

## 3Q FY2017 Earnings Summary Q&A (Nine Months Ended December 31, 2017)

**Q** The income in the consolidated results for the third quarter of fiscal 2017 has already surpassed the figures announced for the fiscal year, so do you expect income to decline in the fourth quarter (January-March)?

**A** We plan to deliver high quality content such as major music live concerts and sport events from January onward. We expect income to decline for such content would increase expenses.

**Q** What projects are you planning with WOWOW Plus (formerly Imagica TV) and Actvila, which WOWOW INC. has acquired in 2017?

**A** We are offering original content such as DramaW to subscribers of the basic channels operated by WOWOW Plus to generate their interest to WOWOW's content and our channels. We are also optimizing our marketing through joint promotion of the 90th Academy Awards, etc.  
Specifically with Actvila, in order to develop a new television service linking broadcast and internet transmission, we are currently undertaking demonstration experiment for IP simulcast in 4K and 2K livestream services for television using Hybridcast.\*

**Q** Please share your thoughts on the fierce competition in the audio-visual internet transmission (or SVOD) service market.

**A** We keep an eye out on trends in customers' viewing styles, however at this point we see no major impact on our business. Nowadays, audio-visual internet transmission (or SVOD) service providers are focusing on creating their own original content, however we intend to continue to work with great creators to offer distinguished high quality content that sets us apart from the others and leads the whole industry so that WOWOW would be the one that will be chosen by the customer.

\*Technology linking broadcast and internet transmission, which enables to display an enriched information on TV screen through Internet.