



## Section 2

### Broadcasting Business

#### 1. Broadcasters

Broadcasting in Japan is provided by NHK which runs on receiving fees, and commercial broadcasters which run on advertising revenues and pay-TV revenues. In addition, the University of the Air provides broadcasting for educational purposes.

The total sales of broadcasters, including revenues from broadcasting business and those from non-broadcasting business, showed an increase for the third consecutive year, reflecting the growth in the number of pay-TV subscribers to exceed 4 trillion for the first time, marking 4.0152 trillion yen in FY2005 (up 1.1% from the previous fiscal year). Of these sales, while NHK's business income decreased slightly to 674.9 billion yen and sales of terrestrial commercial broadcasters remained at the same level at 2.6138 trillion yen, satellite commercial broadcasters and cable television broadcasters saw a sales increase to reach 341.4 billion yen and 385 billion yen, respectively (Graph 2-5).

#### 2. Provision of broadcasting services

Looking at the breakdown of the number of commercial broadcasters at the end of FY2006, terrestrial commercial broadcasters numbered 400, of which 240 provide community broadcasting. Satellite commercial broadcasters numbered 127, of which 53 provide broadcasting on telecommunications services. The number of cable television broadcasters (cable television broadcasters with authorized facilities to broadcast their own programs) was 530, and the number of cable television broadcasters that provide broadcasting on telecommunications services was 17.

#### 3. Status of broadcasting media use

Annual expenditure for broadcasting services (sum of NHK receiving fees, cable television receiving fees and other receiving fees) per household in 2006 was 20,241 yen (up 4.1 from the previous year), according to the "Annual Report on Family Income and Expenditure Survey" conducted in 2006 by the Ministry of Internal Affairs and Communications.

Graph 2-5 Changes in the market size of broadcasting industries (Sum of sales)

