

Investors' Guide 2006

Year ended March 31, 2006

Fuji Television Network, Inc.

Investors Information

Fuji Television Network, Inc.

Head Office:

2-4-8, Daiba, Minato-ku, Tokyo 137-8088, Japan

Incorporated:

November 1957

Investor Relations Office:

Head Office:

Phone: +81-3-5500-8258

Fax: +81-3-5500-8249

URL: <http://www.fujitv.co.jp/>

Transfer Agent and Registrar:

Mizuho Trust & Banking Co., Ltd.

1-2-1, Yaesu, Chuo-ku, Tokyo 103-8670, Japan

Stock Listing:

First Section of the Tokyo Stock Exchange

(Listed on August 8, 1997)

Number of Shareholders:

73,839 (As of March 31, 2006)

Number of Shares:

Issued: 9,000,000

Outstanding: 2,364,298

(As of May 16, 2006)

Independent Auditors:

Ernst & Young ShinNihon

Certified Public Accountants

Number of Subsidiaries and Affiliates:

Consolidated subsidiaries: 30

Non-consolidated subsidiaries, accounted for by the equity method: 4

Affiliates: 34

(including 8 affiliates, accounted for by the equity method)

(As of March 31, 2006)

Investors Information

Notes

1. Broadcasting Laws and Regulations in Japan

Fuji Television Network, Inc.'s operations are governed by the Radio and Broadcasting Laws of Japan. Under these laws, those applying for a broadcasting license must have construction plans for broadcasting facilities that conform to the technological standards set forth in the laws, meet the requirements for being assigned a frequency based on the frequency-use plan established by the Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) (formerly the Ministry of Posts and Telecommunications), maintain capital sufficient for carrying out the operations for which the application was made, and conform to the basic standards for the establishment of a broadcasting station as set forth in the laws and ordinances of the MPHPT. In addition, under the standards for the establishment of a broadcasting station, the applicant cannot, in principle, be owned or controlled by a mass-media organization.

* Fuji Television was granted a broadcasting license on January 9, 1959, and commenced broadcasting on March 1 of the same year. The Company's license was last renewed on November 1, 2003, with such a license valid for five years.

2. Foreign Ownership

In Japan, broadcasting stations that have a foreign entity (defined as one not possessing Japanese citizenship, foreign governments or their representatives, or foreign corporations and other organizations) acting as an officer in the execution of broadcasting operations or broadcasting stations in which a foreign interest has voting rights constituting 20% or more of the total voting rights cannot be granted a broadcasting license.

* For this reason, should a foreign entity acquire 20% or more of the voting shares of a broadcasting organization whose shares are publicly listed or have been issued in conformance with the laws and ordinances of the MPHPT, the request for registration of these shares in the foreign entity's name may be denied. Furthermore, control by a foreign entity of 15% or more of a broadcasting organization's voting shares must be publicly disclosed.

3. Years shown in these materials are all fiscal years (from April 1 through March 31 of the following year).

4. Yen values of less than 1 million yen have been omitted in these materials.

5. Following approval at a meeting of the Board of Directors on January 9, 2004, Fuji Television implemented a two-for-one stock split on May 20, 2004 for shareholders of record on March 31, 2004.

Investors Information

Notes

6. Notice of Enforcement of Amendment of the Radio Law and the Broadcast Law (indirect foreign capital restrictions)

The following government decree and ministerial decree were announced on February 8, 2006. To ensure the effectiveness of foreign capital restrictions on broadcasting, the portion of the foreign capital restrictions in connection with the Law to Amend Part of the Radio Law and the Broadcast Law (Law No. 107 of 2005; officially announced on November 2, 2005), primarily to introduce indirect foreign capital restrictions, became effective from April 1, 2006.

- Government Decree to specify the enforcement date of the portion in connection with the Law to Amend Part of the Radio Law and the Broadcast Law (Government Decree No. 21 of 2006)
- Ministerial Decree to Amend Part of the Enforcement Regulations in connection with the Radio Law (Ministry of Internal Affairs and Communications Decree No. 16 of 2006)
- Ministerial Decree to Amend Part of the Enforcement Regulations in connection with the Broadcast Law (Ministry of Internal Affairs and Communications Decree No. 17 of 2006)

This amendment ensures that the Company is in compliance with a new rule on foreign capital restrictions enacted on April 1, 2006, as follows:

In addition to the traditional scope of the target in connection with the foreign capital restrictions, namely, 1) a person who does not have Japanese nationality, 2) a foreign government or its representative, and 3) a foreign company or body, a new item 4), namely, a foreign company or body the ratio of voting rights of which to be held directly by the entity described in items 1) to 3) is greater than the ratio specified by the Decree of Ministry of Internal Affairs and Communications has been added.

For the specific content and an outline of the calculation of the ratio of voting rights accompanying this indirect foreign capital restriction, refusal of description in the shareholders list, and the rules and regulations concerning restrictions on voting rights, please refer to the material http://www.soumu.go.jp/joho_tsusin/eng/Releases/Telecommunications/news060127_2.html released in January 2006 by the Ministry of Internal Affairs and Communications.

Corporate Governance

Basic Policies Concerning the Enhancement of Corporate Governance and Status of Implementation

By organically combining a transmission network (i.e., infrastructure) with programming (i.e., content), Japan's terrestrial broadcasting has attained among the world's highest levels of both diffusion and quality. It is fulfilling the public's right to receive information and become indispensable to people's lifestyles and safety as a vehicle through which culture is communicated.

Fuji Television is working to strengthen its corporate governance systems. These efforts are guided not only by the aim of maximizing shareholder value but also as a key media and mass communications company to honor its social mission to maintain its lifeline functions, such as emergency and disaster announcements, and to responsibly deliver content.

1) Company organization and status of internal management structure

Fuji Television considers the creation of internal systems that ensure the transparency of management to be an important goal of corporate governance. Toward this end, we are working to enhance the general meeting of shareholders, accelerate decision-making and the supervisory function of the Board of Directors, strengthen our auditors' audit capabilities, and enhance disclosures of various types of information.

Five external directors have been appointed to the Board of Directors to ensure the transparency of management. In addition, the number of directors has been reduced to 20 from 35 to accelerate the decision-making process and improve the efficiency of business execution. Also, the tenure of directors has been reduced to one year from two in order to clarify the responsibilities of directors and response swiftly to changes in the operating environment.

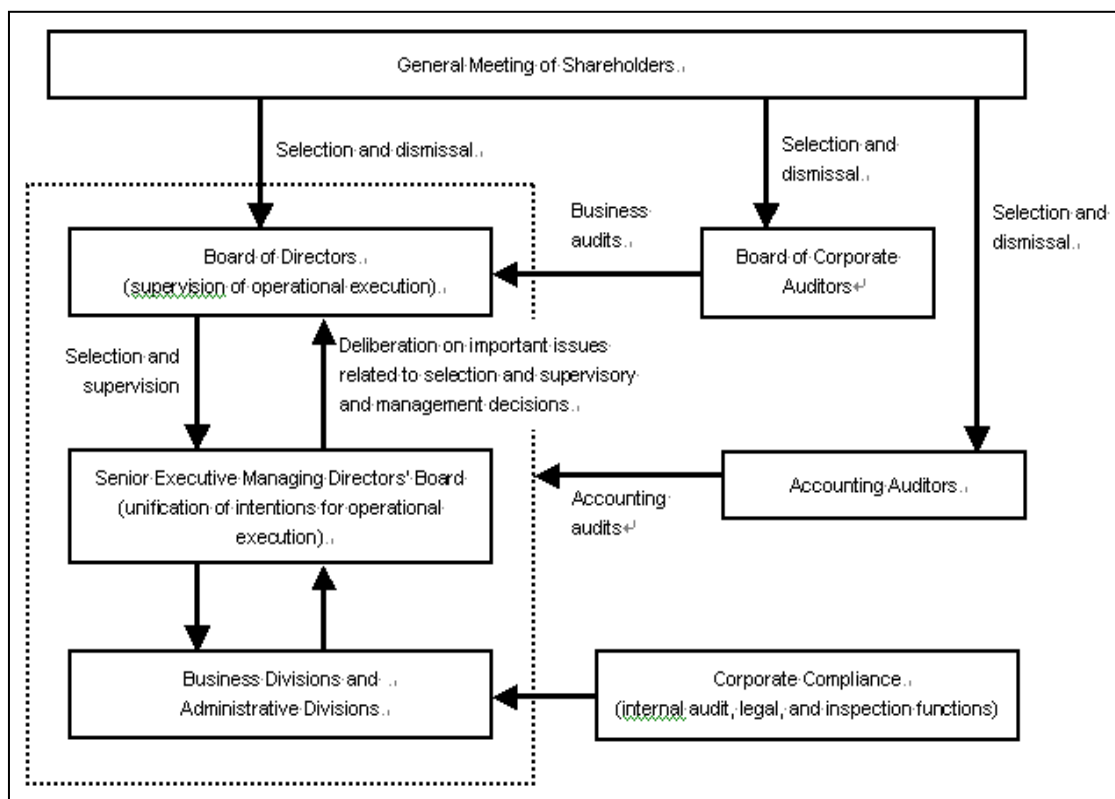
The Board of Senior Managing Directors, comprising primarily statutory directors, deliberates on important matters raised at the Board of Directors meeting and promotes the sharing of information on the status of business execution at each business division.

Fuji Television continues to adopt an auditor system and its Board of Corporate Auditors comprises, five auditors, including three external auditors. The auditors participate in the meeting of the Board of Directors and other important meetings and perform operational audits by reviewing important documents; interviewing staff in the administrative divisions, operating divisions, and at subsidiaries; and working closely with our internal auditors. At the same time, the auditors perform accounting audits by interviewing our directors and representatives of the finance department and working closely with our accounting auditors.

In the past, our internal audits were conducted by internal auditors appointed within the Office of the President and audited our compliance with the law and internal regulations based on an annual internal audit plan approved by the president. In June 2005, however, Fuji Television established its Corporate Compliance, which combines its internal audit, legal, and inspection functions, to enhance its internal

Corporate Governance

The status of execution of audits, approach to supervision, and internal administration structure at Fuji Television is as follows.



2) Overview of human resource-related relationships, capital relationships, or business ties and other potential conflicts of interest between the company and its external directors and external auditors

Fuji Television has no business relationships related to human resources, capital, or technology with the companies whose directors have been appointed as its external directors and external auditors. However, Fuji Television does have business relationships with these companies in its Broadcasting and Other businesses. All transactions are conducted under the same terms and conditions as other business partners without such relationships.

Board of Directors and Corporate Auditors

Board of Directors

Chairman and Chief Executive Officer

Hisashi Hieda

President and Chief Operating Officer

Koichi Murakami

Executive Vice Presidents

Ryosuke Yokoi

Masaki Miyauchi

Senior Executive Managing Directors

Koh Toyoda

Yoshiaki Yamada

Shuji Kanoh

Hideaki Ohta

Masami Obitsu

Executive Managing Directors

Masumi Uchibori

Toyochika Akiho

Eiichi Kubota

Kazunobu Iijima

Taizan Ishiguro

Isao Matsuoka

Shigeki Sato

Michio Izuma

Takafumi Beppu

Takehiko Kiyohara

Corporate Auditors

Shunichiro Kondo

Hachiro Ito

Kiyoshi Onoe

Yuzaburo Mogi

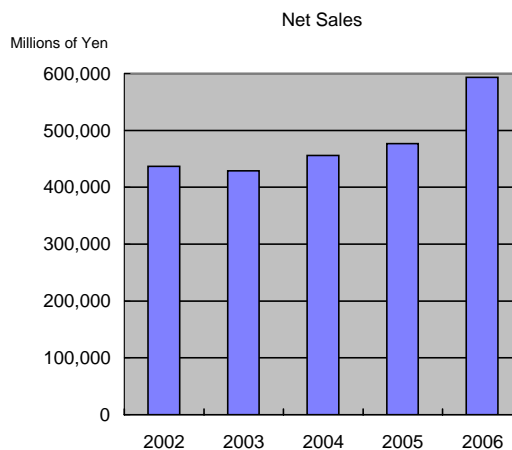
Naoya Minami

(As of June 29, 2006)

Growth

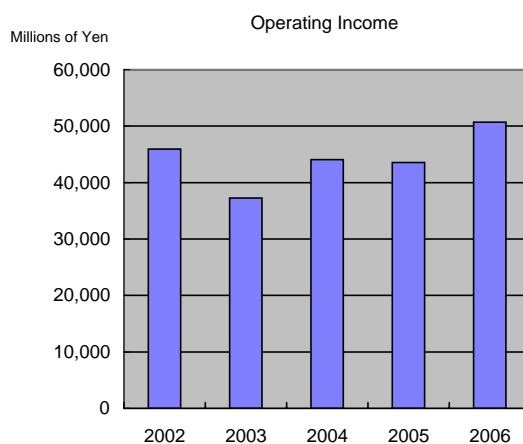
Net Sales

	Millions of Yen				
	2002	2003	2004	2005	2006
Net Sales	436,902	429,004	455,945	476,733	593,493



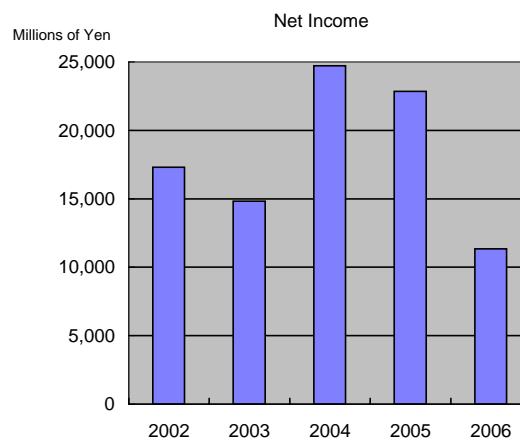
Operating Income

	Millions of Yen				
	2002	2003	2004	2005	2006
Operating Income	45,935	37,268	44,065	43,581	50,724



Net Income

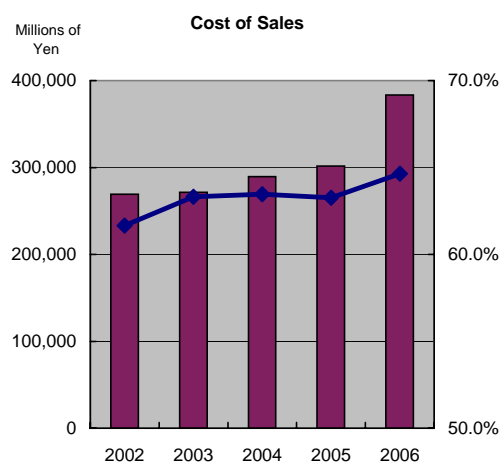
	Millions of Yen				
	2002	2003	2004	2005	2006
Net Income	17,303	14,816	24,714	22,845	11,345



Growth

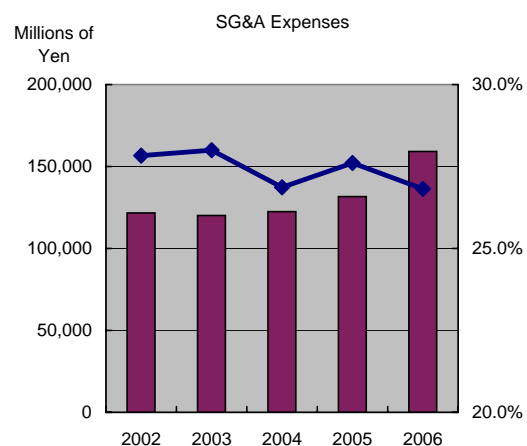
Cost of Sales

	Millions of Yen				
	2002	2003	2004	2005	2006
Cost of Sales	269,356	271,605	289,371	301,561	383,592
Cost of Sales/Net Sales	61.7%	63.3%	63.5%	63.3%	64.6%



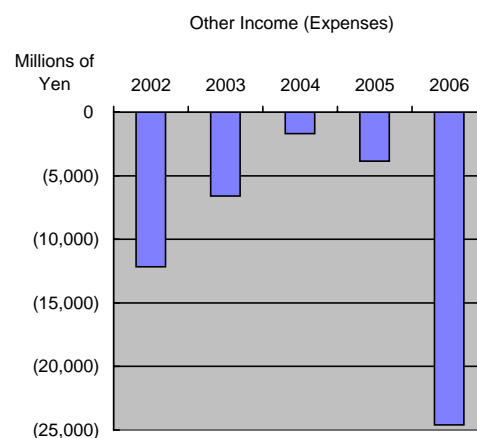
SG&A Expenses

	Millions of Yen				
	2002	2003	2004	2005	2006
SG&A Expenses	121,610	120,130	122,509	131,591	159,176
SG&A Expenses/Net Sales	27.8%	28.0%	26.9%	27.6%	26.8%



Other Income (Expenses)

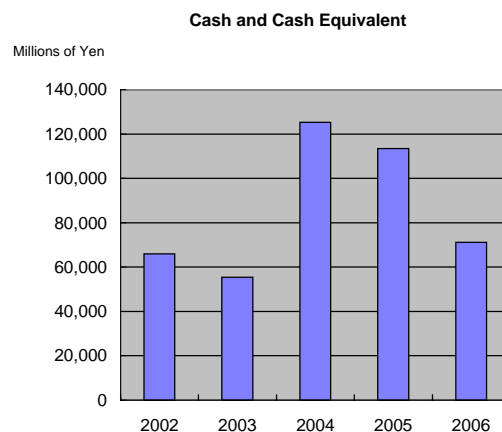
	Millions of Yen				
	2002	2003	2004	2005	2006
Other income (expenses)	(12,171)	(6,605)	(1,678)	(3,851)	(24,609)



Growth

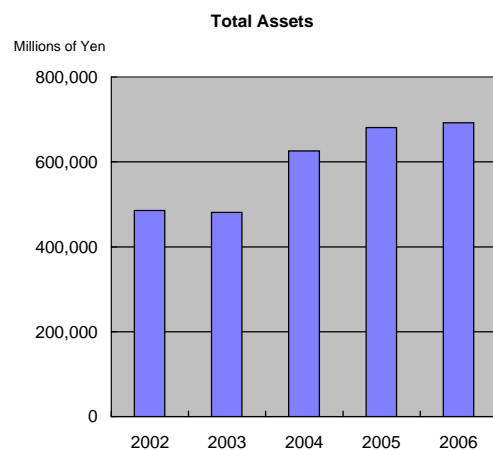
Cash and Cash Equivalent

	Millions of Yen				
	2002	2003	2004	2005	2006
Cash and Cash Equivalent	65,995	55,377	125,232	113,408	71,163



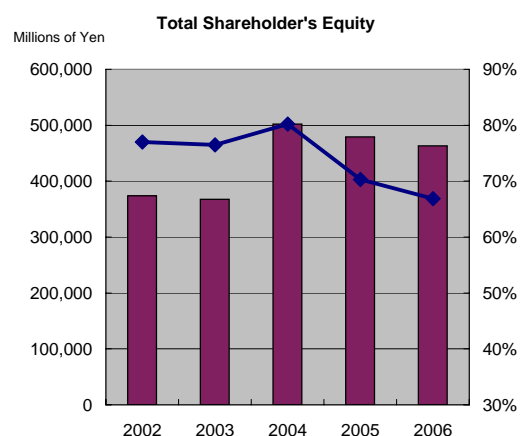
Total Assets

	Millions of Yen				
	2002	2003	2004	2005	2006
Total Assets	485,594	480,913	625,786	681,190	692,357



Total Shareholders' Equity

	Millions of Yen				
	2002	2003	2004	2005	2006
Total Shareholders' Equity	373,973	367,796	501,870	479,088	462,903
Equity Ratio	77.0%	76.5%	80.2%	70.3%	66.9%

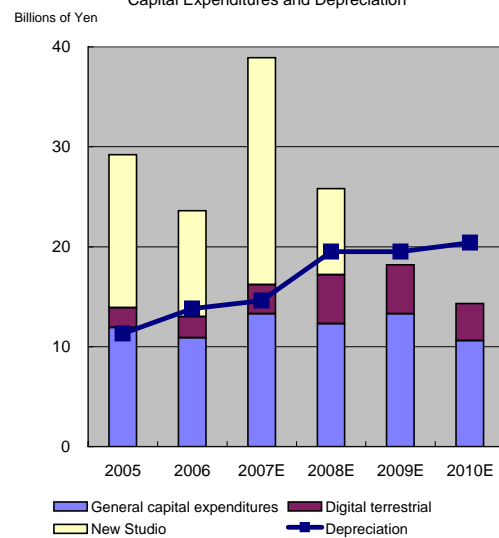


Growth

Capital Expenditures

	Millions of Yen					
	2005	2006	2007E	2008E	2009E	2010E
General capital expenditure	11.9	10.9	13.3	12.3	13.3	10.6
Digital terrestrial	2.0	2.1	2.9	4.9	4.9	3.7
New Studio	15.3	10.6	22.7	8.6	0.0	0.0
Total	29.3	23.7	38.9	25.8	18.2	14.3
Depreciation	11.3	13.8	14.6	19.5	19.5	20.4

Capital Expenditures and Depreciation



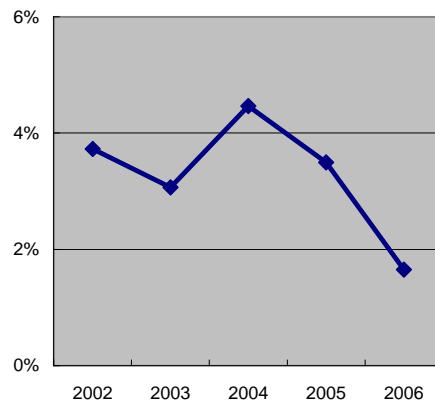
Profitability

Return on Assets

Return on assets=Net income/Average total assets

	2002	2003	2004	2005	2006
Return on Assets	3.72%	3.07%	4.47%	3.50%	1.65%

Return on Assets

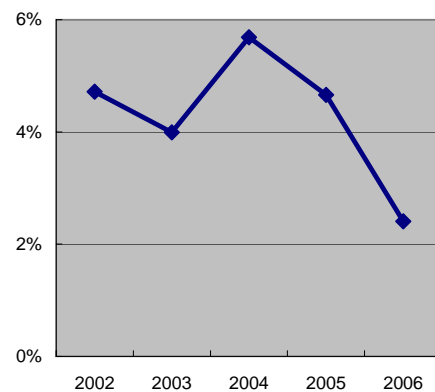


Return on Equity

Return on equity=Net income/Average shareholders' equity

	2002	2003	2004	2005	2006
Return on Equity	4.72%	3.99%	5.68%	4.66%	2.41%

Return on Equity

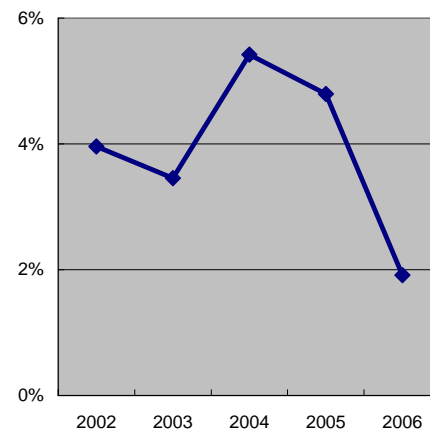


Return on Sales

Return on sales=Net income/Net sales

	2002	2003	2004	2005	2006
Return on Sales	3.96%	3.45%	5.42%	4.79%	1.91%

Return on Sales

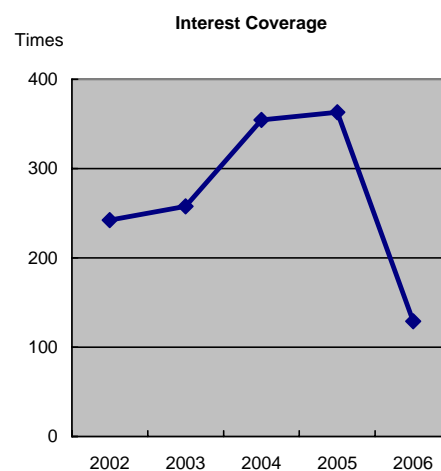


Stability

Interest Coverage

Interest coverage=(Operating income+Interest and dividend income)/Interest expenses

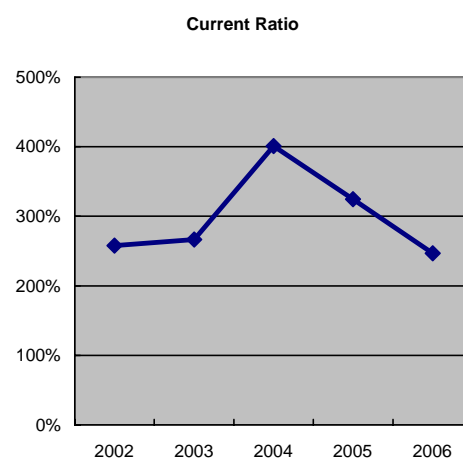
	Millions of Yen				
	2002	2003	2004	2005	2006
Interest coverage (Times)	242.15	257.78	354.53	363.06	128.94
Operating income	45,935	37,268	44,065	43,581	50,724
Interest and dividend income	557	626	606	1,075	1,367
Interest expenses	192	147	126	123	404



Current Ratio

Current ratio=Current assets/Current liabilities

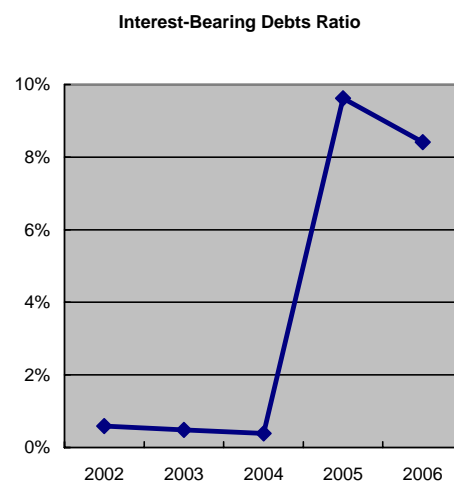
	Millions of Yen				
	2002	2003	2004	2005	2006
Current ratio	258.0%	266.7%	401.2%	324.8%	246.9%
Current assets	214,317	217,978	335,416	318,810	261,031
Current liabilities	83,072	81,730	83,600	98,152	105,738



Interest-Bearing Debts

Interest-bearing debts=Short-term borrowings+Long-term borrowings
Interest-bearing debts ratio=Interest-bearing debts/Total assets

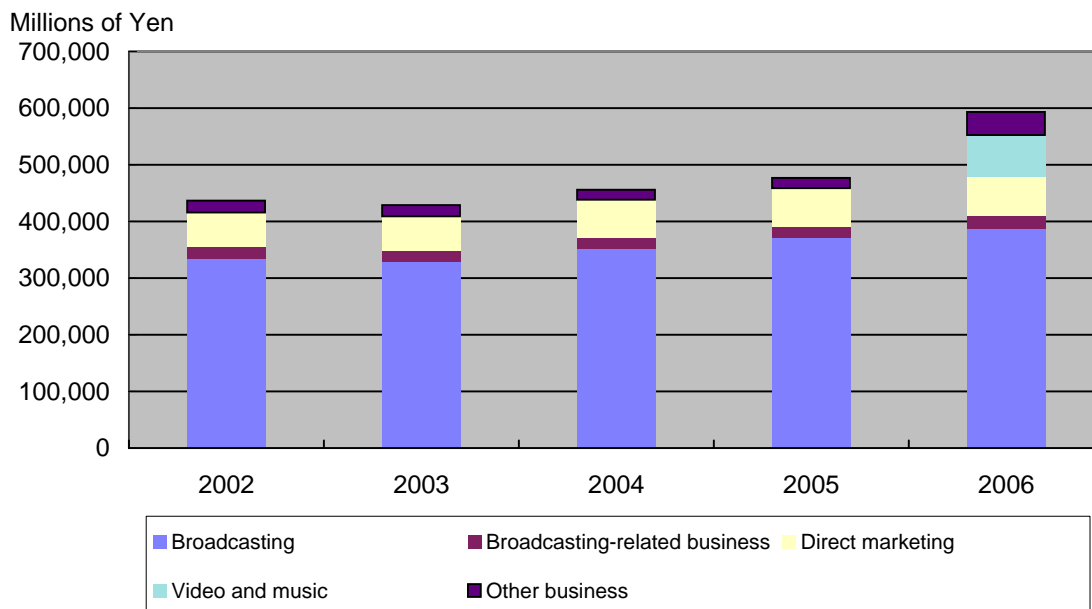
	単位:百万円/Millions of Yen /Millions of Yen				
	2002	2003	2004	2005	2006
Short-term borrowings	2,654	2,349	2,072	2,015	5,989
Long-term borrowings	227	-	332	63,516	52,270
Interest-bearing debts	2,881	2,349	2,404	65,531	58,259
Interest-bearing debt ratio(%)	0.59%	0.49%	0.38%	9.62%	8.41%



Net Sales by Segment (Consolidated)

	2002	2003	2004	2005	Millions of Yen 2006	
Broadcasting	334,427	328,683	352,558	370,463	388,179	65.4%
Broadcasting-related business	20,911	18,968	18,507	19,881	21,649	3.6%
Direct marketing	59,810	61,084	66,654	67,966	69,484	11.7%
Video and music	-	-	-	-	72,474	12.2%
Other business	21,752	20,267	18,225	18,422	41,706	7.0%
	436,902	429,004	455,945	476,733	593,493	100.0%

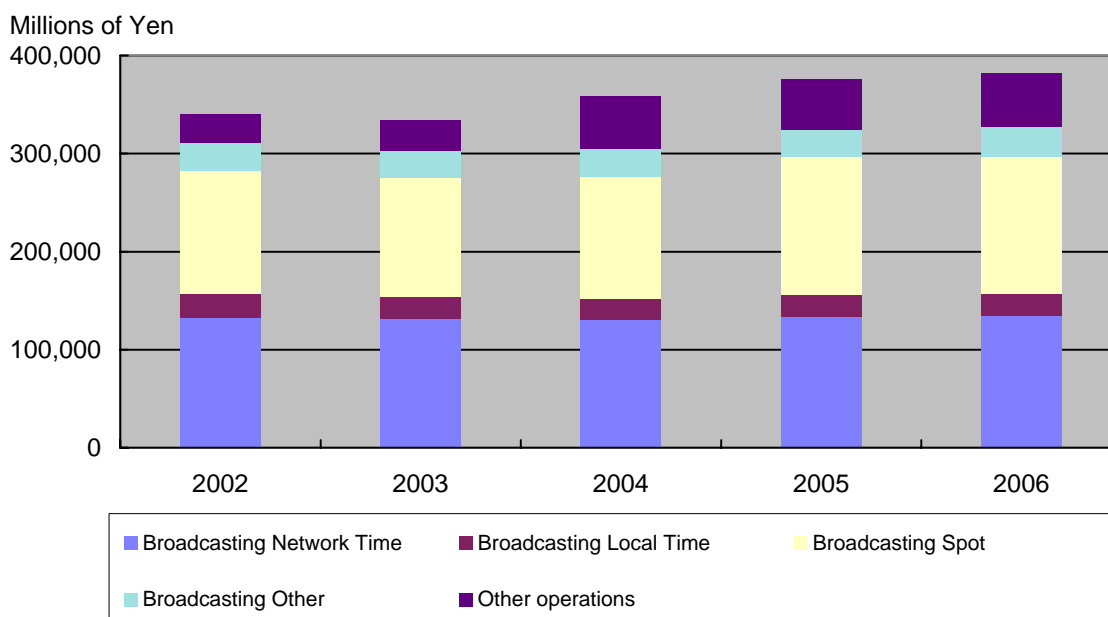
Net Sales by Segment



Net Sales by Operation (Non-Consolidated)

	2002	2003	2004	2005	Millions of Yen 2006	
Broadcasting						
Network Time	132,489	131,204	130,623	133,905	135,107	35.4%
Local Time	24,345	22,547	21,639	22,041	22,575	5.9%
Spot	125,646	121,204	124,116	140,641	138,928	36.4%
Other	28,312	27,385	28,450	28,431	30,370	8.0%
Other operations	29,171	31,386	53,226	51,018	54,583	14.3%
	339,965	333,729	358,056	376,039	381,564	100.0%

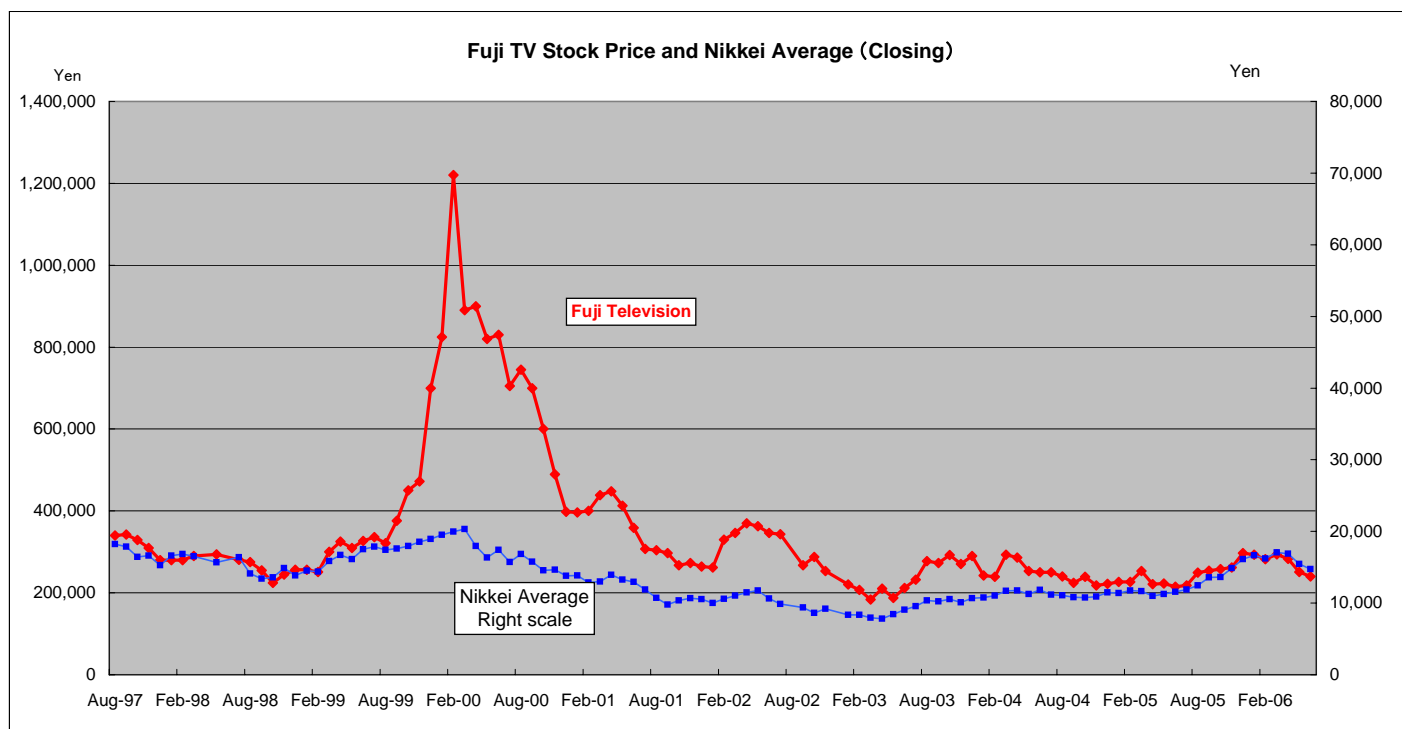
Net Sales by Operation



Stock Information

Net Income per Share						Yen
	2001	2002	2003	2004	2005	2006
Net Income per Share	16,444	16,179	13,617	22,765	9,056	5,109

Cash Dividends per Share							Yen
	2005			2006			
	Total	Interim	Year-end	Total	Interim	Year-end	
Share (Breakdown)	5,000.00	600.00	4,400.00	4,000.00	2,000.00	2,000.00	
Commemorative dividends	-	-	-	-	-	-	
Special dividends	-	-	-	-	-	-	



Major Shareholders (As of March 31, 2006)

Name	Status of investment in Fuji Television		Status of investment in Fuji Television's shareholders	
	Number of Shares Held	Equity Ownership (%)	Number of Shares Held	Equity Ownership (%)
Nippon Broadcasting system, Inc.	(* 1) 573,704.00	19.53	26,424,159	100.00
TOHO Co., Ltd.	183,221.00	6.24	4,940,000	2.61
The Master Trust Bank of Japan, Ltd. Fiduciary Account	131,450.00	4.47	---	---
Japan Trustee Services Bank, Ltd. Fiduciary Account	119,940.00	4.08	---	---
Nippon Cultural Broadcasting, Inc.	77,920.00	2.65	---	---
NTT DoCoMo, Inc.	77,000.00	2.62	---	---
State Street Bank and Trust Company 505025	57,387.00	1.95	---	---
Kansai Telecasting Corporation	54,461.00	1.85	1,985	19.85
The Master Trust Bank of Japan, Ltd. Retirement Benefit Fiduciary Account* Dentsu Inc. Account	46,500.00	1.58	---	---
Bank of Bermuda Ltd., Hamilton	41,606.00	1.42	---	---

*1 A total of 353,704 shares of Nippon Broadcasting System, Inc. are cross-held shares without voting rights.

* In addition to the above, 61,202.84 shares of treasury stock are held by the Company.

<Subsequent Events>

As a result of a corporate separation and merger with Nippon Broadcasting System Inc., on April 1, 2006, 573,704 shares of Nippon Broadcasting System held by the Company became its treasury stock.