

Monthly Press Interview with President Toyoda (September 26, 2008)

Q: Fuji TV will adopt the certified broadcast holding company structure from the first of October. What will be the administrative structure of the company?

As of this point the chairman, president, executive vice president and three senior executive managing directors will serve concurrently as the core management of both Fuji Media Holdings and Fuji Television. We feel that this will allow coordinated governance of Group companies, and provide for quick decision-making.

Q: Please discuss viewer ratings for the July-September period, and the October lineup revisions.

The July-September period was challenging this year due to the combination of summer vacation and Olympics, but results were positive overall, with prime time dramas making a good showing, and variety and regular programs performing well. I think it was reasonably successful period for Fuji TV.

The October lineup revisions will include the new variety program "Mirror of Ethics" on Sundays at 9:00pm, and the serial dramas "Innocent Love" Mondays at 9:00pm, "Celeb & Poor" Tuesdays at 9:00pm, "Garden of Wind" Thursdays at 10:00pm (a special program to commemorate the 50th anniversary of Fuji TV), and "Room of King" Saturdays at 11:00pm.

Q: What has been the impact from the business climate and the collapse of major U.S. financial institutions?

Network time advertising sales for the October lineup revisions were more difficult than they've been in the last few years, but we have strong viewer ratings, and have done as well as can be expected. Spot advertising sales have been challenging.

Japanese corporate earnings are being squeezed by the current global economic situation, while at the same time Japanese consumers are spending less. The sponsors are of course suffering, and advertising budgets are tight.

Fuji TV plans to get through the current crisis by cutting back its administration overhead in a way that will not weaken production capability, and provide a well-toned administrative structure.

Q: What about non-advertising income?

Non-advertising income accounts for over 20% of Fuji TV's overall sales, and we are seeking to raise that figure to 30% in the near term.

We will release three movies this fall, "The Devotion of Suspect X", "Homeless Junior High Student", and "Happy Flight". We also plan to add to our lineup such films as "Red Thread" and "Nobody to Watch over Me".

Event businesses include “Cirque du Soleil's *Corteo*” to begin in February 2009; “Robo Japan 2008” (October 11-13), an exhibition of “partner robots” to assist people in everyday life; “Otona Park” (November 22-24); the 50th anniversary project “Berlin Philharmonic Performance” (November 23 – December 1); and “Ai to Seishun no Takurazuka” (December 2-22), an original musical adapted for stage from a TV drama.