

## Company Information Briefing

Summary of Question and Answer Session

The following is a compilation of questions from shareholders at the company information briefing held on Friday, December 14, 2018.

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### Q1.

Does CyberAgent have a business relationship with Huawei?  
If so, do you plan to change your strategy going forward?

**A1.** Respondent: Nagase

We currently use Huawei devices in our network and data centers.

Considering the entire range of factors such as price and service content, at this point we are not changing our policy. We will continue to monitor developments, and make determinations on a case-by-case basis.

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### Q2.

For M-League\* broadcasts, would you please allow viewers to see the scorecards?  
Also, how is the tournament schedule determined?

\*M-League is the name of the professional mahjong league launched this year.

Companies sponsor club teams for the league, and there are currently seven teams. All matches are broadcast live on "AbemaTV."

**A2.** Respondent: Fujita

We will consider the idea of showing scorecards going forward.

The tournament schedule is determined by a lottery drawing by the teams.

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**Q3.**

A company needs good personnel in order to grow.

A few years ago CyberAgent posted its final interviews with new graduates on YouTube.

Are the employees hired at that time still with the company?

**A3. Respondent: Fujita**

Broadcasting employment interviews used to be taboo.

We got permission from the interviewees, and released our final interviews on YouTube, which was extremely popular with students.

The employees from that time are still working for CyberAgent.

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**Q4.**

For the commercials shown on “AbemaTV,” have you tried using internet technologies to categorize users in order to serve them commercials according to specific attributes?

Wouldn't that result in more effective commercials from the standpoint of advertisers?

**A4. Respondent: Fujita**

It is possible to serve commercials on “AbemaTV” according to user attributes, but with a small scale the number of applicable users in each designated group is small, making it difficult to generate effective results. Accordingly, our first priority is to expand the number of viewers for “AbemaTV,” and once we've established the service as mass media we will be able to use internet technologies to deliver more effective ads.

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**Q5.**

How much in up-front investments are you planning for “AbemaTV” going forward?

**A5. Respondent: Fujita**

When we set out the profitability goal, there is a possibility that the scale of the business will shrink, so we are refraining from announcing specific figures in our investor relations communications.

Currently we have a cumulative debt of around ¥50 billion, but the sale value of the business is more than ¥100 billion. We have no plan to sell the business of course, but we recognize that the asset value is greater than the cumulative amount of loss.

Having our own media has a huge impact as a business, so we will continue to focus on it going forward.

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**Q6.**

A survey I conducted through my Twitter account suggested that young people still aren't watching "AbemaTV." What do you think of increasing the number of programs on popular topics such as beauty, cosmetics, and diet?

**A6. Respondent: Fujita**

There are also surveys showing that one in three people in their teens watch "AbemaTV." We found that broadcasts of romance reality shows led to an increase in younger viewers.

We do broadcast shows on topics such as South Korean cosmetics, but compared to romance-related shows, increasing viewership is difficult.

Going forward, we will continue to focus on creating content that young people will watch.

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**Q7.**

Do you plan to offer "AbemaTV" outside Japan?

**A7. Respondent: Fujita**

We plan to allow viewing of "AbemaTV" outside Japan from around February 2019.

Initially we will broadcast news and original programs in Japanese.

Content for overseas audiences will come after that.

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**Q8.**

There are many people with poor manners these days.

What do you think of broadcasting public service ads on "AbemaTV"?

**A8. Respondent: Fujita**

We want "AbemaTV" to serve a social role, so we will also explore initiatives together with the government.

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\* Questions at the Shareholders' Meeting not related to the agenda items are presented in the Company Information Briefing Q&A.