

Earnings Results for FY 2014

(Fiscal year ended March 31, 2015)

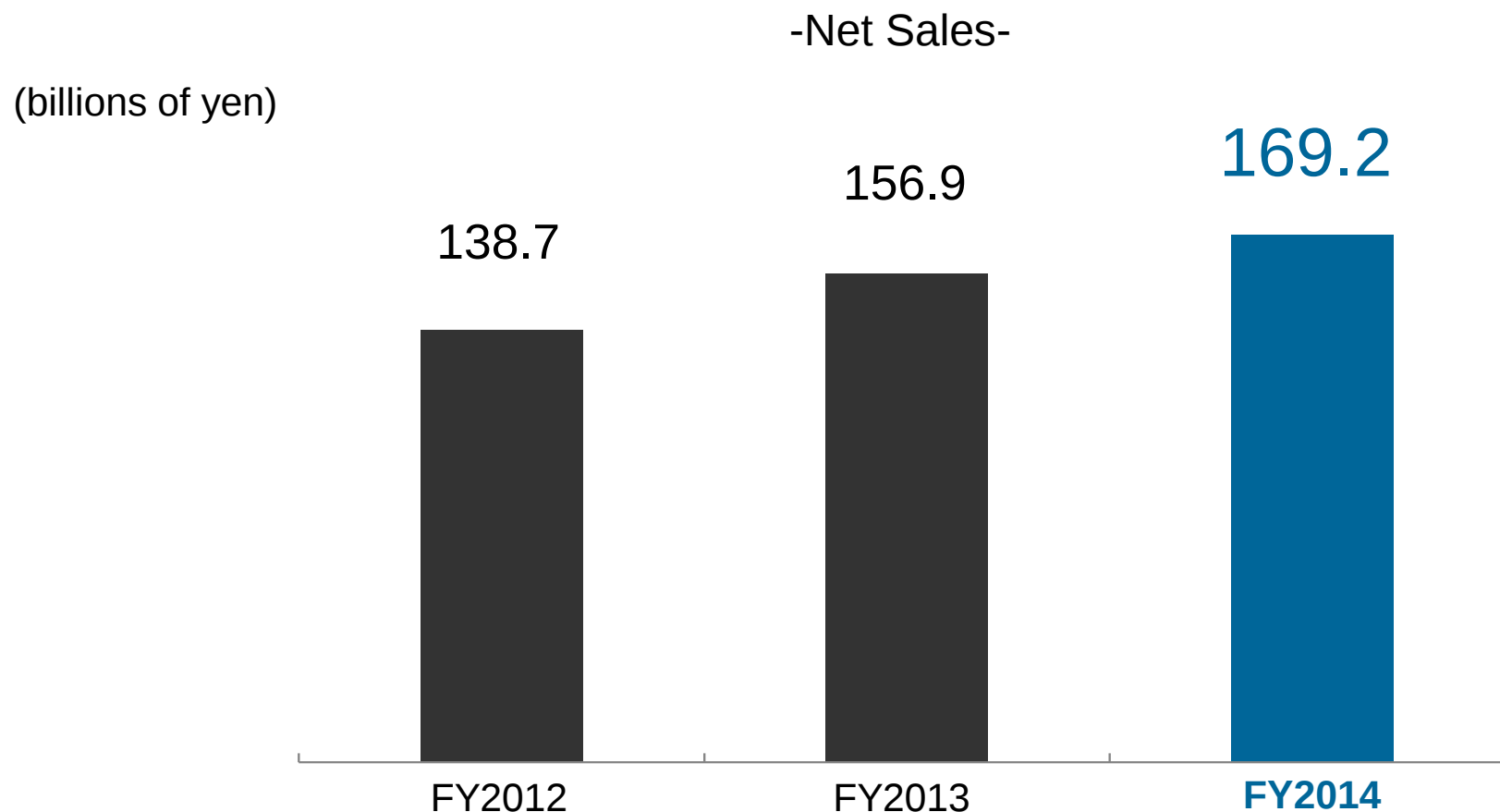
May 14, 2015

7860 : Avex Group Holdings Inc.

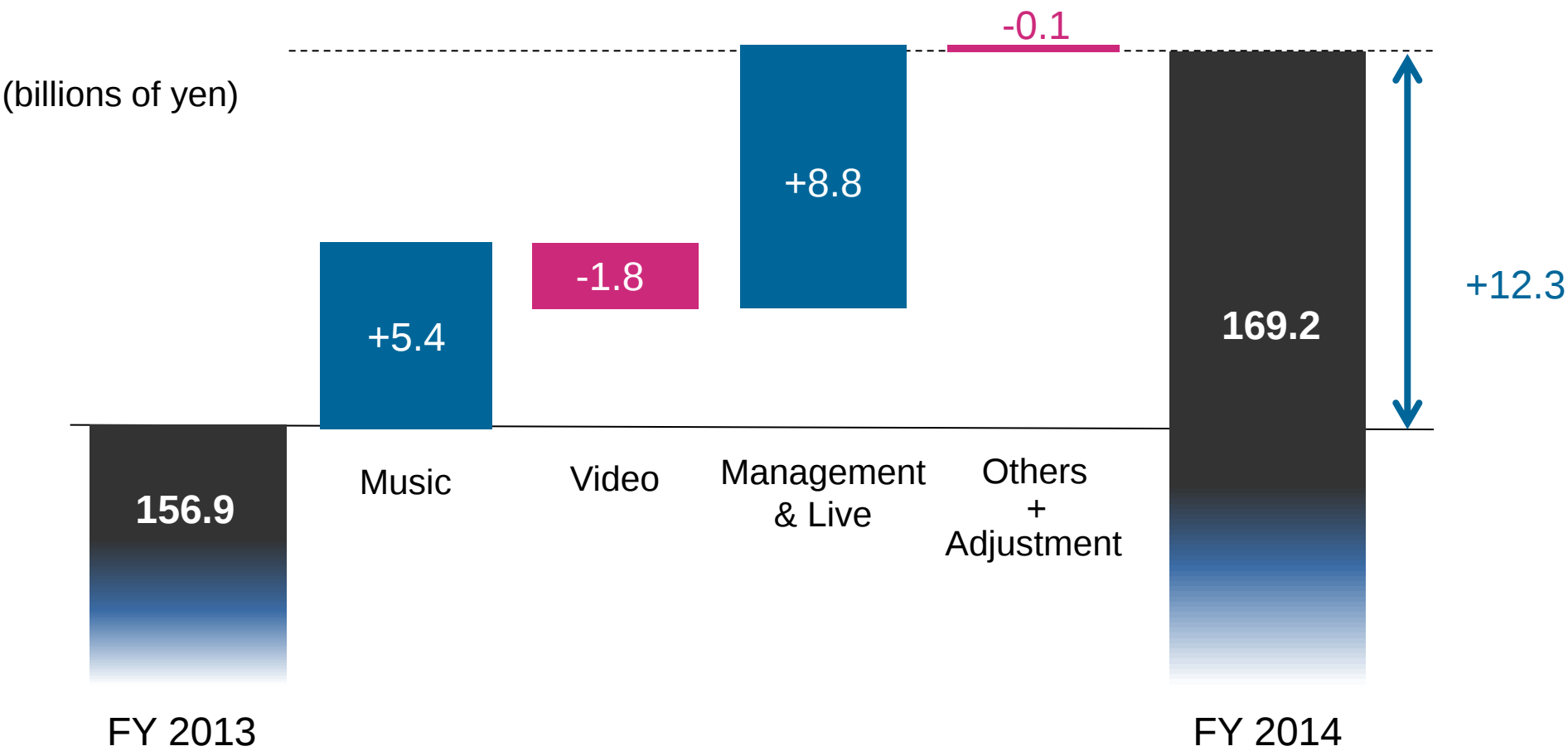


Consolidated Results

Breaking highest Net Sales Record for 4 years straight

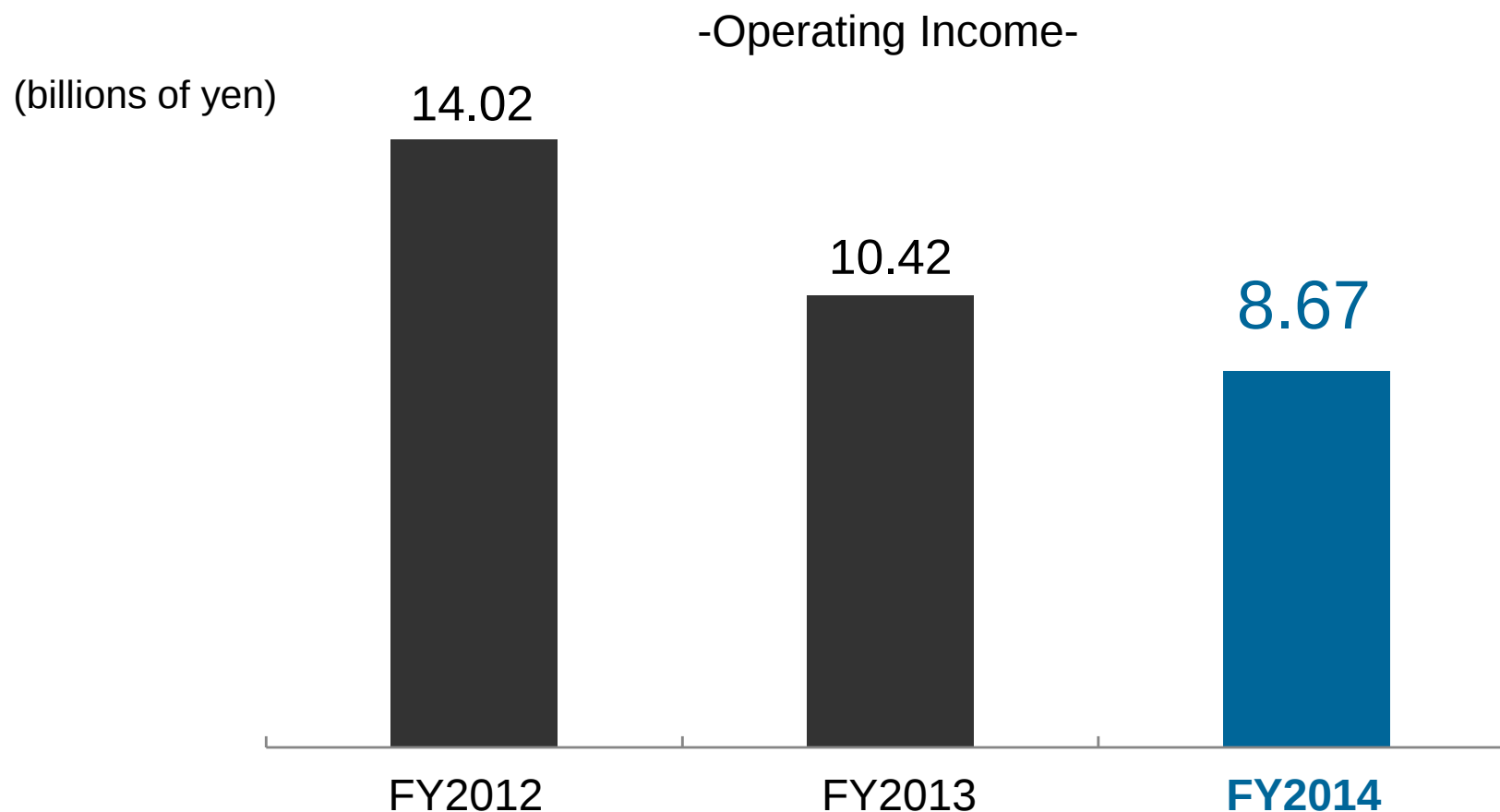


-Net Sales Change by Segments-



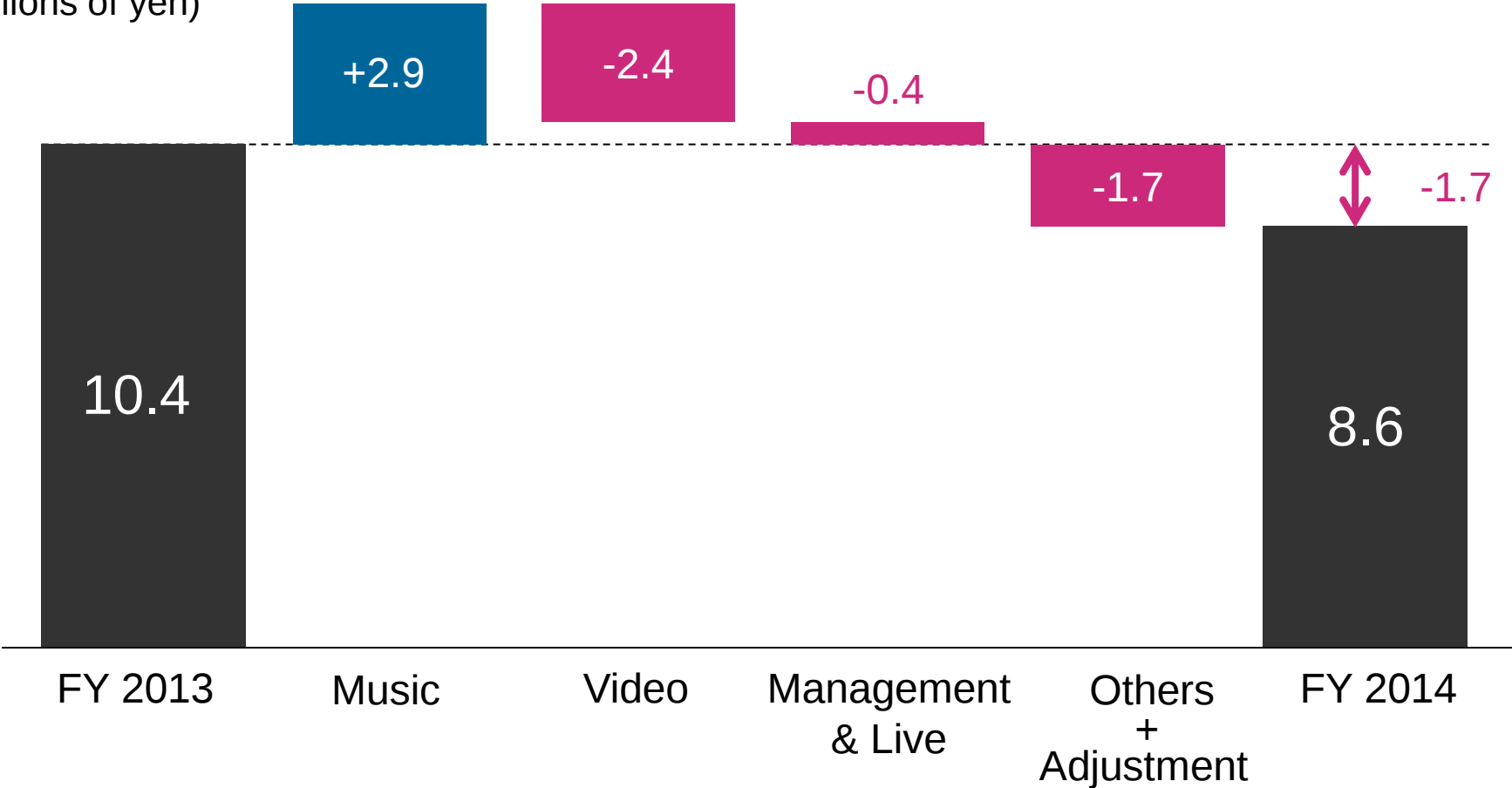
FY2014 Highlights

Operating Income decreased by Video Business margin decline and increased HQ building reconstruction costs



-Operating Income Change by Segments-

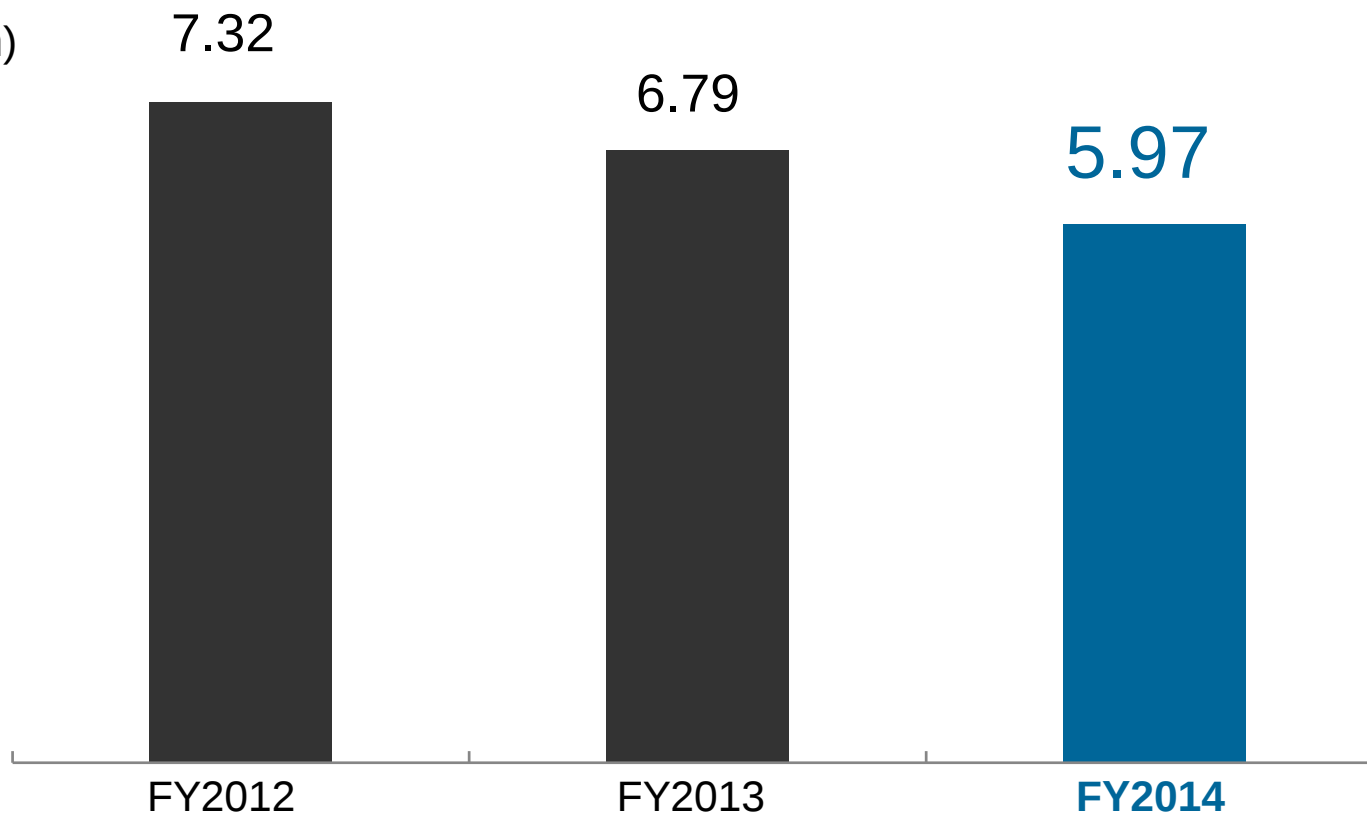
(billions of yen)



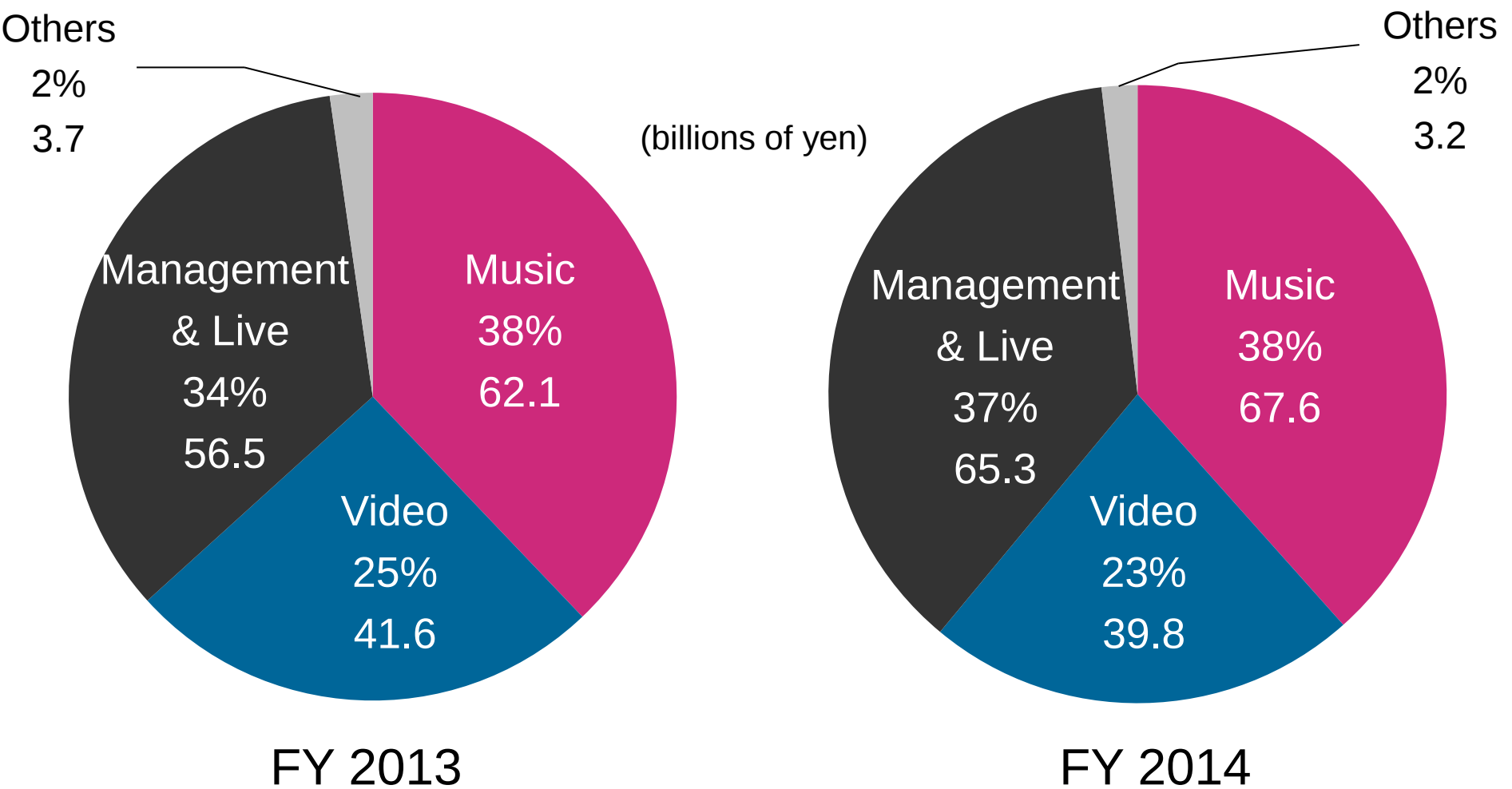
Decreased Operating Income reduced Net Income

-Net Income-

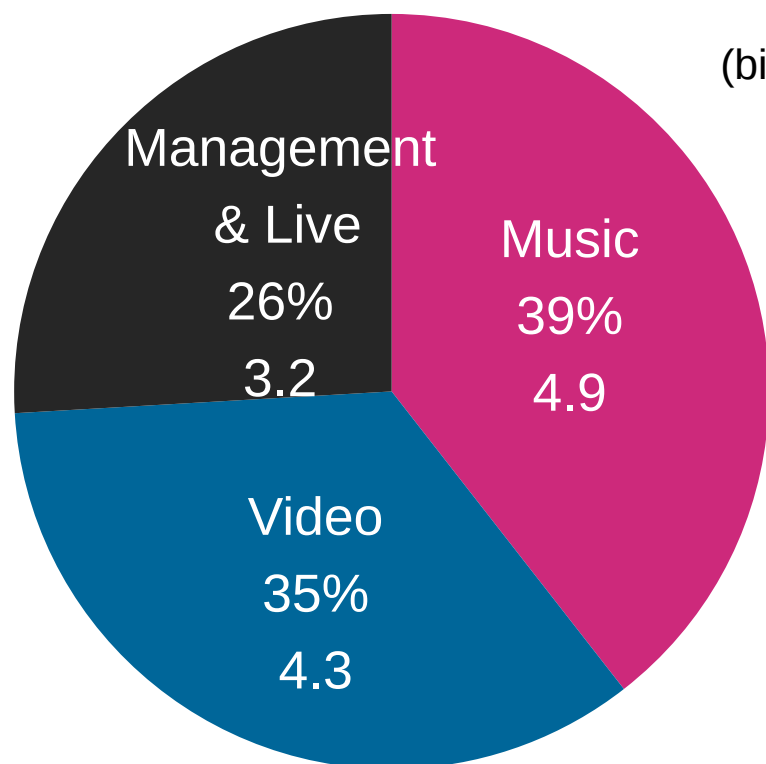
(billions of yen)



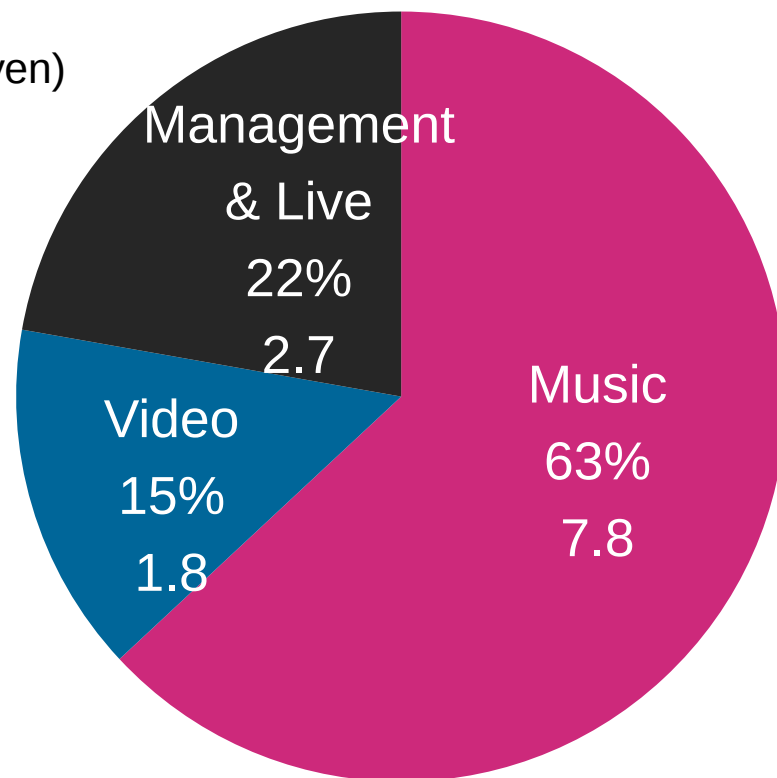
-Net Sales composition ratio by Segments-



-Operating Income composition ratio by Segments-



FY 2013



FY 2014

(Other Businesses excluded due to recording a loss.)

Results by Segment

Strong Album sales improved Sales and Profit in both Music Package and Digital Music Distribution

(billions of yen)

	Music Package	YoY	Digital Music Distribution	YoY
Net Sales	47.9	+9.3%	12.5	+6.2%
Gross Profit	20.4	+13.2%	5.2	+16.5%
Gross Profit Margin	42.6%	+1.5pt	41.5%	+3.7pt

Sales and Profit in Video Distribution decreased mainly due to declined average Subscribers and increased Service Improvement Fees

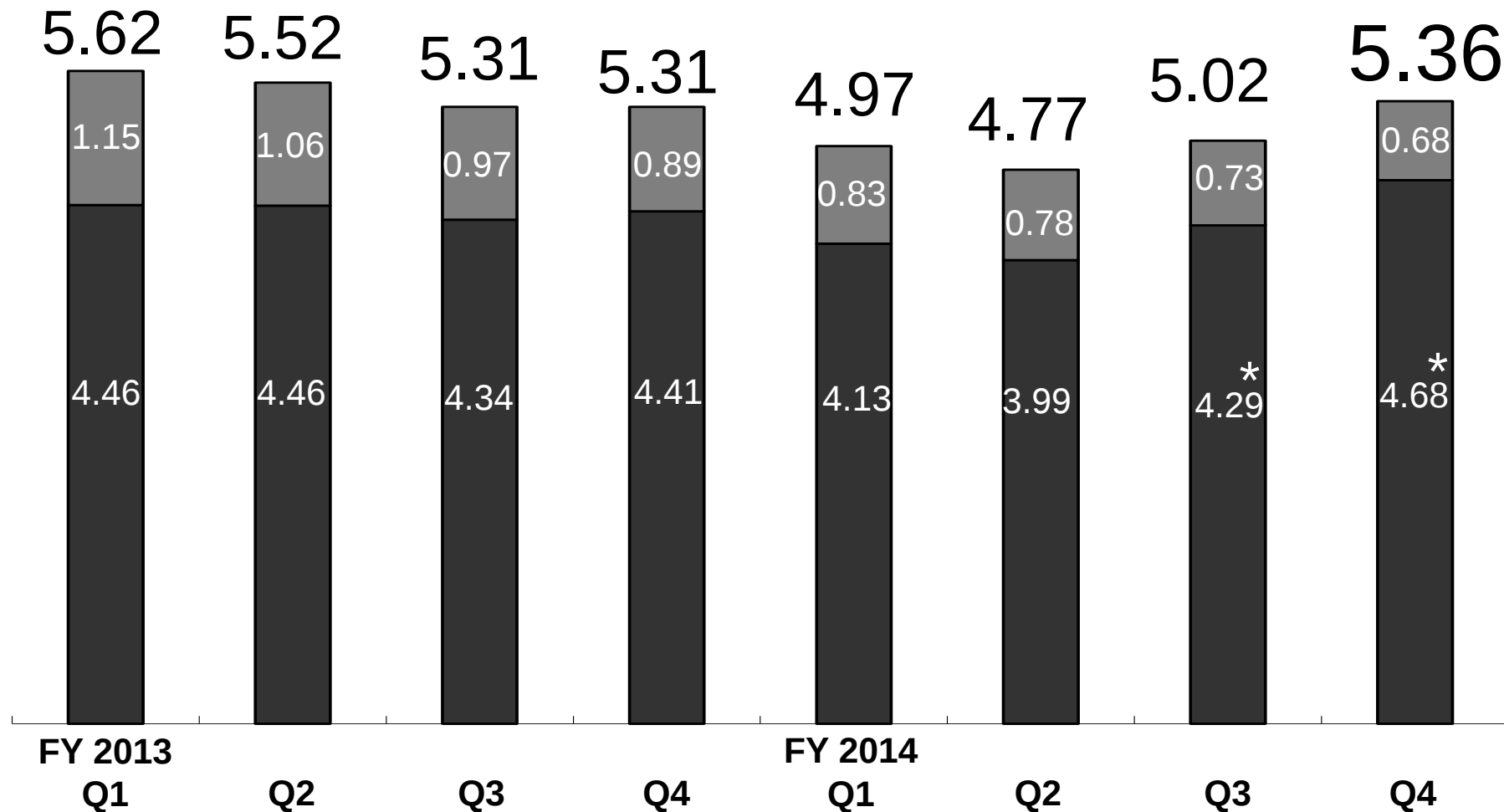
(billions of yen)

	Video Distribution	YoY	Video Package	YoY
Net Sales	31.4	-5.8%	10.0	+3.1%
Gross Profit	6.2	-37.9%	3.4	-5.0%
Gross Profit Margin	19.8%	-10.2pt	34.9%	-3.0pt

Video Business Highlights: Number of dTV & BeeTV Subs



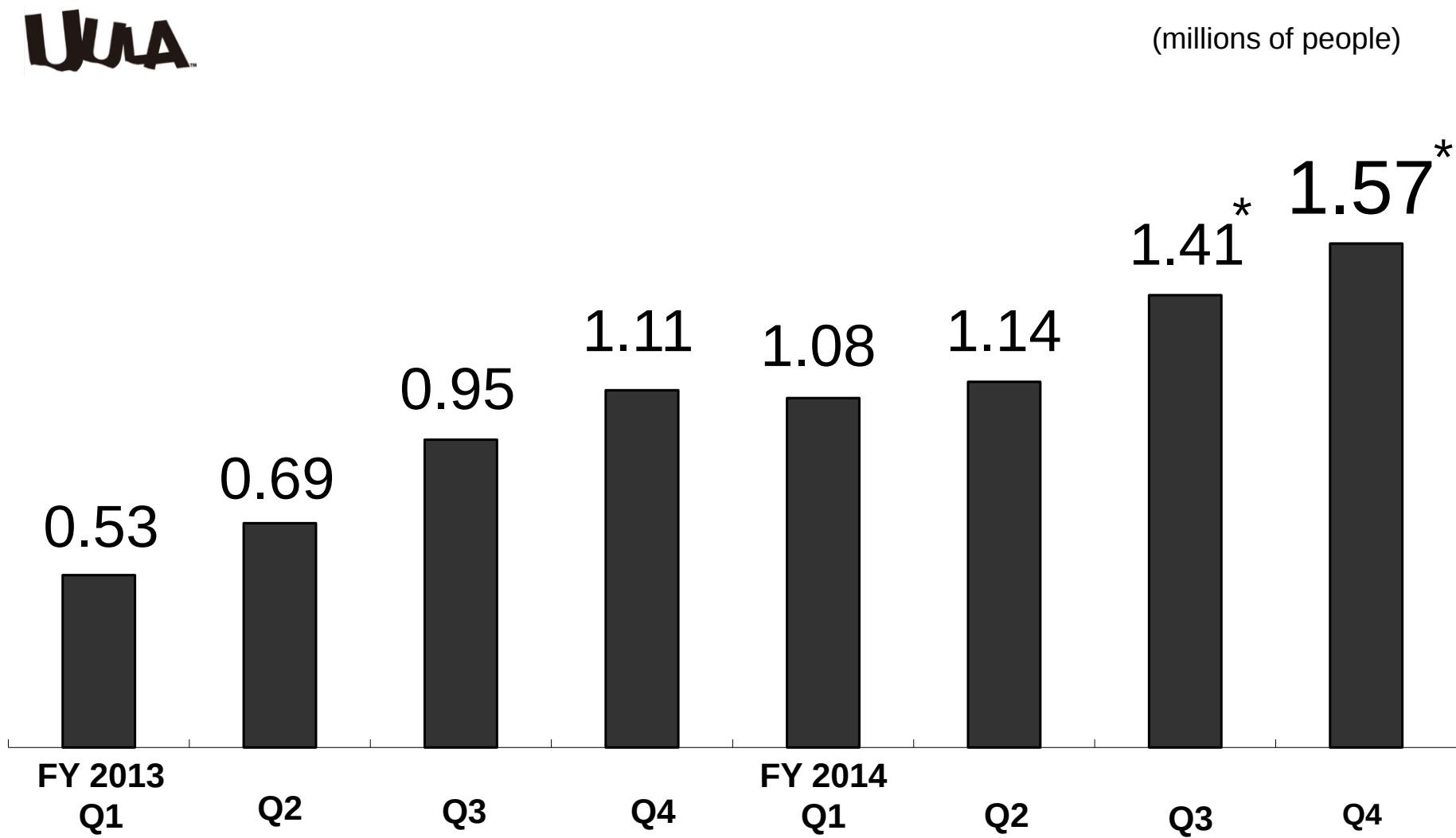
(millions of people)



*31 days free trial campaign started from November 1, 2014.

★ Service renewal took place in April, 2015 and d-VIDEO was renamed as dTV.

Video Business Highlights: Number of UULA subs



*31 days free trial campaign started from December 1, 2014.

Management & Live Business Highlights

Despite the strong Net Sales growth,
GPM declined due to increased external artist ratio

(billions of yen)

	Live Concerts	YoY	Management	YoY
Net Sales	42.7	+23.7%	17.0	+8.1%
Gross Profit	3.8	+8.6%	4.9	-0.0%
Gross Profit Margin	9.0%	-1.3pt	29.2%	-2.4pt

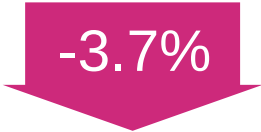
	Merchandising	YoY	Fan Club	YoY
Net Sales	12.6	+4.1%	4.6	+8.7%
Gross Profit	4.8	-0.3%	1.2	+1.4%
Gross Profit Margin	38.4%	-1.7pt	27.6%	-2.0pt

Management & Live Business Highlights: Number of Concerts

Audience increased by increased number of shows,
More Stadium shows pushed up the average ticket price

Venue Size	FY 2013	FY 2014	YoY
Stadium class	50	52	+2
Arena class	78	136	+58
Hall & Live House class	352	534	+182
Total	480	722	+242
Audience	2.90M People	3.55M People	+0.64M People
Concert Ticket Average Price	8,931yen	9,234yen	+303yen

FY 2015 Guidance Highlights

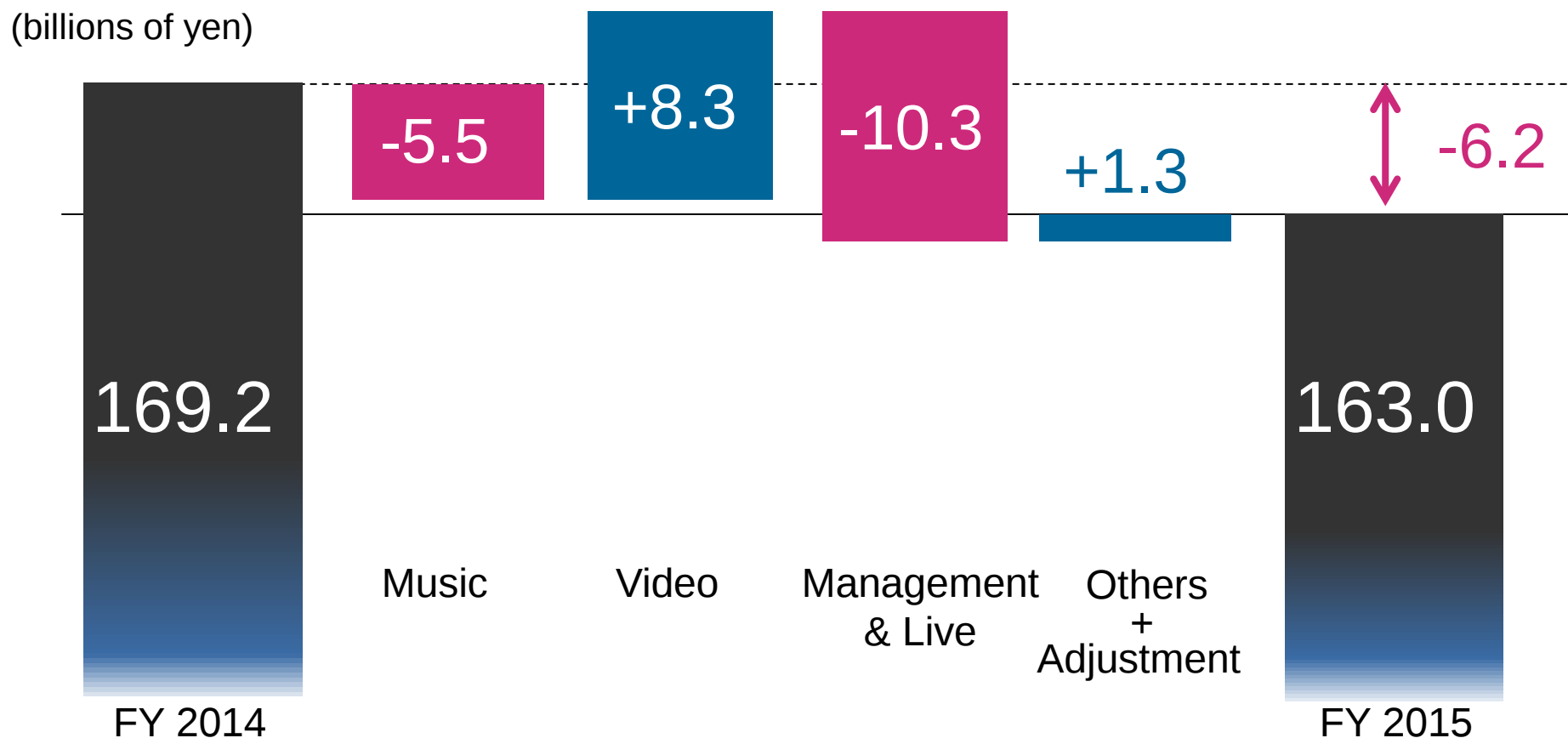
Net Sales	¥163.0bn	 -3.7%
Operating Income	¥11.0bn	 +26.8%
Net Income	¥4.3bn	 -28.0%

Dividend Policy

Payout Ratio 35% or more,
Minimum Annual Dividend 50 yen

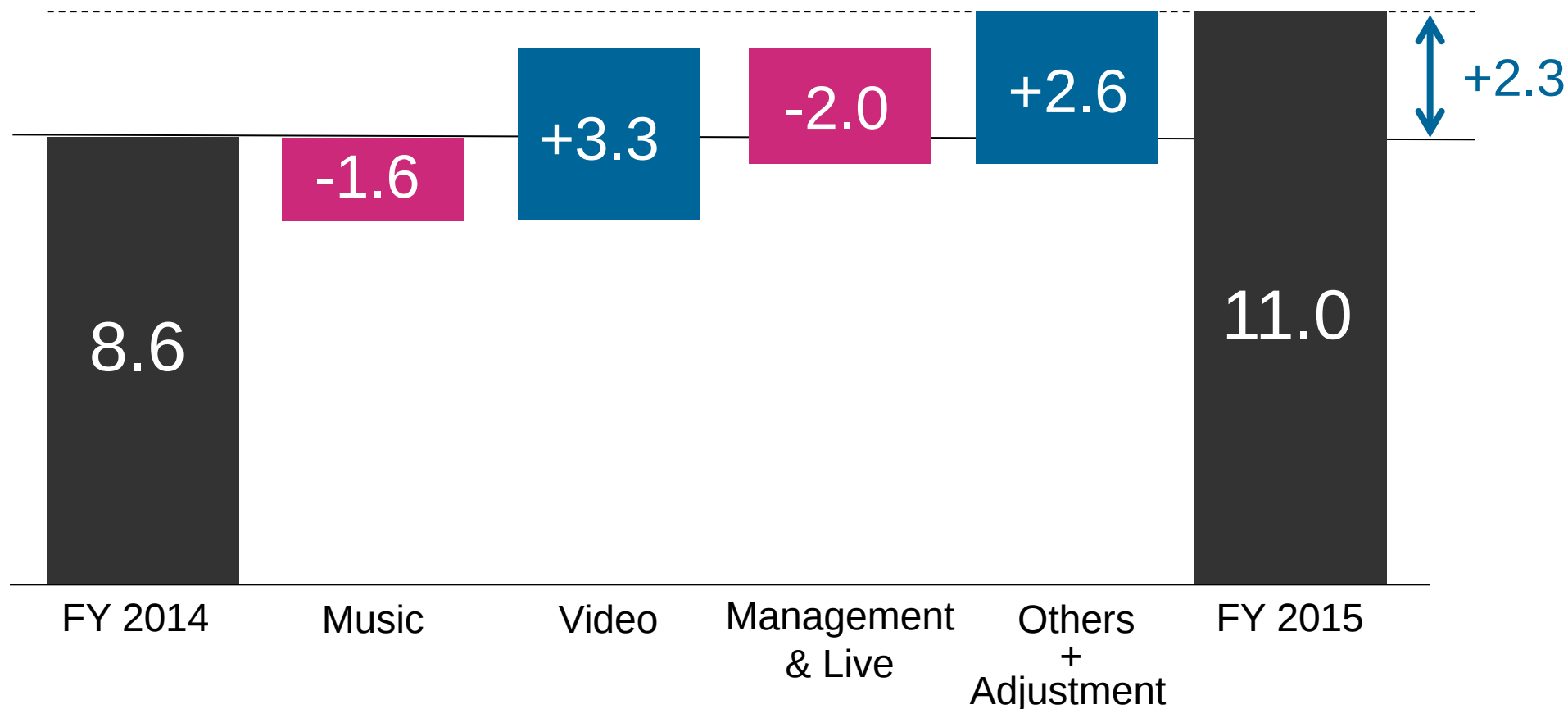


Downturn factors: Reduced Stadium class shows in Management & Live, weakened album sales in Music

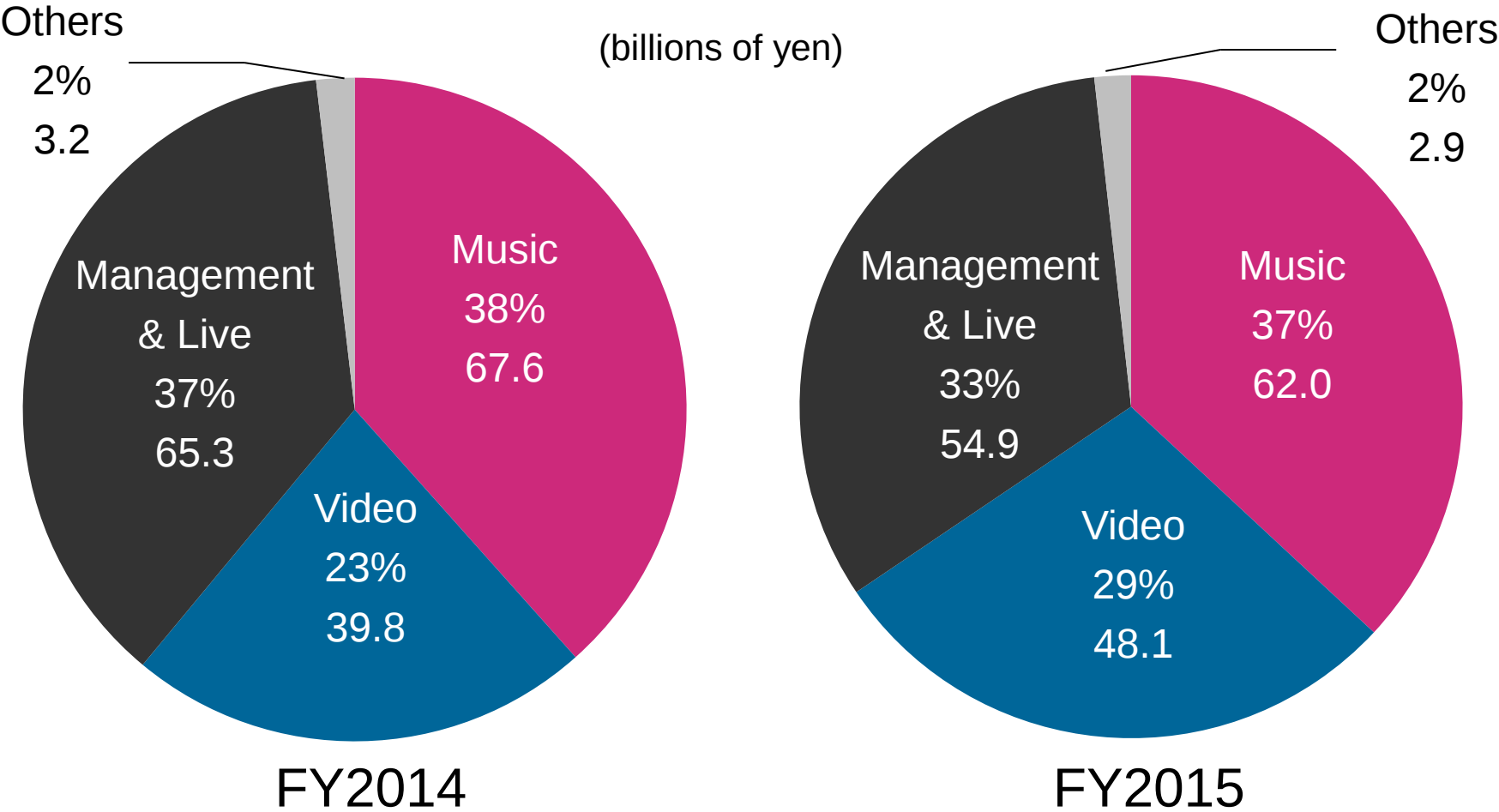


Upturn factors: Expected growth in Video, Contracted HQ Building reconstruction related expenses

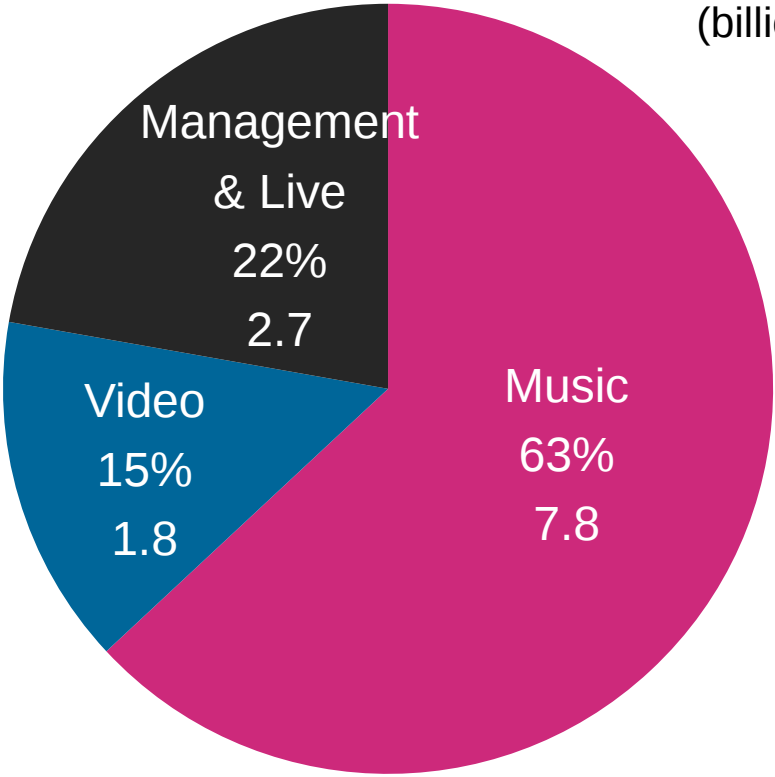
(billions of yen)



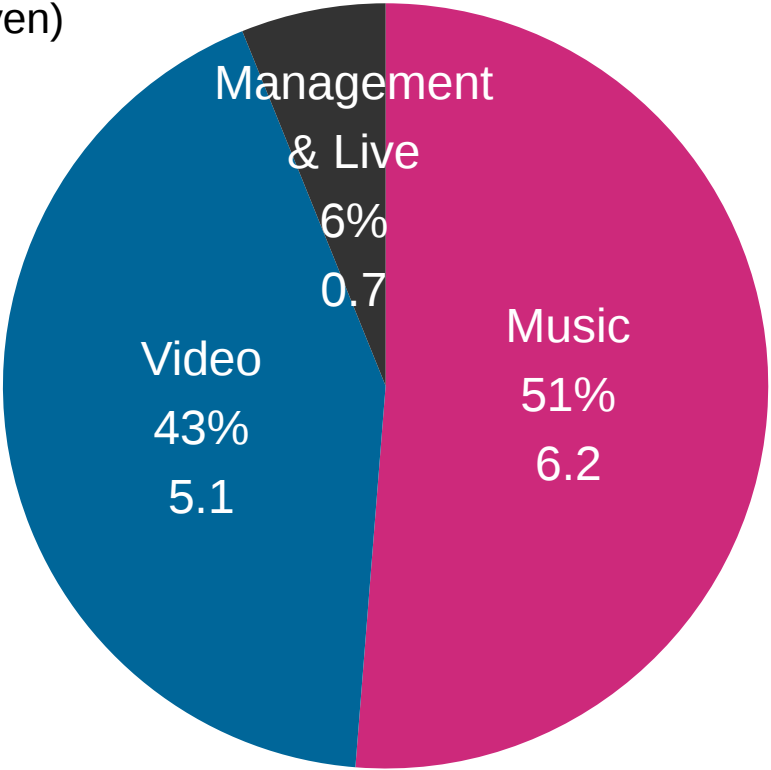
Forecast of FY2015 Net Sales composition ratio by Segments



Forecast of FY2015 Operating Income composition ratio by Segments



FY2014



FY2015

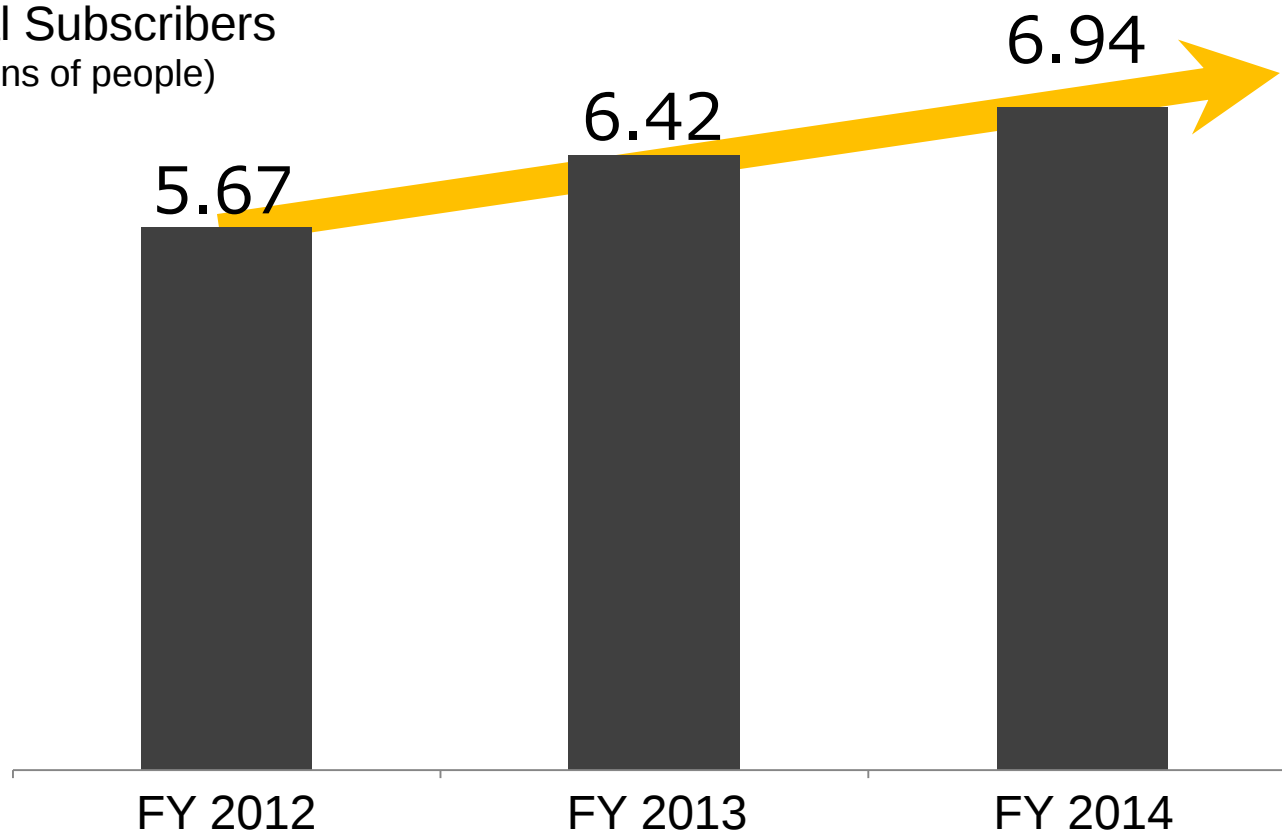
(Other Businesses excluded due to recording a loss.)

FY 2015 Growth in Action

FY2015 Growth in Action Video Business

Total Subscribers for our Services marked firm & linear growth.
High hopes for the VOD* market expansion in Japan
derived from new competition landscape up ahead.

Total Subscribers
(millions of people)



*VOD= Video On Demand

In order to make more and more people to enjoy the world of VOD,
d-VIDEO went through major renewal^{*} and renamed to “dTV”



Service outline remains the same:
¥500/ month (tax excl.) for unlimited viewing of
various SVOD[★] content.
(TVOD[☆] rental content requires extra fees)

* The renewal took place on April 22, 2015

★ SVOD= Subscription Video On Demand

☆ TVOD= Transactional Video On Demand

Renewal Point [1]

Developed “Zapping UI”^{*}, and improved recommendation function for better content encountering experience



Thumbnail style for
“search, find & select”

Zapping UI

dTV auto plays[★] videos recommended to each users based on their attributes and demographics, etc.

★ Auto play will be trailer or previews for the movie or TV shows.

★ UI= User Interface

Renewal Point [2]

Launched “dTV Terminal”, a STB* dedicated for dTV, enabling simple and easier TV viewing experience.



dTV Terminal ¥7,538** (tax incl.)

“dTV x dTV Terminal Start Campaign” is currently underway.
The first 300,000 people log-in to dTV via dTV terminal will be offered 1 dTV TVOD Rental Coupon every month for as long as 14 months.

* STB=Set Top Box
** docomo online shop price



Enhanced content lineup. Strengthened dTV exclusive “Premium Content”.

“Premium Content”

Engage with attractive pieces, scripts,
film directors and creators of worldwide fame



dTV Original “Attack on Titan”
premiering on August, 2015

©HAJIME ISAYAMA • KODANSHA/BeeTV



Giuseppe Tornatore
Italian film director, screenwriter
best known for writing/directing
Academy Award winning film,
Nuovo Cinema Paradiso

Over 320 series of Foreign Dramas



HELIX Season 2

©2015 Sony Pictures Television Inc. All Rights Reserved.



FOX Channel content

More and more Anime will be procured and distributed by
The Anime Times Company*



GINTAMA

©HIDEAKI SORACHI/SHUEISHA • TV TOKYO • DENTSU • BNP



LEGEND OF ARSLAN

© 2015 HA,YT,K / LOAPC,M

*Avex Group's wholly owned subsidiary. Established in March 2015 through a joint venture by
Avex Pictures Inc., Kodansha Ltd., Shueisha Inc. Shogakukan Inc., etc.

Music Videos and Live Videos exclusive to dTV

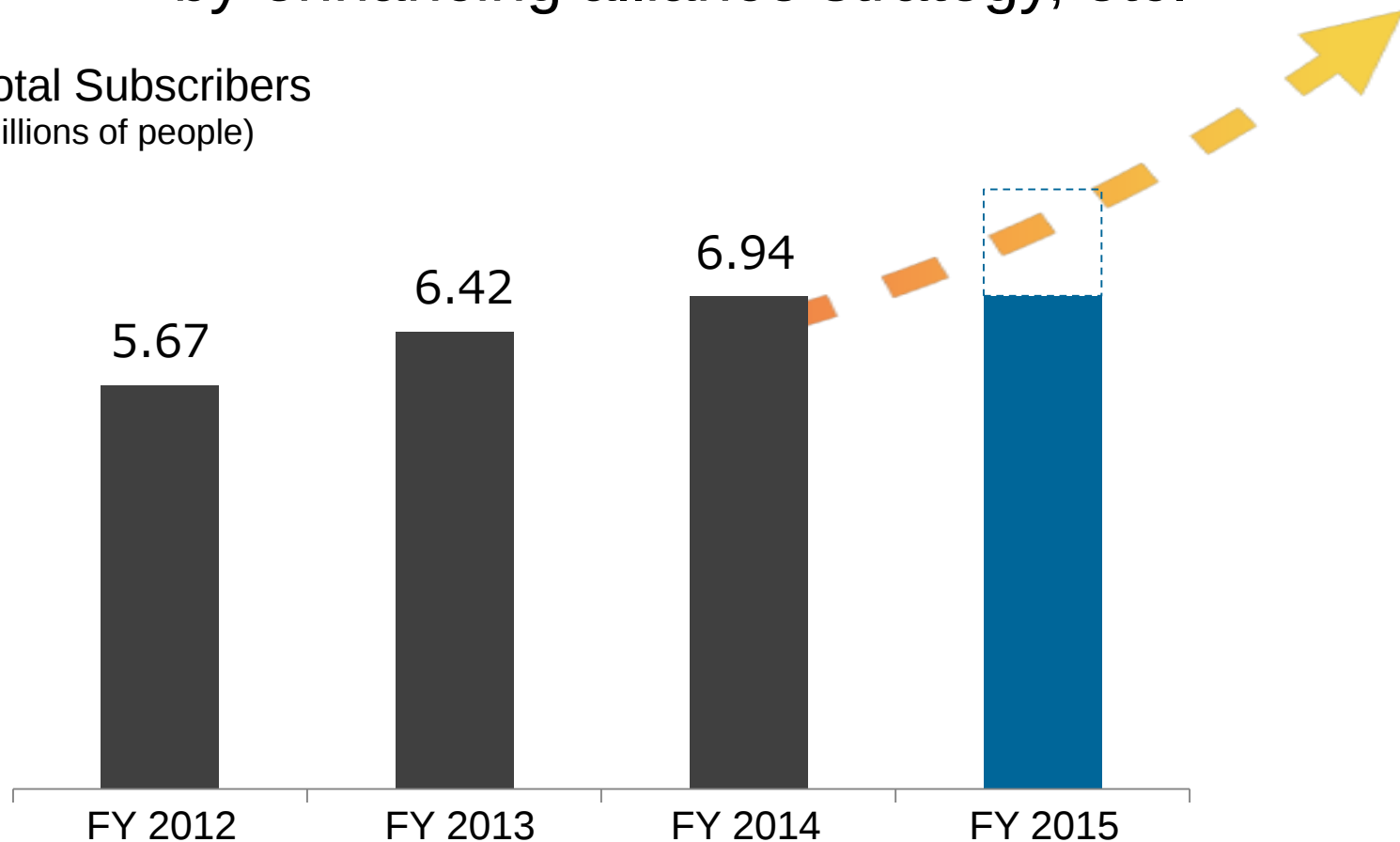


J Soul Brothers III from EXILE TRIBE

FY2015 Growth in Action Video Business

We aim further Total Subs growth and become the largest Video Distribution Service offerer by enhancing alliance strategy, etc.

Total Subscribers
(millions of people)



FY2015 Growth in Action Music Business

AWA



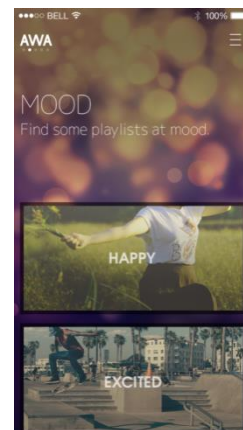
TRENDING



DISCOVERY



GENRE



MOOD



RADIO

(Sample)

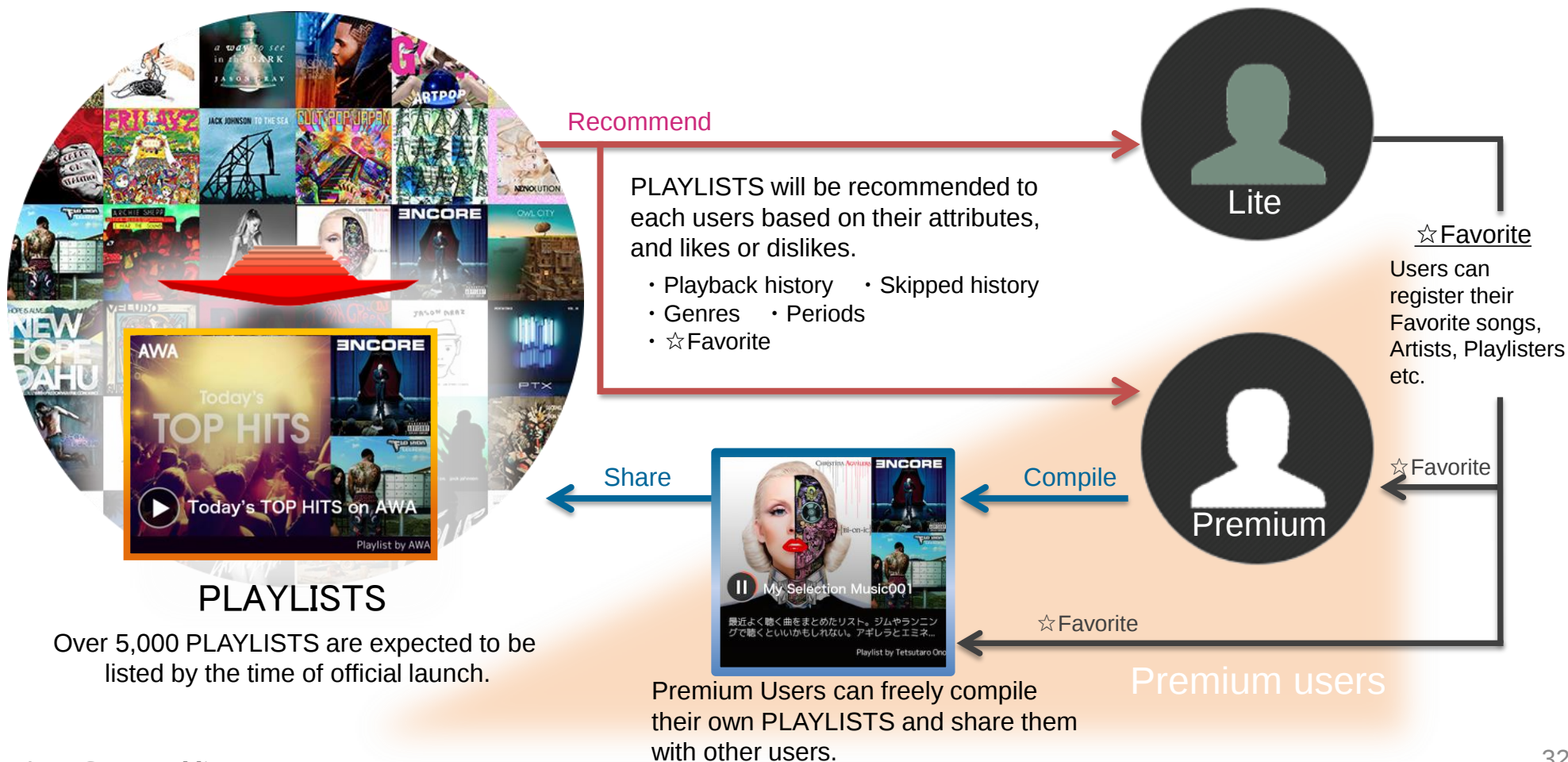
Service Outline (subject to change)

Subscription Music Streaming Service		
Plans	Lite	Premium
Monthly Fee (tax Incl.)	¥360	¥1,080
PLAYLIST playback	○	○
RADIO playback	○	○
ON-DEMAND playback	×	○
Compile & Release PLAYLISTS	×	○

*AWA Co. Ltd. was established as a 50:50 joint venture with CyberAgent, Inc. and Avex Digital Inc. on December 1, 2014. It is an equity-method affiliate of both companies.

The first “PLAYLIST Style” service in Japan

Various PLAYLISTS will offer serendipitous encounter with the music.
AWA aims to create a whole new trend in music by having users to be involved in “Compile ⇄ Share ⇄ Listen” cycle of PLAYLISTS.





AWA

Enjoy, Life with Music.

Reference Data

Consolidated Income Statement

(millions of yen)

Consolidated Income Statement					
	*Previous Forecast	FY 2013	FY 2014	VS Forecast	YoY
Net Sales	165,000	156,935	169,256	+4,256	+12,320
Cost of Sales	115,114	105,531	118,503	+3,389	+12,971
Gross Profit	49,886	51,403	50,752	+866	-650
Gross Profit Margin	30.2%	32.8%	30.0%	-0.2pt	-2.8pt
Personnel Expenses	13,134	13,219	12,816	-317	-402
Sales Promotion & Advertising Expenses	11,262	12,036	11,028	-233	-1,007
General Expenses	17,290	15,720	18,232	+942	+2,511
Total SG&A Expenses	41,686	40,976	42,077	+391	+1,101
Operating Income	8,200	10,427	8,675	+475	-1,752
Operating Margin	5.0%	6.6%	5.1%	+0.2pt	-1.5pt
Ordinary Income	8,400	11,310	8,611	+211	-2,698
Net Income	6,000	6,791	5,975	-24	-815

* "Previous Forecast" refers to Forecast announced on Nov.6, 2014,
except Net Income refers to Forecast announced on Dec.8, 2014

Reference

Operating Income by Segments in FY 2013 changes

We have revised Corporate cost and allocation method as of FY2014.

This change has affected Group Management Fee (GMF) allocated to each Business Segment(*), and figures for Operating Income by Segments has been changed in accordance with this revision.

(*)Other Businesses shows changes in General Expenses as well.

In order to enable fair year on year comparison, FY 2013 figures reflects the revised method.

However, after detailed examination, the FY 2013 Operating Income by Segments figures initially disclosed on P. 51 of "Earnings Results for FY 2013" (released on May 8, 2014) has been revised as below.

Please be noted that revised allocation method will not affect on Consolidated basis.

(millions of yen)

Differences in FY 2013 Operating Income by Segments

	before revision(1)	after revision(2)	difference(2-1)
Music Business	4,965	4,925	-39
Video Business	4,340	4,323	-17
Management & Live Business	3,255	3,235	-19
Other Businesses	-229	-361	-131
Corporate	-1,903	-1,695	+208
Consolidated Total	10,427	10,427	-

Music Business Income Statement

(millions of yen)

Music Business					
	*Previous Forecast	FY 2013	FY 2014	VS Forecast	YoY
Net Sales	62,790	62,155	67,628	+4,838	+5,473
Cost of Sales	-	37,793	39,977	-	+2,184
Gross Profit	-	24,361	27,650	-	+3,289
Gross Profit Margin	-	39.2%	40.9%	-	+1.7pt
Personnel Expenses	-	3,777	3,308	-	-468
Sales Promotion & Advertising Expenses	-	7,462	8,202	-	+740
General Expenses	-	3,827	3,181	-	-646
Group Management Fee	-	4,368 ★	5,108	-	+739
Total SG&A Expenses	-	19,436 ★	19,801	-	+364
Operating Income	4,600	4,925 ★	7,849	+3,249	+2,924
Operating Margin	7.3%	7.9%	11.6%	+4.3pt	+3.7pt

*“Previous Forecast” refers to Forecast announced on Nov. 6, 2014

★ Indicated figures applies revised Corporate cost and allocation method. Please refer to P.36 for the differences.

Music Business: Results by Sub-Segment

(millions of yen)

Music Package			
	FY 2013	FY 2014	YoY
Net Sales	43,890	47,952	+4,062
Gross Profit	18,064	20,443	+2,378
Gross Profit Margin	41.2%	42.6%	+1.5pt
Digital Music Distribution			
	FY 2013	FY 2014	YoY
Net Sales	11,811	12,545	+734
Gross Profit	4,467	5,203	+735
Gross Profit Margin	37.8%	41.5%	+3.7pt
Music Publishing			
	FY 2013	FY 2014	YoY
Net Sales	3,048	2,885	-163
Gross Profit	1,087	1,019	-67
Gross Profit Margin	35.7%	35.3%	-0.3pt

Music Business: Results by Sub-Segment

(millions of yen)

Other Businesses of Music

	FY 2013	FY 2014	YoY
Net Sales	3,827	4,419	+592
Gross Profit	2,039	2,589	+549
Gross Profit Margin	53.3%	58.6%	+5.3pt

Music Market Data

	2013	2014	YoY
Music Package Market (Jan.- Dec.)	270,468	254,176	-6.0%
Digital Music Distribution Market (Jan.- Dec.)	41,661	43,699	+4.9%

(Reference: Recording Industry Association of Japan)

Music Business: Indicators

Music Business: Indicators				
			FY 2013	FY 2014
Music Package	Albums	Average Price (¥)	2,688	2,853
		Units (thousands)	5,042	7,050
	Singles	Average Price (¥)	921	971
		Units (thousands)	8,987	9,048
	DVDs / Blu-ray Discs	Average Price (¥)	5,796	5,334
		Units (thousands)	2,498	2,221
Digital Distribution	Feature phone (Ringtones/Video Ringtones)	Average Price (¥)	271	275
		Downloads (thousands)	5,589	3,449
	Smartphone (Ringtones/Video Ringtones)	Average Price (¥)	243	252
		Downloads (thousands)	10,963	13,441
	Ring-back tones	Average Price (¥)	108	108
		Downloads (thousands)	14,225	11,884
	PC downloads	Average Price (¥)	228	244
		Downloads (thousands)	11,257	13,676
	mu-mo	ARPU (¥)	354	342
		Subscribers (thousands)	383	325

*Music Package indicators consists of the titles released in FY2014 and does not include back catalog sales.

Music Business: Key Titles Released in FY2014

CD Albums		
Artist	Title	Copies (thousands) *
Various Artists	Frozen -Deluxe Edition-	1,006 ☆
J Soul Brothers Ⅲ from EXILE TRIBE	PLANET SEVEN	948
Namie Amuro	Ballada	548
EXILE	19 - Road to AMAZING WORLD -	412
EXILE TRIBE	EXILE TRIBE REVOLUTION	404
☆The gross sales of the album Frozen including Standard Edition initially released in March, 2014 was 1.3million copies.		
CD Singles		
Artist	Title	Copies (thousands) *
EXILE TRIBE	THE REVOLUTION	594
SKE48	<i>Bukiyou Taiyou</i>	590
SKE48	<i>12gatsu no Kangaroo</i>	560
Kis-My-Ft2	<i>Thank you Jan!</i>	541
DVDs / Blu-ray Discs		
Artist	Title	Copies (thousands) *
Kis-My-Ft2	2014Concert Tour Kis-My-Journey	271
J Soul Brothers Ⅲ from EXILE TRIBE	J Soul Brothers Ⅲ LIVE TOUR 2014“BLUE IMPACT”	266
EXILE TRIBE	EXILE TRIBE PERFECT YEAR LIVE TOUR TOWER OF WISH 2014 ~THE REVOLUTION~	220

*Total Copies as of Mar. 31, 2015

Video Business Income Statement

(millions of yen)

Video Business					
	*Previous Forecast	FY 2013	FY 2014	VS Forecast	YoY
Net Sales	41,980	41,675	39,831	-2,148	-1,844
Cost of Sales	-	28,959	31,139	-	+2,179
Gross Profit	-	12,715	8,691	-	-4,024
Gross Profit Margin	-	30.5%	21.8%	-	-8.7pt
Personnel Expenses	-	1,171	1,122	-	-49
Sales Promotion & Advertising Expenses	-	4,165	2,368	-	-1,796
General Expenses	-	916	954	-	+38
Group Management Fee	-	2,138 ★	2,413	-	+274
Total SG&A Expenses	-	8,392 ★	6,858	-	-1,533
Operating Income	4,400	4,323 ★	1,832	-2,567	-2,490
Operating Margin	10.5%	10.4%	4.6%	-5.9pt	-5.8pt

*“Previous Forecast” refers to Forecast announced on Nov. 6, 2014

★ Indicated figures applies revised Corporate cost and allocation method. Please refer to P.36 for the differences.

Video Business: Results by Sub-Segment

(millions of yen)

Video Distribution			
	FY 2013	FY 2014	YoY
Net Sales	33,414	31,478	-1,935
Gross Profit	10,046	6,238	-3,807
Gross Profit Margin	30.1%	19.8%	-10.2pt

Video Package			
	FY 2013	FY 2014	YoY
Net Sales	9,731	10,032	+301
Gross Profit	3,683	3,499	-183
Gross Profit Margin	37.8%	34.9%	-3.0pt

Video Market Data			
	2013	2014	YoY
Video Package Market (Jan.- Dec.)	251,770	229,923	-8.7%

(Reference: Japan Video Software Association)

Video Business: Indicators

Video Business: Indicators			
		FY 2013	FY 2014
dTV ^{**} +BeeTV	ARPU (¥)	462	466
	Subscribers(millions)	5.31	5.36
	dTV ^{**}	4.41	4.68
	BeeTV	0.89	0.68
UULA	ARPU (¥)	467※	467※
	Subscribers(millions)	1.11	1.57
DVDs / Blu-ray Discs *	Average Price (¥)	5,403	5,476
	Units (thousands)	916	861

*DVDs / Blu-ray Discs indicators consists of the titles released in FY2014 and does not include back catalog sales.

** Service renewal took place in April, 2015 and d-VIDEO was renamed as dTV.

★ 31 days free trial campaign for d-TV started from November 1, 2014.

☆ 31 days free trial campaign for UULA started from December 1, 2014.

※ less than 1 yen rounded up.

Management & Live Business Income Statement

(millions of yen)

Management & Live Business					
	*Previous Forecast	FY 2013	FY 2014	VS Forecast	YoY
Net Sales	62,589	56,505	65,334	+2,745	+8,828
Cost of Sales	-	42,072	50,399	-	+8,326
Gross Profit	-	14,432	14,934	-	+502
Gross Profit Margin	-	25.5%	22.9%	-	-2.7pt
Personnel Expenses	-	2,883	2,928	-	+44
Sales Promotion & Advertising Expenses	-	638	746	-	+108
General Expenses	-	4,273	4,161	-	-111
Group Management Fee	-	3,401 ★	4,332	-	+931
Total SG&A Expenses	-	11,197 ★	12,169	-	+972
Operating Income	3,380	3,235 ★	2,765	-614	-470
Operating Margin	5.4%	5.7%	4.2%	-1.2pt	-1.5pt

**“Previous Forecast” refers to Forecast announced on Nov. 6, 2014

★ Indicated figures applies revised Corporate cost and allocation method. Please refer to P.36 for the differences.

Management & Live Business: Results by Sub-Segment

(millions of yen)

Live Concerts			
	FY 2013	FY 2014	YoY
Net Sales	34,591	42,777	+8,185
Gross Profit	3,554	3,858	+304
Gross Profit Margin	10.3%	9.0%	-1.3pt

Management			
	FY 2013	FY 2014	YoY
Net Sales	15,768	17,052	+1,283
Gross Profit	4,971	4,971	-0
Gross Profit Margin	31.5%	29.2%	-2.4pt

Merchandising			
	FY 2013	FY 2014	YoY
Net Sales	12,136	12,632	+495
Gross Profit	4,865	4,850	-14
Gross Profit Margin	40.1%	38.4%	-1.7pt

Management & Live Business: Results by Sub-Segment (millions of yen)

Fan Club			
	FY 2013	FY 2014	YoY
Net Sales	4,303	4,679	+375
Gross Profit	1,272	1,289	+17
Gross Profit Margin	29.6%	27.6%	-2.0pt
Others			
	FY 2013	FY 2014	YoY
Net Sales	440	264	-176
Gross Profit	79	49	-29
Gross Profit Margin	18.1%	18.8%	+0.7pt

Management & Live Business Indicators

Management & Live Business Indicators			
		FY 2013	FY 2014
Concert Ticket	Average Price(¥)	8,931	9,234
Fan Club	Subscribers(thousands)	1,111	1,309

(millions of yen)

Live Market Data*			
	2013	2014	YoY
Live Market (Jan. - Dec.)	231,832	274,944	18.5%

(*Reference: ACPC)

Other Businesses Income Statement

(millions of yen)

Other Businesses					
	*Previous Forecast	FY 2013	FY 2014	VS Forecast	YoY
Net Sales	3,531	3,714	3,282	-248	-431
Cost of Sales	-	1,757	1,629	-	-128
Gross Profit	-	1,956	1,653	-	-303
Gross Profit Margin	-	52.7%	50.4%	-	-2.3pt
Personnel Expenses	-	569	559	-	-9
Sales Promotion & Advertising Expenses	-	297	268	-	-28
General Expenses	-	1,024 ★	1,055	-	+30
Group Management Fee	-	427 ★	486	-	+59
Total SG&A Expenses	-	2,318 ★	2,369	-	+51
Operating Income	-539	-361 ★	-716	-177	-355
Operating Margin	-	-	-	-	-

*“Previous Forecast” refers to Forecast announced on Nov. 6, 2014

★ Indicated figures applies revised Corporate cost and allocation method. Please refer to P.36 for the differences.

Balance Sheet

(millions of yen)

Balance Sheet

	Mar.31,2014	Mar.31,2015		Mar.31,2014	Mar.31,2015
Current Assets	60,112	69,160	Current Liabilities	55,723	59,460
Cash and Deposits	18,757	25,699	Notes & Accounts Payable-trade	1,986	1,601
Notes & Accounts Receivable-trade	19,945	21,209	Short-term Debt	9,614	9,110
Inventories	9,975	9,038	Accounts Payable-Other	20,932	26,990
Others	11,434	13,212	Allowance for Returned Goods	3,985	4,247
			Others	19,205	17,511
Noncurrent Assets	54,277	48,404	Noncurrent Liabilities	5,318	4,709
Tangible & Intangible Assets	39,269	37,200	Long-term Debt	1,705	1,095
Total Investments & Other Assets	15,008	11,203	Others	3,613	3,614
Investment Securities	12,702	5,501	Total Liabilities	61,042	64,169
Others	2,306	5,702	Total Net Assets	53,347	53,394
Total Assets	114,390	117,564	Total Liabilities & Net Assets	114,390	117,564

Cash Flow Statement

(millions of yen)

Cash Flow Statement

	FY2013	FY2014
Net Cash provided by Operating Activities	6,451	11,337
Net Cash provided by Investing Activities	1,780	-1,330
Net Cash provided by Financing Activities	-7,382	-3,040
Effect of exchange rate change on cash and cash equivalents	-66	-23
Net increase in cash and cash equivalents	782	6,942
Cash and cash equivalents at beginning of period	17,974	18,757
Cash and cash equivalents at end of period	18,757	25,699

FY 2015 Guidance

Forecast of FY 2015

(millions of yen)

Consolidated Financial Forecast

	FY 2014	FY 2015	YoY
Net Sales	169,256	163,000	-6,256
Cost of Sales	118,503	112,645	-5,857
Gross Profit	50,752	50,354	-398
Gross Profit Margin	30.0%	30.9%	+0.9pt
Personnel Expenses	12,816	12,472	-344
Sales Promotion & Advertising Expenses	11,028	12,957	+1,928
General Expenses	18,232	13,924	-4,307
Total SG&A Expenses	42,077	39,354	-2,723
Operating Income	8,675	11,000	+2,324
Operating Margin	5.1%	6.7%	+1.6pt
Ordinary Income	8,611	9,700	+1,088
Net Income	5,975	4,300	-1,675

Forecast by Segment

(millions of yen)

Music Business			
	FY 2014	FY 2015	YoY
Net Sales	67,628	62,076	-5,552
Gross Profit	27,650	23,399	-4,251
Gross Profit Margin	40.9%	37.7%	-3.2pt
Total SG&A Expenses	19,801	17,163	-2,637
Operating Income	7,849	6,236	-1,613
Operating Margin	11.6%	10.0%	-1.6pt
Video Business			
	FY 2014	FY 2015	YoY
Net Sales	39,831	48,173	+8,342
Gross Profit	8,691	14,284	+5,593
Gross Profit Margin	21.8%	29.7%	+7.8pt
Total SG&A Expenses	6,858	9,098	+2,239
Operating Income	1,832	5,186	+3,353
Operating Margin	4.6%	10.8%	+6.2pt

Forecast by Segment

(millions of yen)

Management & Live Business

	FY 2014	FY 2015	YoY
Net Sales	65,334	54,968	-10,366
Gross Profit	14,934	12,103	-2,831
Gross Profit Margin	22.9%	22.0%	-0.8pt
Total SG&A Expenses	12,169	11,359	-809
Operating Income	2,765	743	-2,022
Operating Margin	4.2%	1.4%	-2.9pt

Other Businesses

	FY 2014	FY 2015	YoY
Net Sales	3,282	2,991	-290
Gross Profit	1,653	1,442	-210
Gross Profit Margin	50.4%	48.2%	-2.1pt
Total SG&A Expenses	2,369	2,442	+72
Operating Income	-716	-999	-283
Operating Margin	-	-	-

Interim Forecast of FY 2015

(millions of yen)

Consolidated Interim Forecast			
	FY 2014	FY 2015	YoY
Net Sales	78,729	77,809	-919
Cost of Sales	56,686	54,822	-1,863
Gross Profit	22,042	22,987	+944
Gross Profit Margin	28.0%	29.5%	+1.5pt
Personnel Expenses	5,713	5,817	+104
Sales Promotion & Advertising Expenses	4,914	6,750	+1,836
General Expenses	9,635	6,857	-2,777
Total SG&A Expenses	20,263	19,425	-837
Operating Income	1,779	3,561	+1,782
Operating Margin	2.3%	4.6%	+2.3pt
Ordinary Income	1,903	2,422	+518
Net Income	476	737	+261

Interim Forecast by Segment

(millions of yen)

Music Business

	FY 2014	FY 2015	YoY
Net Sales	27,862	30,160	+2,297
Gross Profit	10,288	11,195	+906
Gross Profit Margin	36.9%	37.1%	+0.2pt
Total SG&A Expenses	9,159	8,568	-590
Operating Income	1,129	2,626	+1,496
Operating Margin	4.1%	8.7%	+4.7pt

Video Business

	FY 2014	FY 2015	YoY
Net Sales	20,079	21,233	+1,153
Gross Profit	4,444	4,896	+452
Gross Profit Margin	22.1%	23.1%	+0.9pt
Total SG&A Expenses	3,040	4,431	+1,391
Operating Income	1,403	464	-939
Operating Margin	7.0%	2.2%	-4.8pt

Interim Forecast by Segment

(millions of yen)

Management & Live Business			
	FY 2014	FY 2015	YoY
Net Sales	32,150	27,496	-4,653
Gross Profit	7,711	6,628	-1,082
Gross Profit Margin	24.0%	24.1%	+0.1pt
Total SG&A Expenses	5,582	5,607	+24
Operating Income	2,128	1,021	-1,107
Operating Margin	6.6%	3.7%	-2.9pt
Other Businesses			
	FY 2014	FY 2015	YoY
Net Sales	1,817	1,436	-380
Gross Profit	1,042	705	-337
Gross Profit Margin	57.4%	49.1%	-8.3pt
Total SG&A Expenses	1,237	1,172	-65
Operating Income	-195	-467	-272
Operating Margin	-	-	-

Cautionary statement concerning forward-looking statements

The forecasts for operating results and others contained in this release were prepared by management based on currently available data and information. Therefore, the forecasts include potential risks and uncertain elements. In particular, in the Group's business domain there are factors other than general economic conditions that may affect our performance. Please note, therefore, that actual results may greatly differ from the forecasts.

Inquiries

Avex Group Holdings Inc.

Stocks & IR

+81-3-5545-9332

stock@av.avex.co.jp

*Except otherwise noticed, the figures in this material are cutoff from fractions, and percentages(%) are being rounded.