

# Earnings Results for FY 2015

(Fiscal year ended March 31, 2016)

May 11, 2016

TSE 7860 : Avex Group Holdings Inc.

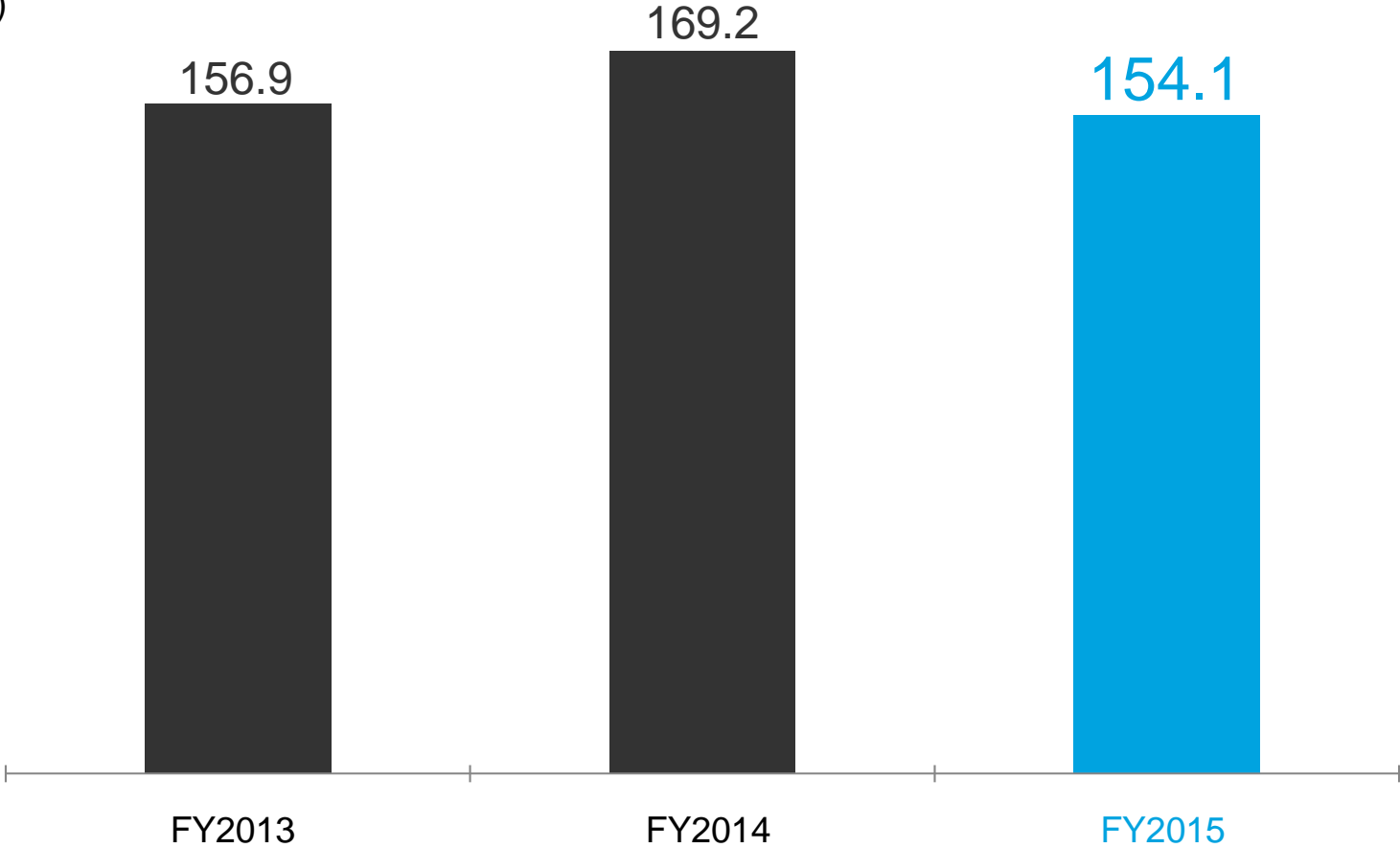


# Consolidated Results

# FY2015 Highlights –Net Sales

15.1billion yen (-8.9%) decline YoY

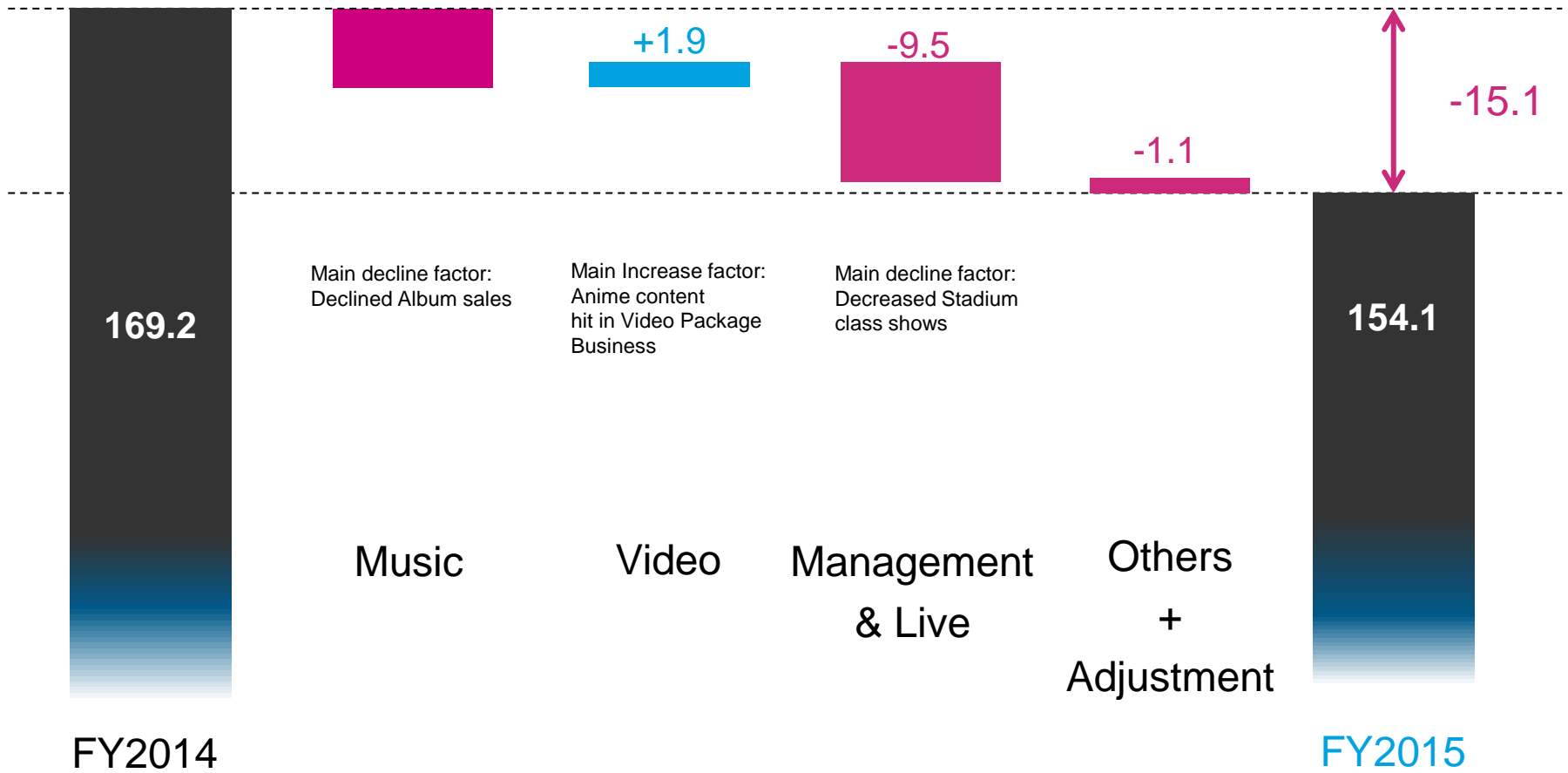
(billions of yen)



# FY2015 Highlights –Net Sales Change by Segments

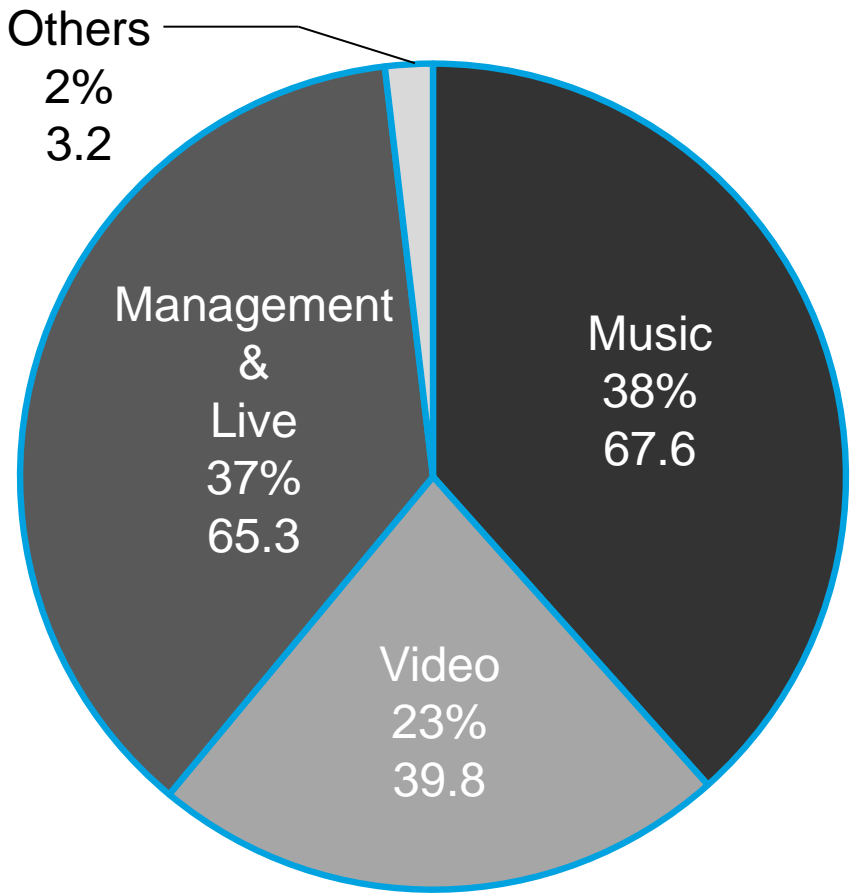
Sales fell short due to declined Album sales in Music, and decreased Stadium shows in Management & Live

(billions of yen)

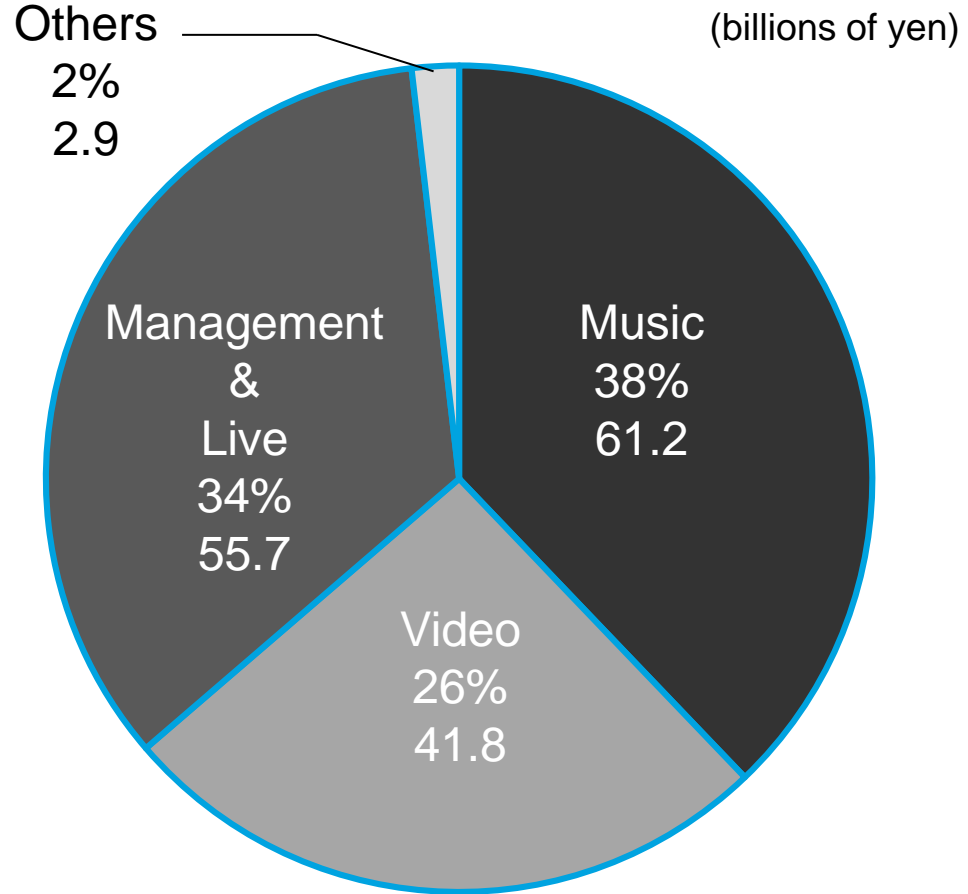


# FY2015 Highlights –Net Sales composition ratio by segments

(Based on the amounts before elimination of inter-segment transactions)



FY 2014

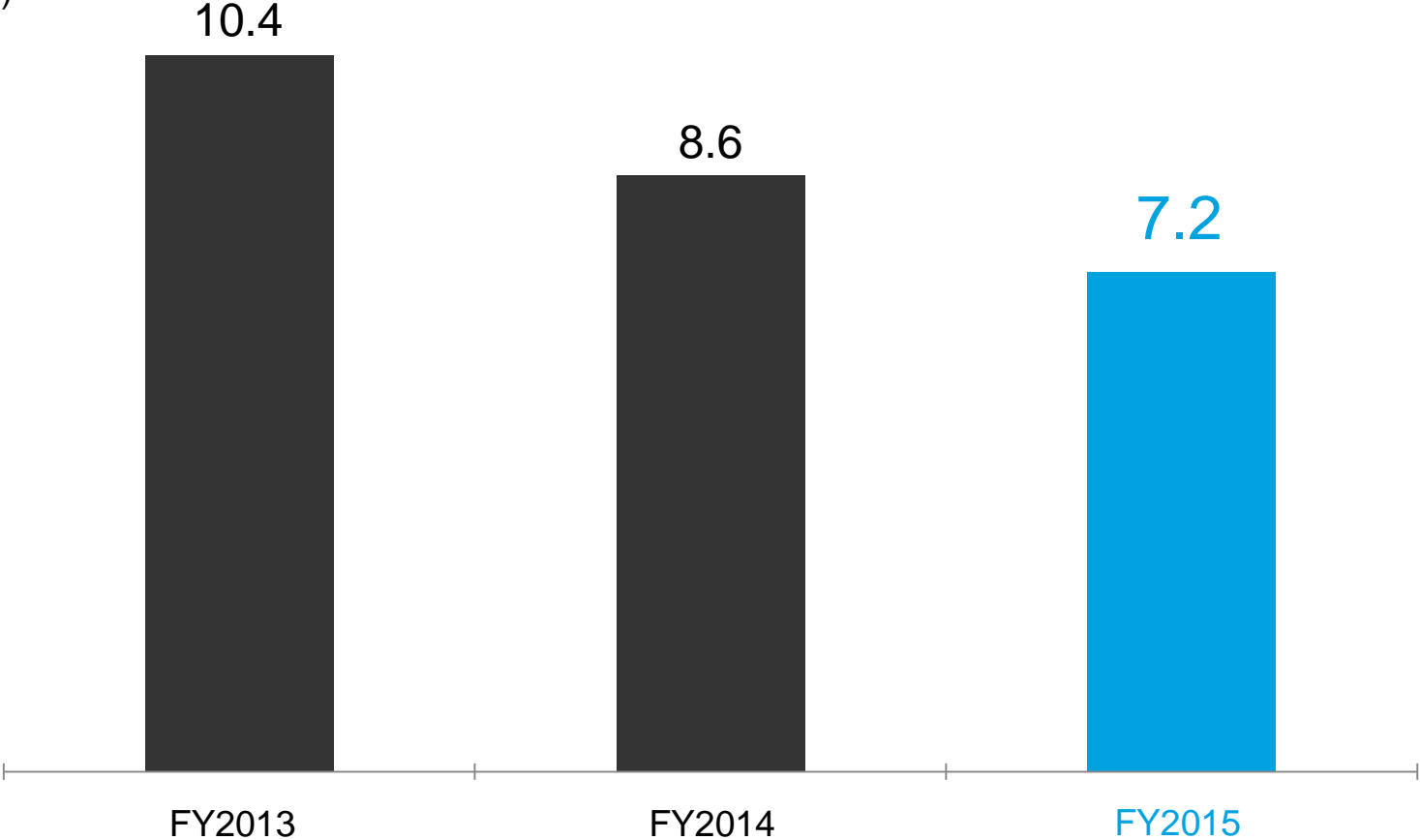


FY 2015

# FY2015 Highlights –Operating Income

1.3 billion yen (-16.1%) decline YoY

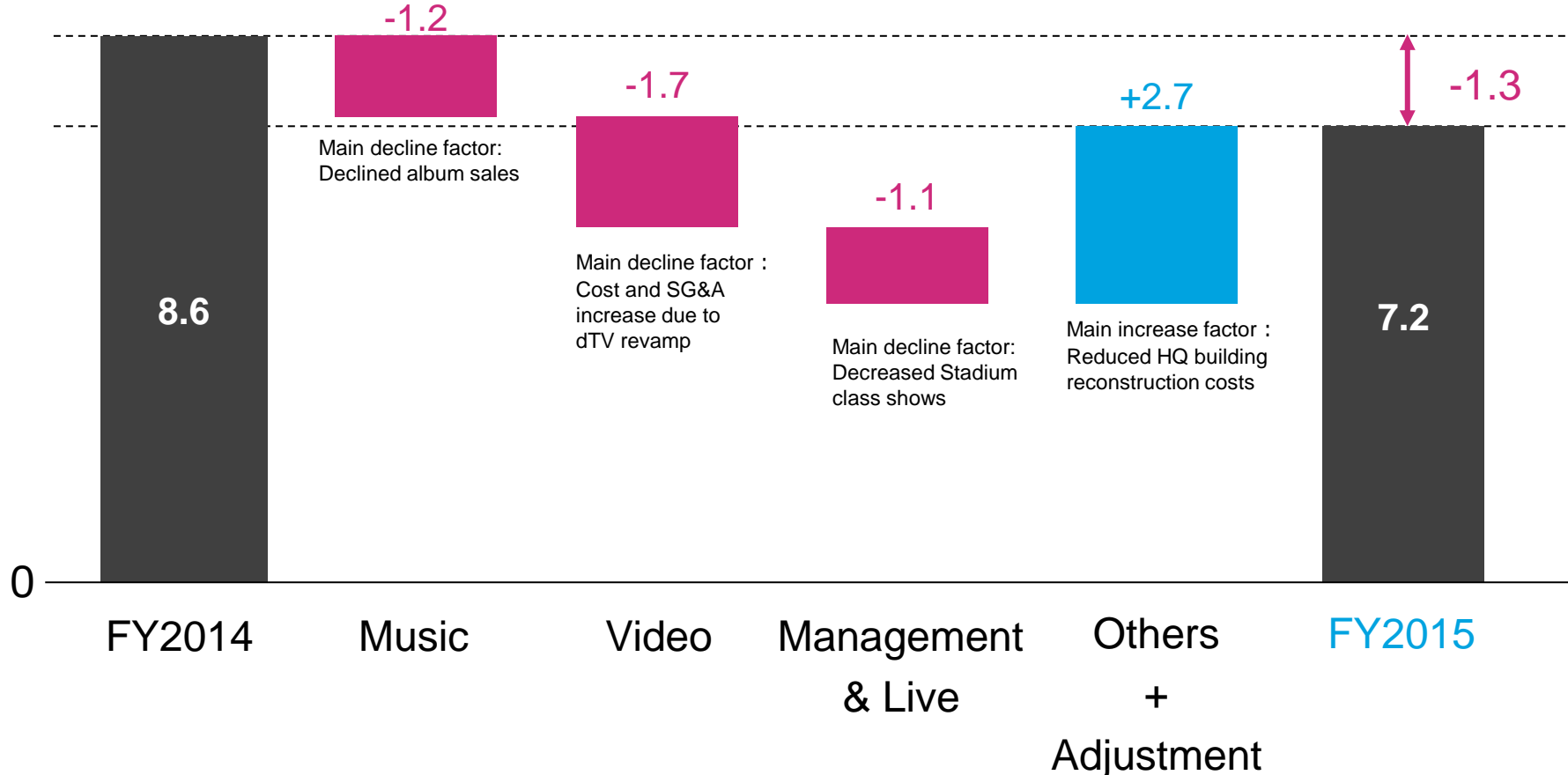
(billions of yen)



# FY2015 Highlights –Operating Income Change by Segments

Reduced HQ building reconstruction costs could not make up for YoY Profit decline in every business segments

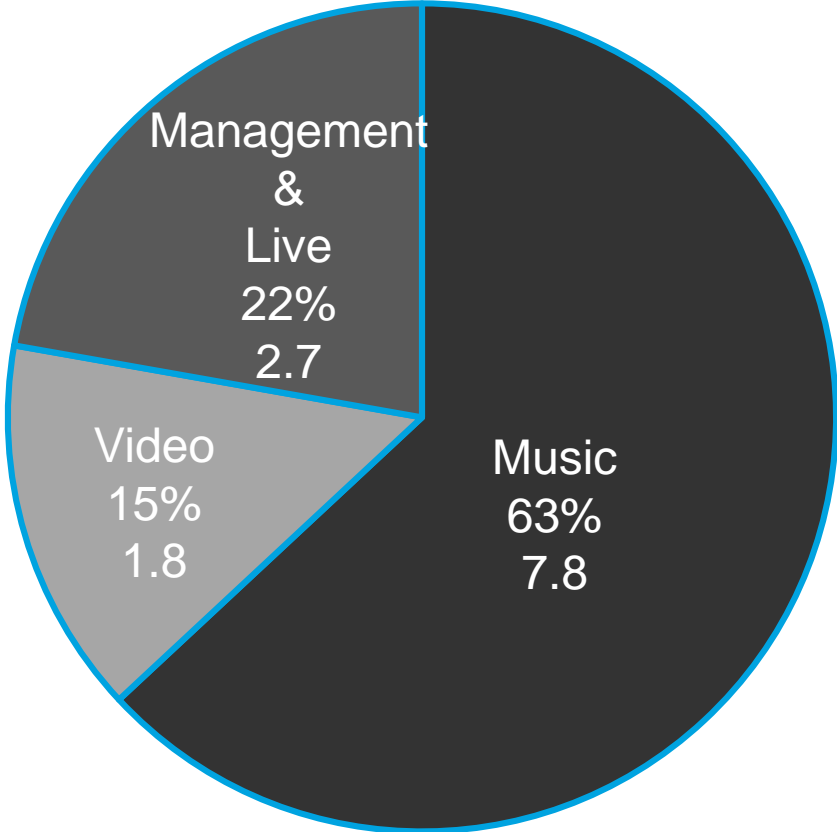
(billions of yen)



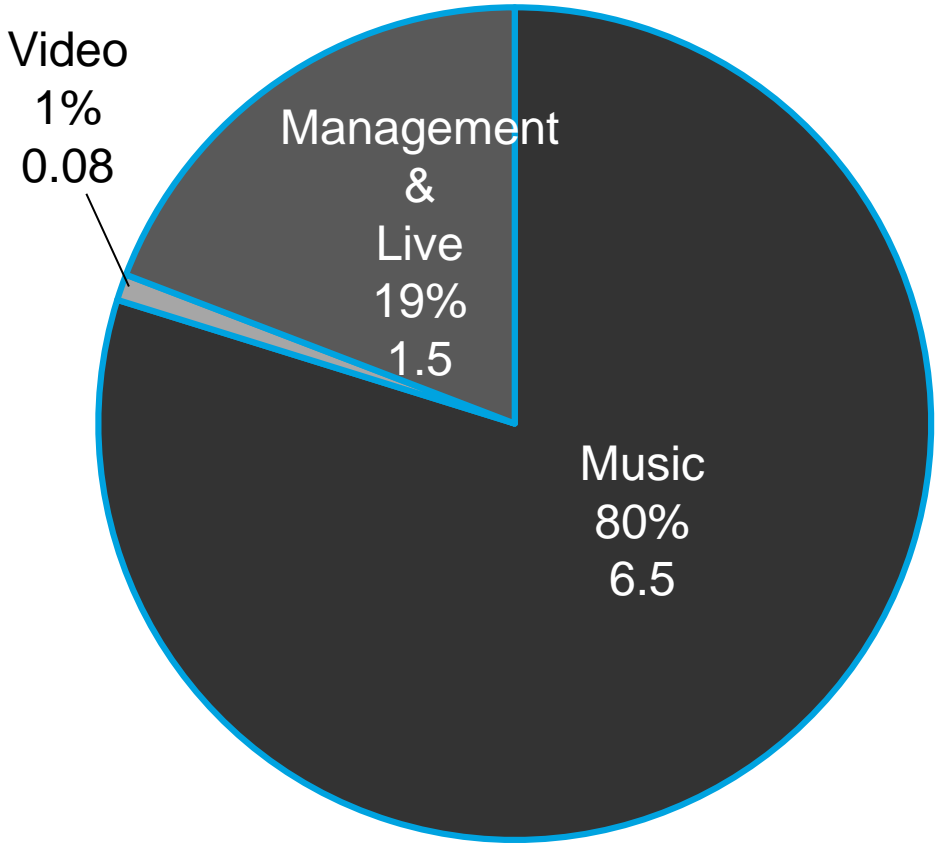
# FY2015 Highlights –Operating Income composition ratio by segments

(Based on the amounts before elimination of inter-segment transactions)

(billions of yen)



FY 2014



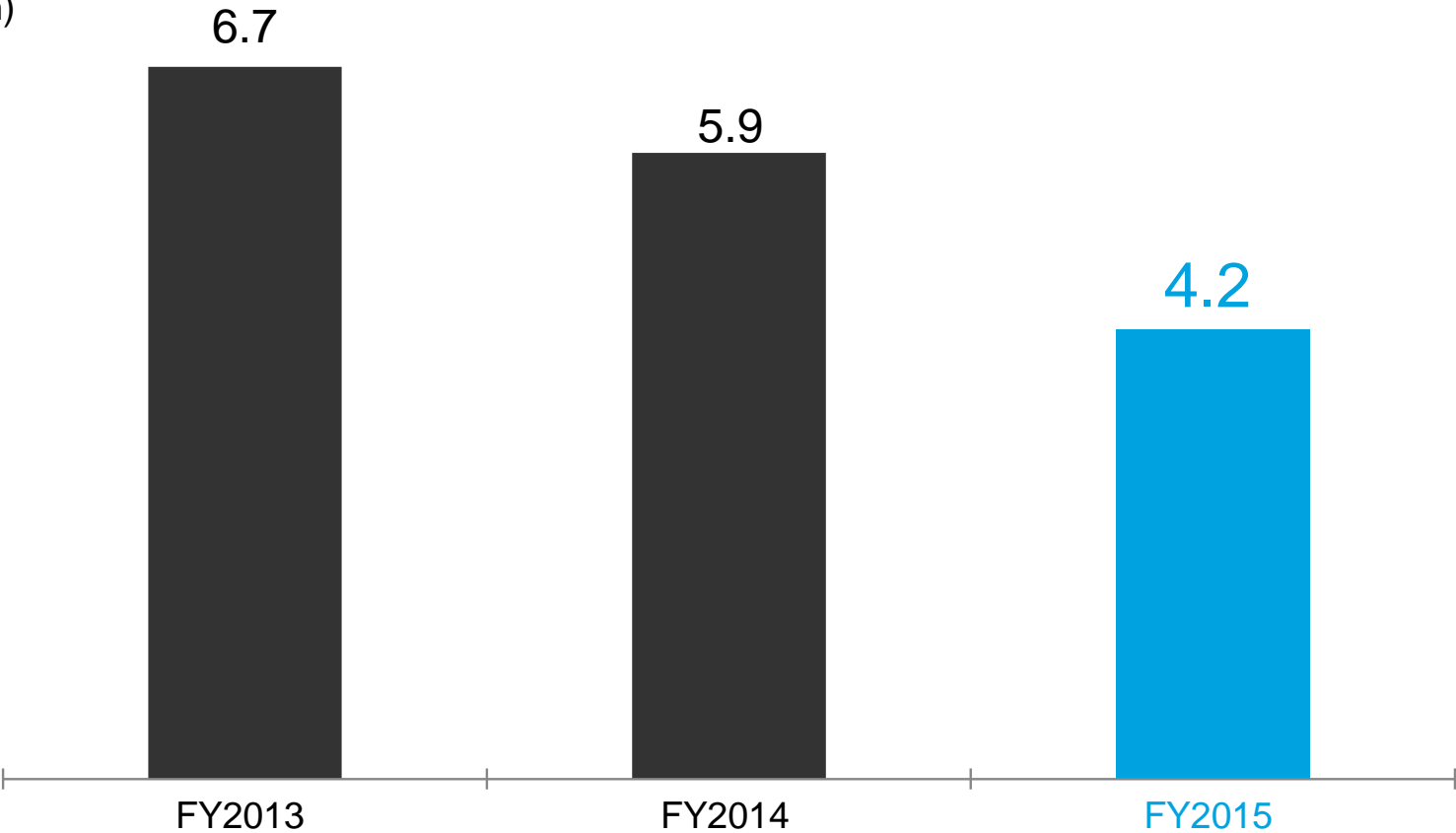
FY 2015

(Other Businesses excluded due to recording a loss)

# FY2015 Highlights –Net Income attributable to owners of parent

1.6 billion yen (-28.2%) decline YoY engaged with  
Operating Income decline,  
and investment in new digital music distribution services

(billions of yen)



# FY2015 Highlights –Consolidated Balance Sheet

- ① Cash and deposits decreased by 4.5 billion yen mainly due to declined Operating Cash Flow, acquisition of treasury stocks, and dividend payout
- ② Extinguished long term debt
- ③ Debt compression led to equity capital ratio improvement

(billions of yen)

	FY 2014	FY 2015	YoY
<b>Current Assets</b>	<b>69.1</b>	<b>63.6</b>	<b>-5.5</b>
Cash and Deposits	① 25.6	21.1	-4.5
<b>Noncurrent Assets</b>	<b>48.4</b>	<b>47.5</b>	<b>-0.8</b>
<b>Total Assets</b>	<b>117.5</b>	<b>111.2</b>	<b>-6.3</b>

	FY 2014	FY 2015	YoY
<b>Current Liabilities</b>	<b>59.4</b>	<b>55.4</b>	<b>-3.9</b>
<b>Noncurrent Liabilities</b>	<b>4.7</b>	<b>3.3</b>	<b>-1.3</b>
Long-term Debt	② 1.0	-	-1.0
<b>Total Liabilities</b>	<b>64.1</b>	<b>58.8</b>	<b>-5.3</b>
<b>Total Net Assets</b>	<b>53.3</b>	<b>52.3</b>	<b>-1.0</b>
Equity Capital Ratio	③ 45.4%	47.1%	+1.7pt
<b>Total Liabilities &amp; Net Assets</b>	<b>117.5</b>	<b>111.2</b>	<b>-6.3</b>

# Results by Segments

# Music Business Highlights

- Sales and profit declined in Music Package due to decreased album sales
- Digital Music Distribution GPM recovery due to increased catalog ratio
- Copyright usage fee provides stabled revenue flow for Music Publishing

(billions of yen)

Music Business	FY 2014	FY 2015	YoY	rate
Net Sales	67.6	61.2	-6.4	-9.5%
Gross Profit	27.6	24.4	-3.2	-11.7%
GPM	40.9%	39.9%	-1.0pt	—
Operating Income	7.8	6.5	-1.2	-16.1%
Operating Margin	11.6%	10.8%	-0.8pt	—

(billions of yen)

Sub-Segments	Music Package			Digital Music Distribution			Music Publishing		
	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY
Net Sales	47.9	41.9	-12.5%	12.5	11.8	-5.6%	2.8	2.9	+1.6%
Gross Profit	20.4	16.6	-18.5%	5.2	5.9	+14.0%	1.0	0.8	-19.2%
GPM	42.6%	39.7%	-2.9pt	41.5%	50.1%	+8.6pt	35.3%	28.1%	-7.2pt

# Video Business Highlights

Sales increased thanks to subs growth in Video Distribution and huge Anime content hit in Video Package “Osomatsu-San”

Profit declined due to increased content fees and promotion expenses derived by dTV service rebranding

(billions of yen)

Video Business	FY 2014	FY 2015	YoY	rate
Net Sales	39.8	41.8	+1.9	+4.9%
Gross Profit	8.6	8.3	-0.3	-4.3%
GPM	21.8%	19.9%	-1.9pt	—
Operating Income	1.8	0.08	-1.7	-95.3%
Operating Margin	4.6%	0.2%	-4.4pt	—

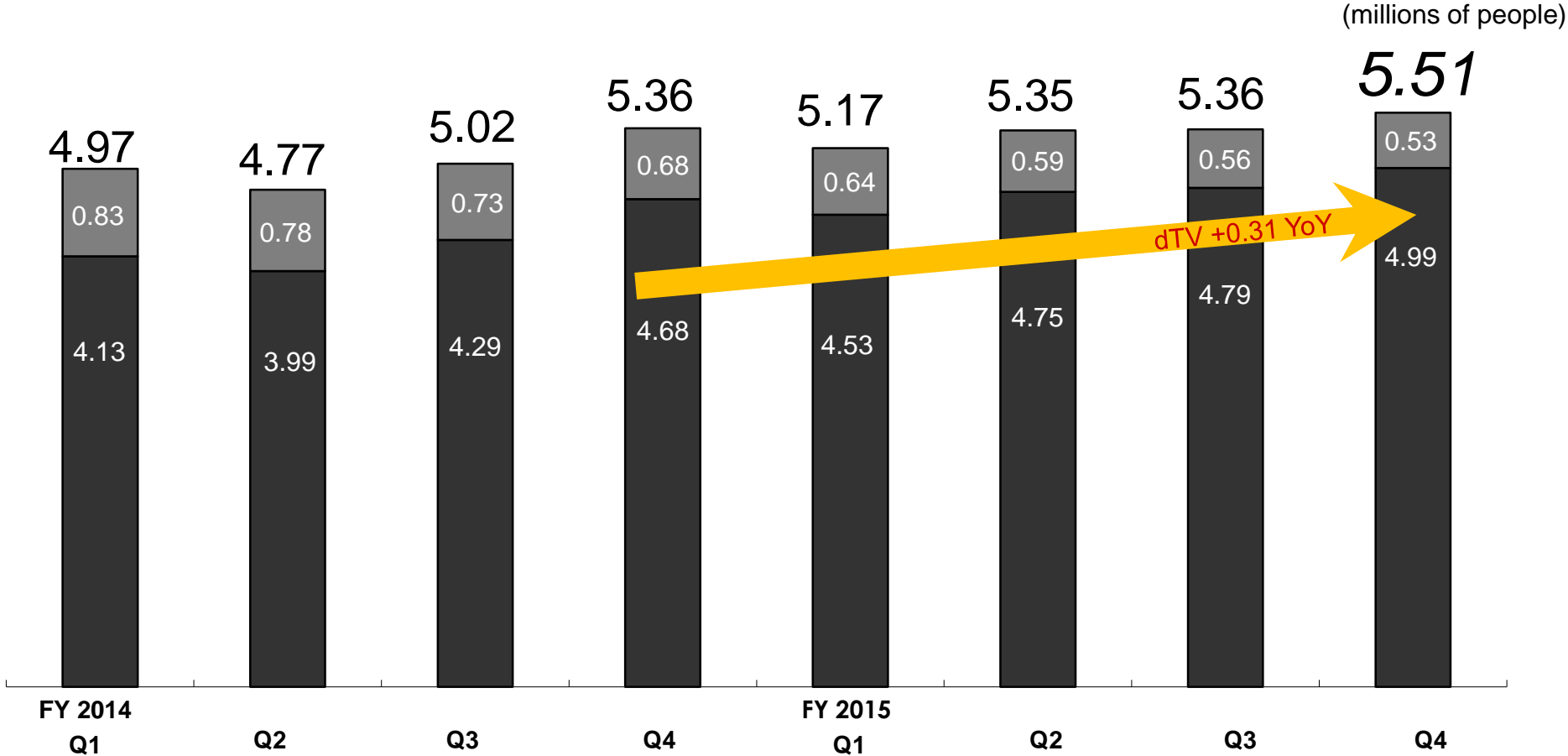
(billions of yen)

Sub-Segments	Video Distribution			Video Package		
	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY
Net Sales	31.4	32.1	+2.0%	10.0	14.4	+43.7%
Gross Profit	6.2	4.0	-34.5%	3.4	5.7	+63.8%
GPM	19.8%	12.7%	-7.1pt	34.9%	39.7%	+4.8pt

# Video Business Highlights: Number of dTV & BeeTV Subs



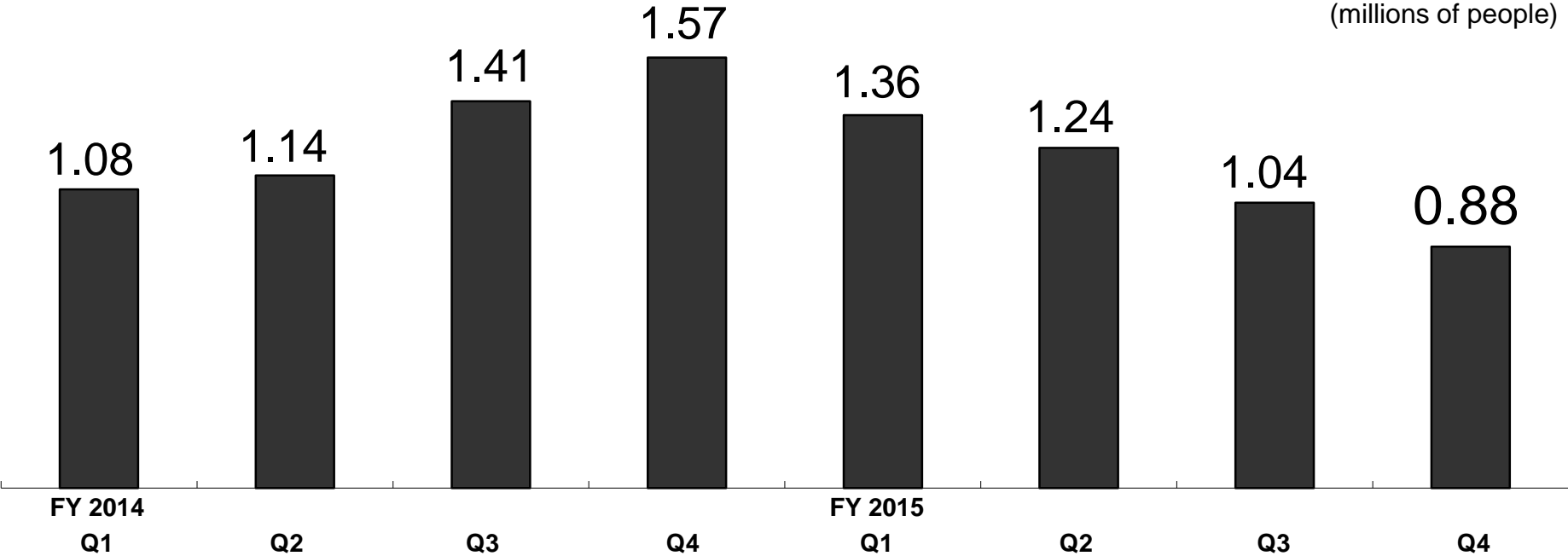
Stabled growth for dTV, recording highest subs numbers



# Video Business Highlights: Number of UULA subs



UULA Inc. became wholly owned subsidiary as of March 2016 enabling proactive business operation



# Management & Live Business Highlights

Sales and Profit decreased  
in accordance with declined live concert offerings

(billions of yen)

Management & Live	FY 2014	FY 2015	YoY	rate
Net Sales	65.3	55.7	-9.5	-14.7%
Gross Profit	14.9	13.2	-1.7	-11.5%
GPM	22.9%	23.7%	+0.8pt	—
Operating Income	2.7	1.5	-1.1	-42.7%
Operating Margin	4.2%	2.8%	-1.4pt	—

(billions of yen)

Sub-Segments	Live Concerts			Management			Merchandising			Fan Club		
	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY	FY 2014	FY 2015	YoY
Net Sales	42.7	32.1	-24.9%	17.0	17.0	+0.0%	12.6	11.3	-10.3%	4.6	4.6	-0.2%
Gross Profit	3.8	3.1	-19.1%	4.9	4.7	-4.7%	4.8	4.0	-15.7%	1.2	1.3	+4.2%
GPM	9.0%	9.7%	+0.7pt	29.2%	27.8%	-1.4pt	38.4%	36.1%	-2.3pt	27.6%	28.8%	+1.2pt

# Management & Live Business Highlights: Number of Concerts

Declined Audience numbers by fewer live concert offerings  
 Average Ticket Price shrank due to decreased Stadium Class shows

Venue Size	FY 2014	FY 2015	YoY
Stadium class	52	33	-19
Arena class	136	113	-23
Hall & Live House class	534	487	-47
Total	722	633	-89
Audience	3.55M People	2.46M People	-1.08M People
Concert Ticket Average Price	9,234yen	9,025yen	-209yen

# Guidance Highlights for FY 2016, ending March 2017

## Slight growth in Net Sales, while Profit expected to decline

(billions of yen)

Consolidated	FY 2015	FY 2016	YoY	rate
Net Sales	154.1	155.0	+0.8	+0.6%
Operating Income	7.2	6.0	-1.2	-17.6%
Ordinary Income	6.0	5.0	-1.0	-17.4%
Net Income	4.2	2.3	-1.9	-46.4%

### Dividend Policy

Payout Ratio 35% or more, minimum Annual Dividend 50 yen per share

# FY2016 Guidance Highlights -Consolidated

Music Business: Expect similar result as FY2015

Video Business:

Video Package expected to contribute the Sales growth,  
Video Distribution anticipate an Operating Loss, mainly due to  
initial costs for the new video distribution service.

Management & Live Business:

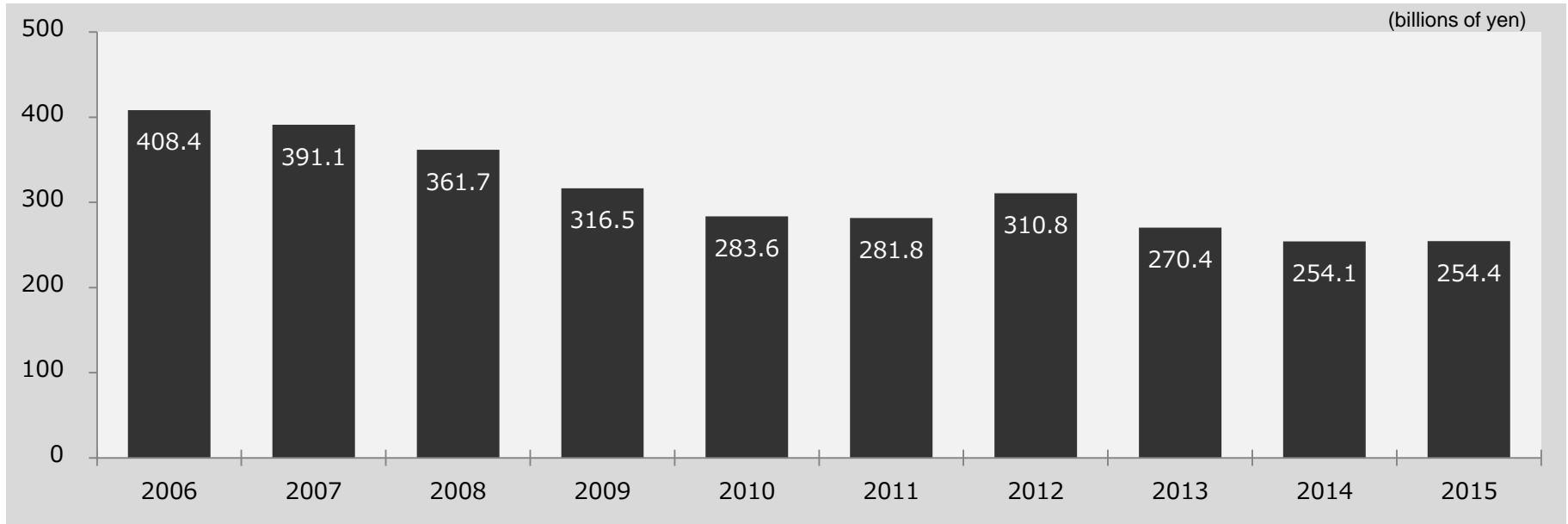
Sales and Profit decline due to fewer Stadium Class shows

(billions of yen)

Segment	Net Sales				Operating Income			
	FY2015	FY2016	YoY	rate	FY2015	FY2016	YoY	rate
Music Business	61.2	61.8	+0.5	+0.9%	6.5	6.5	+0.0	+0.1%
Video Business	41.8	42.8	+0.9	+2.4%	0.08	-0.7	-0.8	—
Management & Live Business	55.7	53.0	-2.7	-4.9%	1.5	1.0	-0.5	-31.6%

# Related Market Data

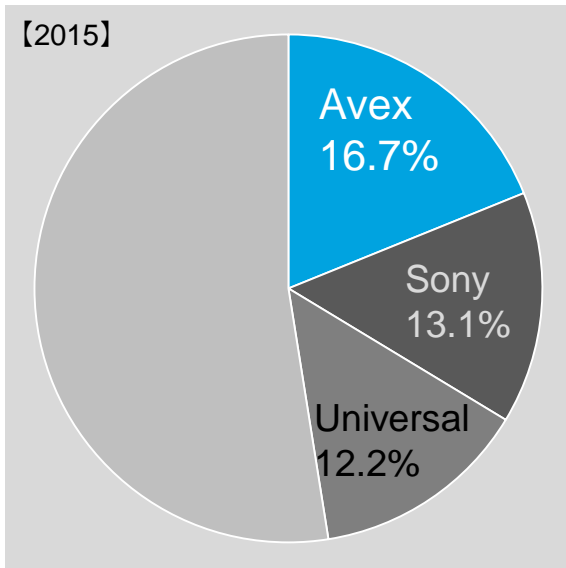
■ Music Package Market **Music Package production leveled out (YoY 100.1%)**



(Reference : RIAJ)

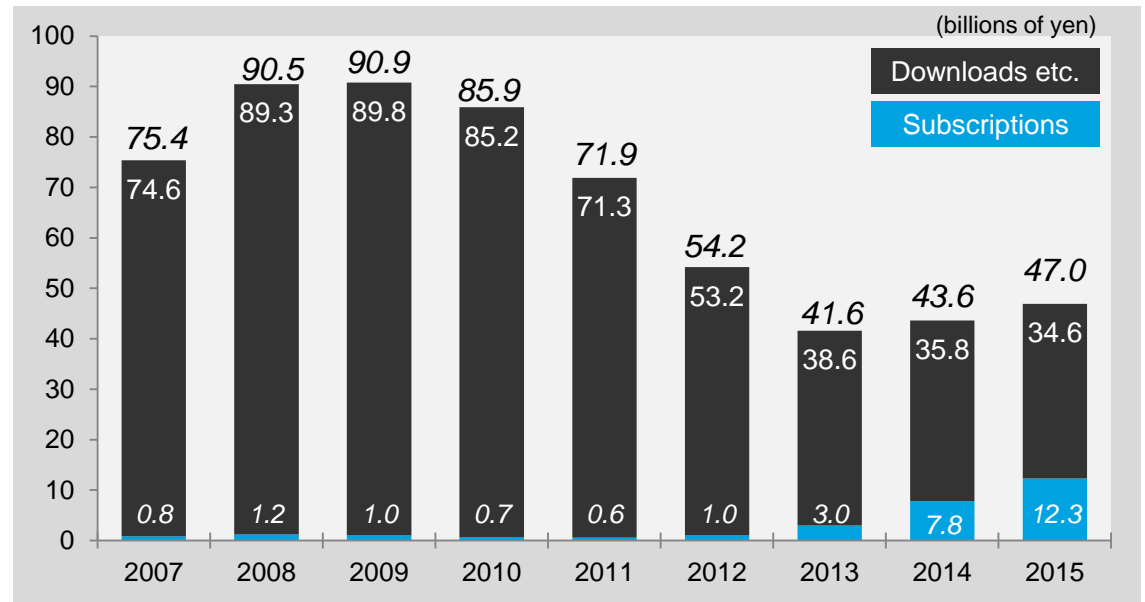
■ Annual Music Software Market  
Label Share by Sales

**Avex topped the market for 4 years straight**



(Reference: Oricon)

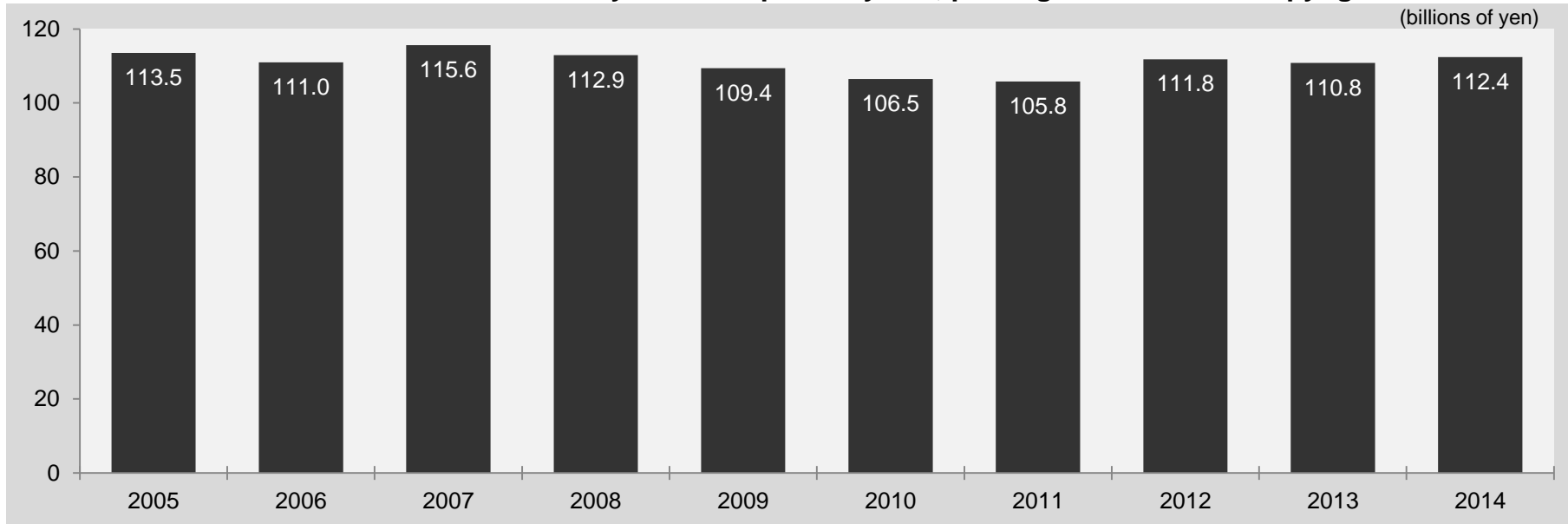
■ Digital Music Market **Subscription contributed to the market recovery (YoY 107.7%)**



(Reference : RIAJ)

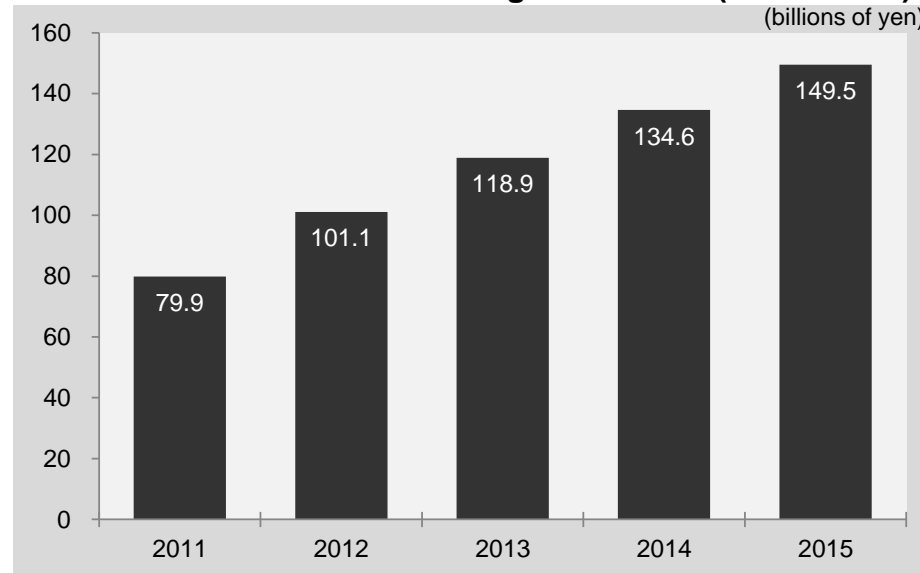
■ Amount of royalties and other fees collected

Collection remains stabled around 110 billion yen for the past 10 years, proving stabled music copyright demands



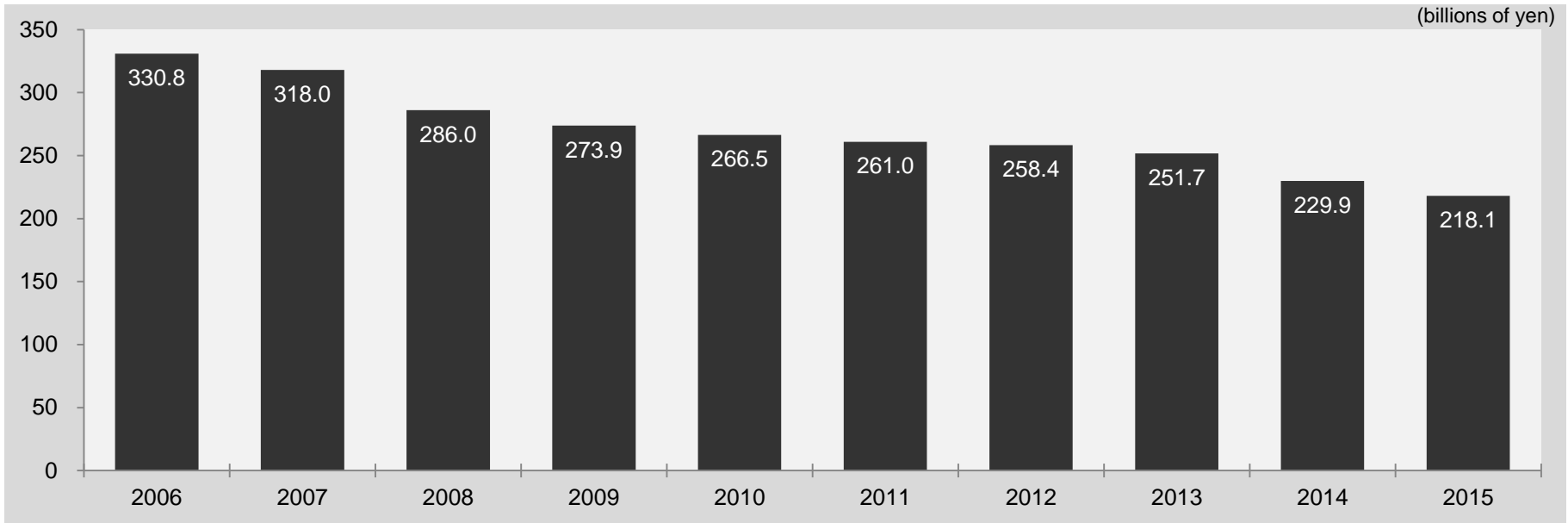
(reference: JASRAC)

■ Domestic VOD Market Growing momentum (YoY 110.0%)



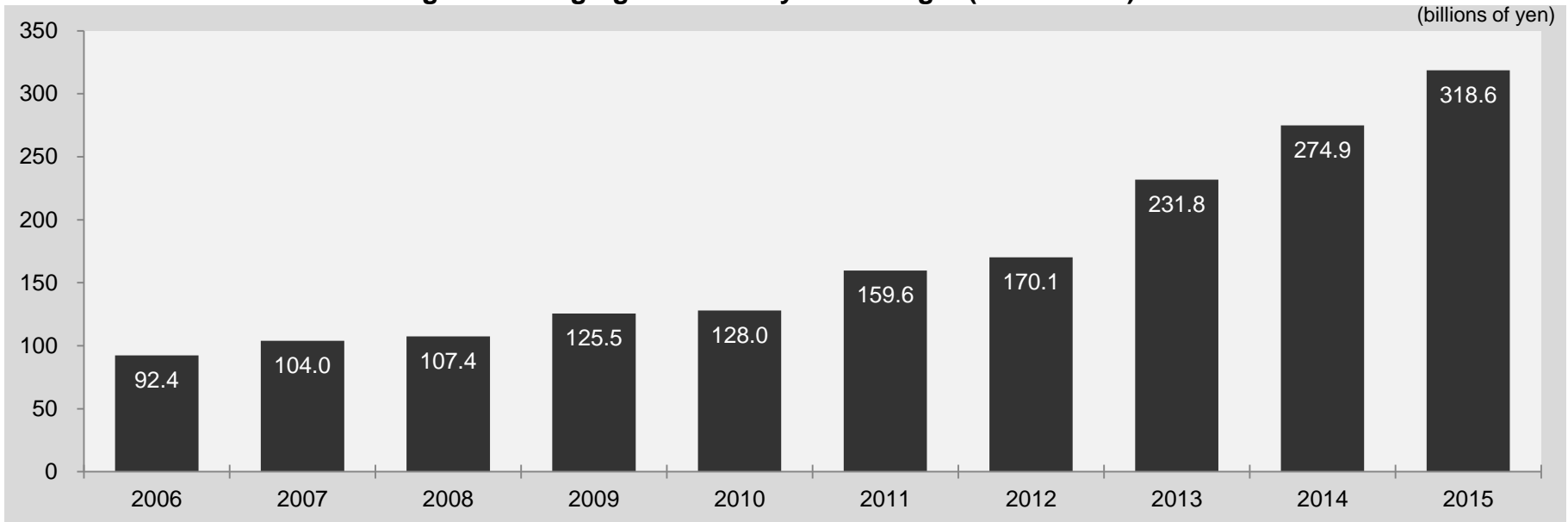
(Reference:NRI)

■ Video Software Market In a declining trend (94.9% YoY)



(Reference: JVA)

■ Live Concerts Market Marking double-digit growth for 3 years straight (115.9% YoY)



(Reference: ACPC)

# Reference Data

# Consolidated Income Statement

(millions of yen)

## Consolidated Income Statement

	FY 2014	*Guidance	FY 2015	YoY	VS Guidance	FY 2016 Guidance		
						FY 2016	YoY	FY 2016 Interim
Net Sales	<b>169,256</b>	<b>151,000</b>	<b>154,122</b>	<b>-15,133</b>	<b>+3,121</b>	<b>155,000</b>	<b>+877</b>	<b>73,666</b>
Cost of Sales	118,503	108,085	107,867	-10,636	-218	110,700	+2,832	55,106
Gross Profit	50,752	42,915	46,255	-4,497	+3,340	44,299	-1,955	18,560
<b>GPM</b>	<b>30.0%</b>	<b>28.4%</b>	<b>30.0%</b>	<b>+0.0pt</b>	<b>+1.6pt</b>	<b>28.6%</b>	<b>-1.4pt</b>	<b>25.2%</b>
Personnel Expenses	12,816	11,189	12,253	-563	+1,064	12,571	+318	5,729
Sales promotion & Advertising Expenses	11,028	12,605	11,477	+449	-1,127	11,226	-250	4,519
General Expenses	18,232	14,921	15,247	-2,984	+325	14,501	-745	7,204
Total SG&A Expenses	42,077	38,715	38,978	-3,099	+262	38,299	-678	17,453
Operating Income	<b>8,675</b>	<b>4,200</b>	<b>7,277</b>	<b>-1,398</b>	<b>+3,077</b>	<b>6,000</b>	<b>-1,277</b>	<b>1,106</b>
<b>Operating Margin</b>	<b>5.1%</b>	<b>2.8%</b>	<b>4.7%</b>	<b>-0.4pt</b>	<b>+1.9pt</b>	<b>3.9%</b>	<b>-0.8pt</b>	<b>1.5%</b>
Ordinary Income	8,611	2,700	6,055	-2,556	+3,354	5,000	-1,055	463
Net Income attributable to owners parent	<b>5,975</b>	<b>600</b>	<b>4,292</b>	<b>-1,683</b>	<b>+3,691</b>	<b>2,300</b>	<b>-1,992</b>	<b>-135</b>

\*Revised guidance announced on Nov. 5, 2015

# Music Business Income Statement

(millions of yen)

## Music Business

	FY 2014	*Guidance	FY 2015	YoY	VS Guidance	FY 2016 Guidance		
						FY 2016	YoY	FY 2016 Interim
<b>Net Sales</b>	<b>67,628</b>	<b>60,600</b>	<b>61,224</b>	<b>-6,403</b>	<b>+624</b>	<b>61,800</b>	<b>+576</b>	<b>25,402</b>
Cost of Sales	39,977	-	36,802	-3,175	-	-	-	-
Gross Profit	27,650	23,213	24,422	-3,228	+1,209	24,501	+78	8,607
<b>GPM</b>	<b>40.9%</b>	<b>38.3%</b>	<b>39.9%</b>	<b>-1.0pt</b>	<b>+1.6pt</b>	<b>39.6%</b>	<b>-0.3pt</b>	<b>33.9%</b>
Personnel Expenses	3,308	-	2,896	-412	-	-	-	-
Sales Promotion & Advertising Expenses	8,202	-	7,083	-1,119	-	-	-	-
General Expenses	3,181	-	2,854	-326	-	-	-	-
GMF★	5,108	-	5,003	-104	-	-	-	-
Total SG&A Expenses	19,801	17,812	17,839	-1,962	+26	17,911	+72	7,461
<b>Operating Income</b>	<b>7,849</b>	<b>5,400</b>	<b>6,583</b>	<b>-1,266</b>	<b>+1,183</b>	<b>6,589</b>	<b>+6</b>	<b>1,146</b>
<b>Operating Margin</b>	<b>11.6%</b>	<b>8.9%</b>	<b>10.8%</b>	<b>-0.8pt</b>	<b>+1.9pt</b>	<b>10.7%</b>	<b>-0.1pt</b>	<b>4.5%</b>

\*Revised guidance announced on Nov. 5, 2015

★GMF=Group Management Fee

# Music Business: Results by Sub-Segment

(millions of yen)

Music Package			
	FY 2014	FY 2015	YoY
Net Sales	47,952	41,943	-6,009
Gross Profit	20,443	16,659	-3,783
GPM	42.6%	39.7%	-2.9pt

Digital Music Distribution			
	FY 2014	FY 2015	YoY
Net Sales	12,545	11,849	-696
Gross Profit	5,203	5,932	+729
GPM	41.5%	50.1%	+8.6pt

Music Publishing			
	FY 2014	FY 2015	YoY
Net Sales	2,885	2,931	+45
Gross Profit	1,019	823	-195
GPM	35.3%	28.1%	-7.2pt

Other Businesses of Music			
	FY 2014	FY 2015	YoY
Net Sales	4,419	4,647	+227
Gross Profit	2,589	2,789	+199
GPM	58.6%	60.0%	+1.4pt

# Music Business: Indicators

## Music Business: Indicators

			FY 2014	FY 2015
M* Music Package	Albums	Average Price (¥)	2,853	3,035
		Units (thousands)	7,050	4,978
	Singles	Average Price (¥)	971	829
		Units (thousands)	9,048	7,876
	DVDs / Blu-ray Discs	Average Price (¥)	5,334	5,333
		Units (thousands)	2,221	2,382
D igital D istribution	Feature phone (Ringtones/Video Ringtones)	Average Price (¥)	275	295
		Downloads (thousands)	3,449	1,381
	Smartphone (Ringtones/Video Ringtones)	Average Price (¥)	252	254
		Downloads (thousands)	13,441	9,484
	Ring-back tones	Average Price (¥)	108	108
		Downloads (thousands)	11,884	9,818
	PC downloads	Average Price (¥)	244	254
		Downloads (thousands)	13,676	11,048
	mu-mo	ARPU (¥)	342	348
		Subscribers (thousands)	325	236

\*Music Package indicators consists of the titles released in FY2015 and does not include back catalog sales. 29

# Music Business: Key Titles Released in FY2015

## CD Albums

Artist	Title	Copies (thousands) *
J Soul Brothers III from EXILE TRIBE	THE JSB LEGACY	803
Kis-My-Ft2	KIS-MY-WORLD	390
E-girls	E.G. SMILE -E-girls BEST-	338
Namie Amuro	_genic	334

## CD Singles

Artist	Title	Copies (thousands) *
J Soul Brothers III from EXILE TRIBE	starting over	650
SKE48	<i>Maenomeri</i>	585
EXILE	AMAZING WORLD	479
EXO	Love Me Right ~romantic universe~	358

## DVDs / Blu-ray Discs

Artist	Title	Copies (thousands) *
J Soul Brothers III from EXILE TRIBE	J Soul Brothers III LIVE TOUR 2015 "BLUE PLANET"	654
Kis-My-Ft2	2015 CONCERT TOUR KIS-MY-WORLD	277

\* Total Copies as of March 31, 2016

# Video Business Income Statement

(millions of yen)

Video Business						FY 2016 Guidance		
	FY 2014	*Guidance	FY 2015	YoY	VS Guidance	FY 2016	YoY	FY 2016 Interim
<b>Net Sales</b>	<b>39,831</b>	<b>41,300</b>	<b>41,801</b>	<b>+1,970</b>	<b>+501</b>	<b>42,800</b>	<b>+998</b>	<b>21,164</b>
Cost of Sales	31,139	-	33,488	+2,348	-	-	-	-
Gross Profit	8,691	6,645	8,313	-377	+1,668	6,928	-1,385	3,365
<b>GPM</b>	<b>21.8%</b>	<b>16.1%</b>	<b>19.9%</b>	<b>-1.9pt</b>	<b>+3.8pt</b>	<b>16.2%</b>	<b>-3.7pt</b>	<b>15.9%</b>
Personnel Expenses	1,122	-	833	-288	-	-	-	-
Sales Promotion & Advertising Expenses	2,368	-	3,813	+1,444	-	-	-	-
General Expenses	954	-	888	-66	-	-	-	-
GMF*	2,413	-	2,692	+279	-	-	-	-
Total SG&A Expenses	6,858	8,146	8,228	+1,369	+82	7,658	-570	3,841
<b>Operating Income</b>	<b>1,832</b>	<b>-1,500</b>	<b>85</b>	<b>-1,747</b>	<b>+1,586</b>	<b>-729</b>	<b>-815</b>	<b>-476</b>
<b>Operating Margin</b>	<b>4.6%</b>	<b>-</b>	<b>0.2%</b>	<b>-4.4pt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Revised guidance announced on Nov. 5, 2015

★GMF=Group Management Fee

# Video Business: Results by Sub-Segment

(millions of yen)

Video Distribution			
	FY 2014	FY 2015	YoY
Net Sales	31,478	32,116	+638
Gross Profit	6,238	4,086	-2,152
GPM	19.8%	12.7%	-7.1pt

Video Package			
	FY 2014	FY 2015	YoY
Net Sales	10,032	14,418	+4,385
Gross Profit	3,499	5,730	+2,231
GPM	34.9%	39.7%	+4.8pt

Video Business: Indicators			
		FY 2014	FY 2015
dTV+BeeTV	ARPU ( ¥ )	466	475
	Subscribers(millions)	5.36	5.51
	dTV	4.68	4.99
	BeeTV	0.68	0.53
UULA	ARPU ( ¥ ) ※	467	467
	Subscribers(millions)	1.57	0.88
DVDs / Blu-ray Discs *	Average Price ( ¥ )	5,476	5,228
	Units (thousands)	861	801

\* DVDs / Blu-ray Discs indicators consists of the titles released in FY2015 and does not include back catalog sales.

※ Less than 1 yen rounded up

# Management & Live Business Income Statement

(millions of yen)

## Management & Live Business

	FY 2014	*Guidance	FY 2015	YoY	VS Guidance	FY 2016 Guidance		
						FY 2016	YoY	FY 2016 Interim
<b>Net Sales</b>	<b>65,334</b>	<b>52,500</b>	<b>55,756</b>	<b>-9,577</b>	<b>+3,256</b>	<b>53,000</b>	<b>-2,756</b>	<b>27,804</b>
Cost of Sales	50,399	-	42,532	-7,866	-	-	-	-
Gross Profit	14,934	12,512	13,224	-1,710	+712	12,581	-642	6,479
<b>GPM</b>	<b>22.9%</b>	<b>23.8%</b>	<b>23.7%</b>	<b>+0.8pt</b>	<b>-0.1pt</b>	<b>23.7%</b>	<b>+0.0pt</b>	<b>23.3%</b>
Personnel Expenses	2,928	-	2,925	-2	-	-	-	-
Sales Promotion & Advertising Expenses	746	-	812	+65	-	-	-	-
General Expenses	4,161	-	3,702	-459	-	-	-	-
GMF*	4,332	-	4,201	-131	-	-	-	-
Total SG&A Expenses	12,169	11,312	11,641	-528	+329	11,498	-142	5,529
<b>Operating Income</b>	<b>2,765</b>	<b>1,200</b>	<b>1,583</b>	<b>-1,182</b>	<b>+383</b>	<b>1,083</b>	<b>-500</b>	<b>950</b>
<b>Operating Margin</b>	<b>4.2%</b>	<b>2.3%</b>	<b>2.8%</b>	<b>-1.4pt</b>	<b>+0.5pt</b>	<b>2.0%</b>	<b>-0.8pt</b>	<b>3.4%</b>

\*Revised guidance announced on Nov. 5, 2015

★GMF=Group Management Fee

# Management & Live Business: Results by Sub-Segment

(millions of yen)

Live Concerts			
	FY 2014	FY 2015	YoY
Net Sales	42,777	32,110	-10,667
Gross Profit	3,858	3,121	-736
GPM	9.0%	9.7%	+0.7pt

Management			
	FY 2014	FY 2015	YoY
Net Sales	17,052	17,053	+1
Gross Profit	4,971	4,735	-235
GPM	29.2%	27.8%	-1.4pt

Merchandising			
	FY 2014	FY 2015	YoY
Net Sales	12,632	11,334	-1,297
Gross Profit	4,850	4,091	-759
GPM	38.4%	36.1%	-2.3pt

Fan Club			
	FY 2014	FY 2015	YoY
Net Sales	4,679	4,671	-7
Gross Profit	1,289	1,343	+53
GPM	27.6%	28.8%	+1.2pt

# Management & Live Business: Results by Sub-Segment

(millions of yen)

Others			
	FY 2014	FY 2015	YoY
Net Sales	264	723	+458
Gross Profit	49	66	+16
GPM	18.8%	9.2%	-9.6pt

## Management & Live Business Indicators

		FY 2014	FY 2015
Concert Ticket	Average Price( ¥ )	9,234	9,025
Fan Club	Subscribers(thousands)	1,309	1,426

# Other Businesses Income Statement

(millions of yen)

## Other Businesses

	FY 2014	*Guidance	FY 2015	YoY	VS Guidance	FY 2016 Guidance		
						FY 2016	YoY	FY 2016 Interim
<b>Net Sales</b>	<b>3,282</b>	<b>3,000</b>	<b>2,976</b>	<b>-306</b>	<b>-23</b>	<b>3,204</b>	<b>+228</b>	<b>1,505</b>
Cost of Sales	1,629	-	1,576	-52	-	-	-	-
Gross Profit	1,653	1,413	1,399	-253	-13	1,612	+212	771
<b>GPM</b>	<b>50.4%</b>	<b>47.1%</b>	<b>47.0%</b>	<b>-3.4pt</b>	<b>-0.1pt</b>	<b>50.3%</b>	<b>+3.3pt</b>	<b>51.2%</b>
Personnel Expenses	559	-	546	-13	-	-	-	-
Sales Promotion & Advertising Expenses	268	-	345	+76	-	-	-	-
General Expenses	1,055	-	781	-274	-	-	-	-
GMF★	486	-	505	+19	-	-	-	-
Total SG&A Expenses	2,369	2,213	2,178	-191	-34	2,491	+312	1,251
<b>Operating Income</b>	<b>-716</b>	<b>-800</b>	<b>-779</b>	<b>-62</b>	<b>+21</b>	<b>-878</b>	<b>-99</b>	<b>-480</b>
<b>Operating Margin</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Revised guidance announced on Nov. 5, 2015

★GMF=Group Management Fee

# Consolidated Balance Sheet

(millions of yen)

Consolidated Balance Sheet					
	Mar.31,2015	Mar.31,2016		Mar.31,2015	Mar.31,2016
<b>Current Assets</b>	69,160	63,620	<b>Current Liabilities</b>	59,460	55,478
Cash and Deposits	25,699	21,107	Notes & Accounts Payable-trade	1,601	2,020
Notes & Accounts Receivable-trade	21,209	21,271	Short-term Debt	9,110	9,220
Inventories	9,038	8,526	Accounts Payable-Other	26,990	24,356
Others	13,212	12,714	Allowance for Returned Goods	4,247	4,163
			Others	17,511	15,718
<b>Noncurrent Assets</b>	48,404	47,588	<b>Noncurrent Liabilities</b>	4,709	3,337
Tangible & Intangible Assets	37,200	37,611	Long-term Debt	1,095	-
Total Investments & Other Assets	11,203	9,976	Others	3,614	3,337
Investment Securities	5,501	5,310	<b>Total Liabilities</b>	64,169	58,816
Others	5,702	4,666	<b>Total Net Assets</b>	53,394	52,392
<b>Total Assets</b>	117,564	111,208	<b>Total Liabilities &amp; Net Assets</b>	117,564	111,208

# Consolidated Cash Flow Statement

(millions of yen)

## Consolidated Cash Flow Statement

	FY 2014	FY 2015	YoY
Net Cash provided by Operating Activities	11,337	8,169	-3,167
Net Cash provided by Investing Activities	-1,330	-6,778	-5,448
Net Cash provided by Financing Activities	-3,040	-5,969	-2,928
Cash Flow	6,966	-4,578	-11,544
Free Cash Flow	10,006	1,390	-8,615
Effect of exchange rate change on cash and cash equivalents	-23	-13	+10
Net increase in cash and cash equivalents	6,942	-4,592	-11,534
Cash and cash equivalents at beginning of period	18,757	25,699	+6,942
Cash and cash equivalents at end of period	25,699	21,107	-4,592

## 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.