Chairman Award
Mojipa (Real-time subtitle broadcasting using voice recognition AI)	Content Technology Award, Institute of Image Information and Television Engineers
Senrigan (Video Preview System from Outside)	Progress and Development Award, Institute of Image Information and Television Engineers
JAPAN NEWS NETWORK, 40 Years of History and the Future	Press Activity Division Committee, The Galaxy Grand Prix for the best program
Friday Drama, <i>Story of My Family</i> (TBS Television, TBS SPARKLE, Inc.)	TV Division Committee, Galaxy Awards for outstanding programs
Friday Drama, <i>MIU404</i> (TBS Television, TBS SPARKLE, Inc.)	TV Division Committee, Galaxy Awards for programs highly recommended

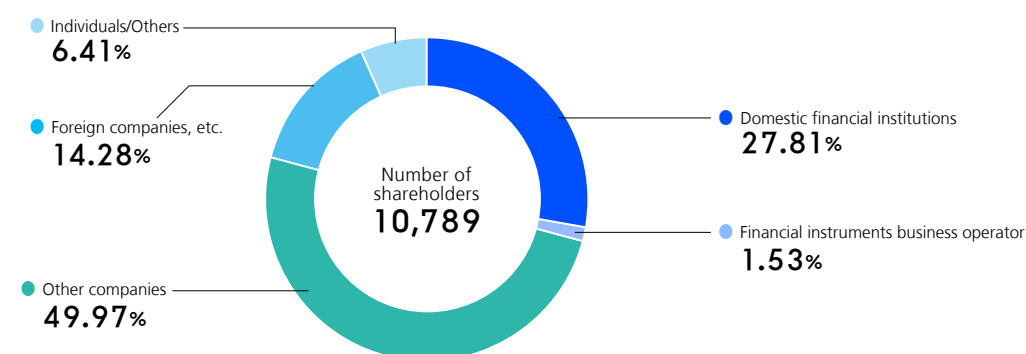
Stock Information

Major Shareholders (March 31, 2021)

Shareholder Name	Number of Shares Held (thousand)	Percentage (%)*
The Master Trust Bank of Japan, Ltd.	21,369	12.51
Custody Bank of Japan, Ltd.	15,384	9.00
MBS Media Holdings, Inc.	8,848	5.18
Mitsui Fudosan Co., Ltd.	5,713	3.34
NTT DOCOMO, INC.	5,713	3.34
Nippon Life Insurance Company (Standing agent: The Master Trust Bank of Japan, Ltd.)	5,006	2.93
Mitsui Fudosan Co., Ltd. (Standing agent: Custody Bank of Japan, Ltd.)	4,288	2.51
BIC CAMERA INC.	4,190	2.45
Panasonic Corporation	3,813	2.23
Kodansha Ltd.	3,771	2.20

*Percentage of shares held to total number of shares issued (excluding treasury stock)

Percentage of Shares Held



Trends in Share Price (yen)



	2016	2017	2018	2019	2020
Total shareholder return (%)	115.6	132.7	121.4	93.2	133.2
Max. (yen)	2,106	2,920	2,573	2,183	2,470
Min. (yen)	1,265	1,825	1,612	1,232	1,390

TBS HOLDINGS, INC.

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(+81) 3-3746-1111 (main)



<https://www.tbsholdings.co.jp/en/>
