

(Translation)

Securities Code: 4676

June 1, 2009

To the Shareholders:

NOTICE OF THE 68TH ORDINARY GENERAL MEETING
OF SHAREHOLDERS

Dear Shareholders:

Please take notice that the 68th Ordinary General Meeting of Shareholders of the Company will be held as described below and you are cordially invited to attend the meeting.

Since voting rights can be exercised in writing or via the Internet even if you are not present at the meeting, please go over the Reference Documents for the General Meeting of Shareholders set forth below and exercise your voting rights no later than 5:30 p.m., Thursday, June 25, 2009.

Exercise of voting rights sending a written form by mail:

Please return to us by mail the enclosed voting form indicating your approval or disapproval of the propositions no later than the deadline set forth above.

Exercise of voting rights via the Internet:

Please access the website for the exercise of voting rights (<http://www.it-soukai.com/> or <https://daiko.mizuho-tb.co.jp/>) specified by the Company and exercise your voting rights for the approval or disapproval of the propositions in accordance with the guidance on the screen, by using the "code for the exercise of voting rights" and the "password" printed in the enclosed voting form, no later than the deadline set forth above. When you intend to exercise your voting rights via the Internet, please confirm the "Notice on Exercise of Voting Rights via the Internet" on page 76 and page 77.

The Company also has participated in the "ICJ Platform", a platform for electronic exercise of voting rights for institutional investors operated by ICJ Inc.

Yours very truly,

Hisashi Hieda,
Chairman and Representative Director

Fuji Media Holdings, Inc.

4-8, Daiba 2-chome, Minato-ku, Tokyo

Description

1. Date and hour:

June 26 (Friday), 2009, 10:00 a.m.

2. Place:

Hotel Grand Pacific Le Daiba
B1, Palais Royal
6-1, Daiba 2-chome, Minato-ku, Tokyo

3. Matters forming the objects of the meeting:

Matters to be reported:

1. Report on the business report, the consolidated financial statements and the results of audit of the consolidated financial statements by the account auditors and the Board of Statutory Auditors for the 68th fiscal year (from April 1, 2008 to March 31, 2009)
2. Report on the non-consolidated financial statements for the 68th fiscal year (from April 1, 2008 to March 31, 2009)

Matters to be resolved:

- Proposition No. 1: Appropriation of retained earnings
- Proposition No. 2: Amendment to the Articles of Incorporation
- Proposition No. 3: Election of 19 Directors
- Proposition No. 4: Election of three Statutory Auditors
- Proposition No. 5: Payment of bonuses for officers

- - - - -

4. Matters determined upon convocation of this General Meeting of Shareholders:

- (1) If no approval or disapproval of any of the propositions is indicated upon exercise of the voting rights in a voting form, via the Internet or otherwise, it shall be deemed to be an approval of the proposition.
- (2) If any shareholder exercises his/her voting rights by proxy, the proxy authorized to

exercise his/her voting rights must present the enclosed voting form to a receptionist at the place of meeting, together with a document evidencing his/her proxy's power of attorney. The proxy must be another shareholder (being one person) of the Company having voting rights.

- (3) Duplicate exercise of voting rights:
- (i) If voting rights are exercised both by a voting form and via the Internet or otherwise, the voting rights exercised via the Internet or otherwise shall be treated as effective.
 - (ii) If voting rights are exercised twice or more by a voting form or via the Internet or otherwise, the latest exercise thereof shall be treated as effective.
- (4) Any shareholder who intends to exercise his/her voting rights diversely must give notice in writing of such intention and the reason therefor to the Company no later than three days prior to the date specified for this General Meeting of Shareholders.

- END -

~~~~~

Attention: • In attending the meeting, please present the enclosed voting form to a receptionist at the place of meeting.

Notice: • In the event of the revision of any matter in the Reference Document for the General Meeting of Shareholders, the business report, the consolidated financial statements and the non-consolidated financial statements, a correction will be posted on our website (<http://www.fujimediahd.co.jp/index.html>).

- Some beverages will be available to the shareholders at the place of meeting.

Contact for inquiries:

Tel (0120) 357-188 (toll-free)

Office hours: 9:30 – 17:30 (not on Saturdays, Sundays and national holidays)

(Attached documents)

## BUSINESS REPORT

(For the period from April 1, 2008 to March 31, 2009)

### **I. Matters concerning the situation of the Fuji Television Group:**

#### **1. Development and results of business activities:**

The Japanese economy during the fiscal year ended March 31, 2009 (FY2008), was described in government's *Monthly Economic Report* in March 2009 as "worsening rapidly while in a severe situation," as a result of the increasingly severe impact from the global financial crisis that began in the U.S. in the previous fiscal year. The advertising market has cooled in response, with a majority of companies scaling back their advertising budgets. As a result, total advertising expenditures, which had risen for the last four consecutive years, declined in 2008.

Amid this economic environment, the Fuji Media Holdings Group posted consolidated net sales for FY2008 of ¥563,320 million, a 2.1% decline from the previous fiscal year. This was due to declines in the mainstay Broadcasting and other segments, which offset *increases* in the Life Information and Advertising segments stemming from the addition of new consolidated subsidiaries and other factors.

Operating income declined 18.6% from the previous fiscal year to ¥19,830 million despite increased earnings in the Video and Music segment and substantial improvement in the Life Information segment, as a result of declines in other segments. Recurring profit also declined 17.3% to ¥22,365 million.

Net income, however, rose 5.0% from the previous fiscal year to ¥16,567 million, as extraordinary losses on valuation of investment securities and impairment were offset by an extraordinary gain from a settlement package received from LDH Corporation.

Results by operating segment are as follows:

|                  | Net sales                                            |                                                                        |                                         | Operating income/loss                                |                                                                        |                                         |
|------------------|------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------|
|                  | 67th fiscal year<br>April 1, 2007 -<br>Mar. 31, 2008 | 68th fiscal year<br>(current year)<br>April 1, 2008 -<br>Mar. 31, 2009 | Comparison<br>with the<br>previous year | 67th fiscal year<br>April 1, 2007 -<br>Mar. 31, 2008 | 68th fiscal year<br>(current year)<br>April 1, 2008 -<br>Mar. 31, 2009 | Comparison<br>with the<br>previous year |
|                  | Million yen                                          | Million yen                                                            | (%)                                     | Million yen                                          | Million yen                                                            | (%)                                     |
| Broadcasting     | 406,125                                              | 370,368                                                                | - 8.8                                   | 22,765                                               | 18,700                                                                 | - 17.9                                  |
| Production       | 49,758                                               | 48,359                                                                 | - 2.8                                   | 2,258                                                | 1,826                                                                  | - 19.1                                  |
| Video and music  | 68,899                                               | 68,508                                                                 | - 0.6                                   | 1,375                                                | 2,250                                                                  | 63.6                                    |
| Life information | 63,254                                               | 81,827                                                                 | 29.4                                    | (2,455)                                              | 90                                                                     | -                                       |
| Advertising      | 27,917                                               | 34,007                                                                 | 21.8                                    | 383                                                  | (58)                                                                   | -                                       |
| Other            | 36,129                                               | 33,118                                                                 | - 8.3                                   | (23)                                                 | (669)                                                                  | -                                       |
| Eliminations     | (76,601)                                             | (72,867)                                                               | -                                       | 68                                                   | (2,310)                                                                | -                                       |
| Total            | 575,484                                              | 563,320                                                                | - 2.1                                   | 24,372                                               | 19,830                                                                 | - 18.6                                  |

(Note) The business categories in the operating segments, which were "broadcasting", "program production and related businesses", "direct marketing", "video and music" and "other businesses", have reclassified to "broadcasting", "production", "video and music", "life information", "advertising" and "other" as from the fiscal year under review.

#### <Broadcasting>

The Broadcasting segment represents the earnings of Fuji Television Network, Inc. and Nippon Broadcasting System, Inc.

Sales in the Television Broadcasting division decreased 9.2% year on year to ¥347,877 million.

Fuji Television Network achieved a "triple crown" in viewer ratings for the fifth consecutive year, with broad viewer support that allowed it to capture the top position in the "golden time" (19:00-22:00), prime time (19:00-23:00), and all day (06:00-24:00) slots. Nevertheless, revenues from television broadcasting, the main source of sales in broadcasting operations, declined 7.0% year on year to ¥268,774 million, reflecting the difficulties in the advertising market.

Network time advertising sales (time advertising for nationwide broadcast) declined 1.4% year on year to ¥134,496 million. Sales for regular programming were on a par with the previous fiscal year for the April new programming season, but lagged during the October season, and down for the fiscal year overall. One-off programming sales also declined from the previous fiscal year, despite broadcasts of such major programs as the 2008 Beijing Olympics Volleyball World Final Qualifications, in May and June, the 2008 Beijing Olympics, in August, and Kurobe no Taiyo, a special drama to commemorate Fuji Television's 50th anniversary, in March.

Local time advertising sales for the Kanto region declined 7.7% from the previous

fiscal year to ¥20,315 million. Sales for regular programming were strained for both the April and October new programming seasons, and declined from the previous fiscal year. One-off programming sales rose year on year during the first half, but fell sharply in the second half and were down for the year overall.

Spot advertising sales declined 12.9% from the previous fiscal year to ¥113,962 million amid extraordinarily difficult business conditions. Sales rose over the previous fiscal year from such industries as alcoholic beverages, clothing and household goods, but were down for every quarter of the year on sharp falls in movies, magazines and other forms of entertainment, as well as in finance, insurance, real estate and household equipment.

Sales of broadcasting related business in broadcasting operations increased 0.8% year on year to ¥31,424 million, due to an increase in program sales income.

Revenue from other operations in the Television Broadcasting division declined 23.9% from the previous fiscal year to ¥47,678 million. In the rights business, DVD sales were strong for such titles as the Suberanai Hanashi series, Hexagon, SP, and Galileo, in the video business but revenue was down year on year as these sales failed to match the substantial income from the Dragonball series in the previous fiscal year. In the movie business, similarly, the considerable box office revenue from such hits as Yougisha X no Kenshin and The Magic Hour fell short of the receipts from the previous fiscal year's HERO and Adventures of the Super Monkey – Journey to the West –. In the event business, the production of Cirque du Soleil's Corteo was popular.

In terms of expenses, costs declined considerably in broadcasting and other operations as a result of effective cost controls. Selling, general and administrative ("SG&A") expenses also declined as a result of lower agency fees, and cutbacks in promotional and miscellaneous expenses. Operating expenses in the Television Broadcasting division declined sharply from the previous fiscal year, but this was insufficient to offset the decline in sales revenue.

In the Radio Broadcasting division, both time and spot revenues were down from the previous fiscal year, and overall sales of the division including production and program sales revenues decreased 2.9% year on year to ¥22,518 million. In terms of expenses, operating expenses declined as a result of lower agency fees, along with cost controls that held down program production and SG&A expenses, but this was insufficient to offset the decline in sales revenue.

For the Broadcast segment overall, sales declined 8.8% from the previous fiscal year to ¥370,368 million, with operating income down 17.9% to ¥18,700 million.

A breakdown of net sales of the Broadcasting segment is as follows:

|                               | 67th fiscal year<br>April 1, 2007 -<br>Mar. 31, 2008 | 68th fiscal year<br>(current year)<br>April 1, 2008 -<br>Mar. 31, 2009 | Comparison<br>with the<br>previous year |
|-------------------------------|------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------|
|                               | Million yen                                          | Million yen                                                            | (%)                                     |
| Television broadcasting       |                                                      |                                                                        |                                         |
| Broadcasting operations       | 320,309                                              | 300,199                                                                | - 6.3                                   |
| Broadcasting                  | 289,134                                              | 268,774                                                                | - 7.0                                   |
| Network time                  | 136,362                                              | 134,496                                                                | - 1.4                                   |
| Local time                    | 22,002                                               | 20,315                                                                 | - 7.7                                   |
| Spot                          | 130,769                                              | 113,962                                                                | - 12.9                                  |
| Broadcasting related business | 31,175                                               | 31,424                                                                 | 0.8                                     |
| Other operations              | 62,662                                               | 47,678                                                                 | - 23.9                                  |
| Subtotal                      | 382,971                                              | 347,877                                                                | - 9.2                                   |
| Radio broadcasting            | 23,189                                               | 22,518                                                                 | - 2.9                                   |
| Elimination in the segment    | (35)                                                 | (27)                                                                   | -                                       |
| Total                         | 406,125                                              | 370,368                                                                | - 8.8                                   |

#### <Production >

This segment consists of subsidiaries involved in program production, engineering, set design, and other activities. Sales in this segment declined 2.8% from the previous fiscal year to ¥48,359 million, as a result of a falloff in orders for programs and events. Operating income, despite efforts to trim costs across all expenses categories, decreased 19.1% to ¥1,826 million.

#### <Video and Music>

In the music industry, the production of CDs continued to decline, falling around 40% from peak levels, while music DVD sales remained strong, centered on Japanese pop music. In the internet music download business, growth notably shifted from mobile devices to internet downloads.

Pony Canyon Inc. posted a slight decline in sales, which include revenue from the internet music download business, overall from the previous fiscal year, and a substantial increase in operating income from reductions in advertising and promotional expenses, and other efforts to trim costs. In the audio division, sales rose considerably from such titles as aiko's album *Himitsu*, the Hexagon All Stars' album *We Love Hexagon*, and the Shuchishin's single "Shuchishin." In the video division, sales fell from the previous fiscal year despite strong DVD sales for such titles as the South Korean drama *Prince of the Legend*, and the movies *Yougisha X no Kenshin* and *The Magic Hour*, as these could not match the hit animated feature *Dragonball* series in the previous fiscal year.

Fujipacific Music, Inc. posted record levels for both sales and earnings during the subject fiscal year. In the copyright division, sales rose on strong performance for Japanese music, including hit songs from TV shows, and drama and movie DVDs, as well as for

mobile and other music downloads, and karaoke use rights. The master recording division also posted strong sales from major hits such as "Shuchishin."

As a result, sales in this segment declined 0.6% from the previous fiscal year to ¥68,508 million, with operating income up 63.6% to ¥2,250 million.

#### **<Life Information>**

The Life Information segment consists of three companies, Dinos Inc., and two newly added subsidiaries, Sankei Living Shimbun, Inc. and Living Pro-Seed, Inc.

Dinos Inc. posted net sales down 3.6% from the previous fiscal year to ¥60,954 million. Sales in catalogue media rose 0.7% and television shopping 9.1%, but in the special event businesses, revenue declined sharply as a result of efforts to emphasize profitability.

In terms of earnings, the scaling back of the high-cost special event business, and efforts to cut costs in catalogue sales and SG&A expenses resulted in operating profit of ¥662 million, compared to an operating loss of ¥2,423 million in the previous fiscal year.

Sankei Living Shimbun posted declines in both revenue and earnings due to a decrease in advertising revenue from the publications Living Shimbun and City Living.

As a result, sales in the Life Information segment rose 29.4% from the previous fiscal year to ¥81,827 million, with operating income of ¥90 million, up ¥2,545 million from the previous fiscal year.

#### **<Advertising>**

The Advertising segment reflects the results of Quaras Inc., established through the merger of four advertising companies on October 1, 2007. While conditions in the advertising market remained harsh, the benefits from the merger led to a 21.8% rise in sales from the previous fiscal year to ¥34,007 million, but a fall in the profit margin resulted an operating loss of ¥58 million for the period.

#### **<Other>**

Fujimic, Inc. posted declines in both revenue and earnings due to a falloff in orders for software development, and sluggish hardware sales.

Fusosha Publishing, Inc., amid a slowdown in the publishing industry, posted lower revenues due to a lack of popular new book titles, with magazines also struggling with sales and advertising. The company's operating loss expanded.

Fujisankei Personnel, Inc., which specializes in placements of temporary workers and recruiting, posted declines in both revenue and earnings as a result of sluggishness in recruiting due to the economic slowdown.

As a result, sales in the Other segment overall declined 8.3% from the previous fiscal year to ¥33,118 million, with an operating loss of ¥669 million.

Earnings from equity-method affiliates declined 8.9% overall from the previous fiscal year to ¥1,568 million. Fuji Satellite Broadcasting, Inc. (BS Fuji) posted an increase in both revenue and earnings with the steady growth of digital satellite broadcasting (the number of households able to view digital satellite broadcasts reached 51.45 million at the end of March 2009). Memory-Tech Corporation achieved profitability due to gains in both revenue and earnings.

## **2. Capital investment and fund-raising:**

Capital investment during the fiscal year under review totaled ¥12,529 million, which was spent principally on the terrestrial digital broadcasting-related equipment in the TV broadcasting business.

## **3. Company split to establish a new company:**

While the business environment for broadcasting and the media industry is facing a period of major changes, the Company, upon the approval at the Ordinary General Meeting of Shareholders held on June 27, 2008 of the plan of a company split to establish a new company for a transition to a certified broadcast holding company structure, executed the company split as of October 1, 2008 to respond to further changes in the business environment, pursue further selection and concentration of the Group's management resources and actively pursue capital and operating alliances with outside companies, as well as business restructuring, whereby enhancing the corporate value of the Group. Accordingly, the Company has changed its trade name to "Fuji Media Holdings, Inc." and continued to remain a listed company as a certified broadcast holding company, while the newly incorporated company has acquired its old trade name and the rights and obligations concerning all businesses other than the business of management and administration of the Group to commence new business as "Fuji Television Network, Inc."

## **4. Issues to be addressed:**

The Fuji Media Holdings Group, under its new certified broadcast holding company structure, will maintain and expand earnings through its core terrestrial television broadcasting operations. Further, in order to establish an earnings base less susceptible to short-term fluctuations in the advertising market, we will draw on the considerable content production capabilities of Fuji Television Network, Inc. and other Group companies to expand earnings and business in peripheral areas outside of broadcasting, develop new business fields, and increase business revenues that are not dependent on advertising.

- (i) Strengthen competitiveness and earnings capabilities in terrestrial broadcasting operations

The Fuji Media Holdings Group will respond flexibly to changes in the advertising market in an effort to ensure sufficient earnings in its core terrestrial television broadcasting operations.

Fuji Television Network, Inc. achieved a "triple crown" in viewer ratings for the fifth consecutive year during the subject fiscal year. We will continue to seek to strengthen content production and program scheduling capabilities, further enhance our value as an advertising medium, and achieve high levels of advertising revenue despite difficult market conditions.

For the management of program production and other costs, we will consistently pursue innovations that offer cost benefits, and work to establish and manage flexible budgets responsive to revenue trends. Fuji Television Network's programs are the earnings driver for the Group, and we will work to effectively manage expenses so as to maintain and improve the quality of these programs.

(ii) Strengthen and expand non-advertising businesses fields

In non-advertising businesses outside of broadcasting operations, the Fuji Media Holdings Group will utilize to the fullest extent possible the considerable content production capabilities acquired by the Group in order to expand earnings. The Fuji Media Holdings Group has achieved significant success up to this point by pursuing alliances within the Group centered on the television broadcasting operations of Fuji Television Network, Inc., and utilizing a broad range of tools that includes movies, live events, music and books. Going forward, we will further promote intra-Group alliances to enhance earnings from the retail and business fields.

Fuji Media Holdings will also strengthen earnings capacity in overseas markets, and seek to establish a broad business foundation built around content through expansion in non-advertising business fields that utilize the Group's solid content production capabilities, such as growth in the areas of mobile internet and other digital communications.

(iii) Develop new earnings opportunities

The Fuji Media Holdings Group is working to develop new businesses that may offer new earnings opportunities. Until this point each Group company had expanded its business by drawing on its own expertise and strengths, but the holding company structure will allow for further new business development within the Group. We will also pursue capital and operational alliances with external companies.

(iv) Reinforce the foundation for group management

Fuji Media Holdings, under the holding company structure, will pursue the optimal reallocation of management resources within the Group as well as business restructuring, providing the support that will allow each company to achieve

autonomous growth through independent corporate activities. At the same time, through proper Group governance we will work to ensure swift management decision-making, and flexible business conduct.

We will also make effective capital investments and cutbacks in expenditures throughout the Group, and further strengthen the corporate financial structure to allow it to respond to future changes in the business environment.

## 5. Changes in property and income and loss:

| Item                              | 65th fiscal year<br>April 1, 2005 -<br>Mar. 31, 2006 | 66th fiscal year<br>April 1, 2006 -<br>Mar. 31, 2007 | 67th fiscal year<br>April 1, 2007 -<br>Mar. 31, 2008 | 68th fiscal year<br>(current year)<br>April 1, 2008 -<br>Mar. 31, 2009 |
|-----------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------|
| Net sales<br>(million yen)        | 593,493                                              | 582,660                                              | 575,484                                              | 563,320                                                                |
| Operating income<br>(million yen) | 50,724                                               | 42,325                                               | 24,372                                               | 19,830                                                                 |
| Recurring profit<br>(million yen) | 50,340                                               | 45,995                                               | 27,056                                               | 22,365                                                                 |
| Net income<br>(million yen)       | 11,345                                               | 24,846                                               | 15,770                                               | 16,567                                                                 |
| Net income per share<br>(yen)     | 5,109.42                                             | 10,811.13                                            | 6,847.60                                             | 7,193.40                                                               |
| Total assets<br>(million yen)     | 692,357                                              | 731,496                                              | 677,000                                              | 683,523                                                                |
| Net assets<br>(million yen)       | 462,903                                              | 469,586                                              | 456,077                                              | 453,395                                                                |
| Net assets per share (yen)        | 200,803.02                                           | 201,008.38                                           | 195,967.51                                           | 194,864.16                                                             |

Note 1. During the 65th fiscal year, the convertible bonds-type bonds with stock acquisition rights issued by the Company were converted into shares in the amount of ¥62,900 million. As a result, the total number of issued shares increased by 317,696.33 shares and capital and additional paid-in capital increased by ¥31,450 million, respectively.

Note 2. During the 65th fiscal year, the Company issued unsecured straight bonds in the amount of ¥50,000 million.

Note 3. As from the 66th fiscal year, the "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Accounting Standards Board of Japan ("ASBJ") Corporate Accounting Standard No.5, December 9, 2005) and the "Implementation Guidance on the Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Corporate Accounting Standard Implementation Guidance No.8, December 9, 2005) are applicable.

65th fiscal year:

On a consolidated basis, net sales increased principally due to an increase in consolidated subsidiaries as a result of inclusion of Nippon Broadcasting System, Inc. as a subsidiary and operating income and recurring profit also increased. However, net income decreased substantially as the Company recorded a loss on sale of investment securities as an extraordinary loss.

66th fiscal year:

On a consolidated basis, net sales decreased as revenues from core television broadcasting fell below the results for the previous fiscal year while the advertising market remained slow. Additionally, largely due to decreased revenues from direct marketing business, operating income and recurring profit decreased. However, on the rebound from the loss on sale of investment securities recorded for the previous fiscal year, net income increased substantially.

67th fiscal year:

On a consolidated basis, net sales decreased as revenues from core television broadcasting decreased while the advertising market remained uncertain and revenues from direct marketing business and video and music business leveled off. Operating income, recurring profit and net income decreased substantially.

68th fiscal year (current year):

As described in "1. Development and results of business activities"

## 6. State of major subsidiaries:

(1) State of major subsidiaries:

| Name                                | Capital stock<br>(million yen) | Ratio of<br>equity<br>participation<br>(%) | Principal business                                                |
|-------------------------------------|--------------------------------|--------------------------------------------|-------------------------------------------------------------------|
| Fuji Television Network,<br>Inc.    | 8,800                          | 100.0                                      | TV broadcasting business                                          |
| Dinos Inc.                          | 2,000                          | 100.0                                      | Direct marketing business                                         |
| Fusosha Publishing, Inc.            | 2,000                          | 100.0                                      | Publishing of magazines and<br>books                              |
| Pony Canyon Inc.                    | 1,200                          | 100.0                                      | Production and sale of audio<br>/video software                   |
| Nippon Broadcasting<br>System, Inc. | 480                            | 100.0                                      | Radio broadcasting business                                       |
| Fuji Creative Corporation           | 480                            | 100.0                                      | Sale of broadcasting<br>programs, production of<br>programs, etc. |

(2) Development and results of business combinations:

As of May 15, 2008, the Company acquired all shares in Sankei Living Shimbun, Inc., an equity-method affiliate, to make it a consolidated subsidiary. As a result, its subsidiary Living Pro-Seed, Inc. has changed from an affiliate not subject to

the equity method to a consolidated subsidiary of the Company.

As of October 1, 2008, the Company changed its trade name to "Fuji Media Holdings, Inc." and executed a company split to spin off its major business, including broadcasting business for a transition to a certified broadcast holding company structure. The trade name of the new company incorporated upon such company split was registered as "Fuji Television Network, Inc.", which has become a consolidated subsidiary of the Company.

Fuji Pacific Music (USA), Inc. and Windswept Classics, Inc., which became insignificant as they went into liquidation, ceased to be consolidated subsidiaries as of March 31, 2009.

Nippon Planning Center Inc. and Pony Canyon Music Inc., non-consolidated subsidiaries, became consolidated subsidiaries subject to the equity method as from the fiscal year under review as they increased in importance. Nihon Eiga Satellite Broadcasting Corporation, an affiliate not subject to the equity method, became an affiliate subject to the equity method as from the fiscal year under review as it increased in importance as well.

As a result, the Company had 26 consolidated subsidiaries, including the above six major subsidiaries and 13 equity-method companies for the fiscal year under review.

## 7. Major businesses:

The Group's major activities are broadcasting as prescribed by Japan's Broadcasting Law and other laws; planning, production, engineering and relay operations involving programs for broadcast; video and music, life information, including direct marketing and paper publishing; advertising and others, as well as services related to each of these businesses.

The segments by business category of the Group and the services and products provided by each segment are shown below:

| Segment by business category | Services and products provided                                                              |
|------------------------------|---------------------------------------------------------------------------------------------|
| Broadcasting                 | TV broadcasting business and radio broadcasting business                                    |
| Production                   | Planning, production, engineering, relay operations and other businesses for TV programming |
| Video and music              | Production and sale of audio and video software, etc., management of music copyrights, etc. |
| Life information             | Direct marketing, publishing of newspaper, etc.                                             |
| Advertising                  | Advertising, etc.                                                                           |
| Other                        | Publishing, temporary agency services, leasing of movables, software development, etc.      |

**8. Principal business offices:**

## (1) Principal business office of the Company

Head office: Minato-ku, Tokyo

## (2) Principal business offices (head offices) of subsidiaries

|                                  |                   |
|----------------------------------|-------------------|
| Fuji Television Network, Inc.    | Minato-ku, Tokyo  |
| Dinos Inc.                       | Nakano-ku, Tokyo  |
| Fusosha Publishing, Inc.         | Minato-ku, Tokyo  |
| Pony Canyon Inc.                 | Minato-ku, Tokyo  |
| Nippon Broadcasting System, Inc. | Chiyoda-ku, Tokyo |

**9. State of employees:**

| Segment by business category | Number of employees | Comparison with the end of the previous year |
|------------------------------|---------------------|----------------------------------------------|
| Broadcasting                 | 1,597               | - 17                                         |
| Production                   | 1,224               | + 55                                         |
| Video and music              | 493                 | + 11                                         |
| Life information             | 840                 | + 509                                        |
| Advertising                  | 335                 | + 60                                         |
| Other                        | 577                 | - 21                                         |
| All-company                  | 29                  | + 29                                         |
| Total                        | 5,095               | + 626                                        |

(Note) The number of employees represents the number of persons actually at work.

**10. Principal lenders:**

| Lender                                 | Balance of borrowings (million yen) |
|----------------------------------------|-------------------------------------|
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 2,668                               |
| Resona Bank, Limited                   | 1,866                               |
| Sumitomo Mitsui Banking Corporation    | 1,163                               |
| The Norinchukin Bank                   | 1,125                               |
| Mizuho Bank, Ltd.                      | 681                                 |
| Mizuho Corporate Bank, Ltd.            | 525                                 |

**11. Important fact concerning the state of the Company:**

## Settlement of lawsuit:

The Company, which filed a lawsuit against LDH Corporation (formerly "livedoor Co., Ltd.", hereinafter referred to as "LDH") for damages on March 26, 2007, settled the lawsuit in court, following an official recommendation for settlement that was made by the Tokyo District Court, on January 22, 2009.

### (i) Background

The Company filed a civil lawsuit against LDH at the Tokyo District Court on March 26, 2007 after LDH was criminally convicted by the Tokyo District Court on March 23, 2007. In the lawsuit, the Company claimed damages of ¥34,504,920,000, which was the difference between (i) the amount of approximately ¥44,000,000,000 that the Company paid to LDH on May 23, 2005 for the new shares that LDH issued to us and (ii) the amount of approximately ¥9,500,000,000 for which we sold such shares on March 16, 2006, together with late charges, pursuant to Article 18 of the former Securities and Exchange Law (Liability in respect of filing of a securities registration statement containing false statements).

The lawsuit had proceeded at the Tokyo District Court thereafter. The court then made an official recommendation for settlement and provided the parties with recommended settlement terms. Accepting such recommendation, the Company settled the lawsuit with LDH in court on January 22, 2009.

### (ii) Major terms of settlement

- i) LDH shall pay ¥31,054,428,000 to the Company on or before February 10, 2009 as compensation for the damage;
- ii) The Company shall waive any claims related to this matter, except as provided in item i) above; and
- iii) The Company and LDH shall mutually confirm that, in connection with LDH's filing of the securities registration statement containing false statements and LDH's use of deceptive schemes or circulation of false rumors and filing of the annual securities report containing false statements, neither party shall have any right or obligation against the other party other than those rights or obligations prescribed in the terms of settlement.

Note: With regard to item i) above, the entire amount was paid to the Company on February 10, 2009.

## II. Matters concerning the shares of the Company

1. **Total number of issued shares:** 2,364,298 shares  
(including 61,202 shares of treasury stock)
2. **Number of shareholders:** 75,453 persons
3. **Principal shareholders:**

| Name of shareholder                                                                     | Number of shares (shares) | Ratio of equity participation (%) |
|-----------------------------------------------------------------------------------------|---------------------------|-----------------------------------|
| Toho Co., Ltd.                                                                          | 183,221                   | 7.96                              |
| Japan Trustee Services Bank, Ltd. (Trust Account 4G)                                    | 107,234                   | 4.66                              |
| CB New York ORBIS SICAV                                                                 | 96,940                    | 4.21                              |
| Japan Trustee Services Bank, Ltd. (Trust Account)                                       | 94,419                    | 4.10                              |
| CB New York ORBIS Funds                                                                 | 91,843                    | 3.99                              |
| Nippon Cultural Broadcasting, Inc.                                                      | 77,920                    | 3.38                              |
| NTT DOCOMO Co., Ltd.                                                                    | 77,000                    | 3.34                              |
| The Master Trust Bank of Japan, Ltd. (Trust Account)                                    | 72,370                    | 3.14                              |
| Kansai Telecasting Corporation                                                          | 54,461                    | 2.36                              |
| The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account for Dentsu Inc.) | 46,500                    | 2.02                              |

Note 1. The above list shows top ten shareholders.

Note 2. In addition to the above, the Company holds 61,202 shares of treasury stock.

Note 3. The ratio of equity participation represents the ratio of the number of shares held to the total number of issued shares, excluding shares of treasury stock.

### III. Matters concerning the officers of the Company

#### 1. Names of Directors and Statutory Auditors, etc.:

| Position                              | Business in charge                                                                                    | Name            | Representation of other companies and important interlocking directorate                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chairman and Representative Director  |                                                                                                       | Hisashi Hieda   | Chairman and Representative Director, Fuji Television Network, Inc.<br>Director and Adviser, Sankei Shimbun Co., Ltd.<br>Director, Sankei Building Co., Ltd.<br>Director, Dinos Inc.<br>Director, Kansai Telecasting Corporation<br>Director, Tokai Television Broadcasting Co., Ltd.<br>Director, Television Nishi Nippon Corporation<br>Director, Hokkaido Cultural Broadcasting Co., Ltd. |
| President and Representative Director |                                                                                                       | Koh Toyoda      | President and Representative Director, Fuji Television Network, Inc.<br>Director, Sankei Living Shimbun Inc.<br>Director, Dinos Inc.                                                                                                                                                                                                                                                         |
| Senior Managing Director              | Corporate Social Responsibility Office, Corporate Compliance Office and Group Company General Affairs | Hideaki Ohta    | Senior Managing Director, Fuji Television Network, Inc.<br>Director, Sankei Shimbun Co., Ltd.<br>Director, Sankei Living Shimbun Inc.<br>Director, Hokkaido Cultural Broadcasting Co., Ltd.                                                                                                                                                                                                  |
| Managing Director                     | Group Finance                                                                                         | Shuji Kanoh     | Managing Director, Fuji Television Network, Inc.<br>Director, Nippon Broadcasting System, Inc.<br>Statutory Auditor, Sankei Shimbun Co., Ltd.<br>Statutory Auditor, Sankei Building Co., Ltd.<br>Statutory Auditor, Dinos Inc.<br>Director, Kansai Telecasting Corporation<br>Statutory Auditor, TSS-TV Co., Ltd.                                                                            |
| Managing Director                     | Group Business Promotion                                                                              | Masumi Uchibori | Managing Director, Fuji Television Network, Inc.<br>Statutory Auditor, Sankei Living Shimbun Inc.<br>Statutory Auditor, Pony Canyon Inc.                                                                                                                                                                                                                                                     |
| Managing Director                     | Group Planning                                                                                        | Kazunobu Iijima | Managing Director, Fuji Television Network, Inc.<br>Director, WOWOW Inc.<br>Director, SKY Perfect JSAT Holdings Inc.                                                                                                                                                                                                                                                                         |
| Managing Director                     | Executive Office                                                                                      | Hiroshi Seta    | Managing Director, Fuji Television Network, Inc.                                                                                                                                                                                                                                                                                                                                             |

| Position                    | Business in charge      | Name                | Representation of other companies and important interlocking directorate                                                              |
|-----------------------------|-------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Director                    | Public Relations Office | Ryunosuke Endo      | Director, Fuji Television Network, Inc.                                                                                               |
| Director                    |                         | Ryosuke Yokoi       | Vice President and Director, Fuji Television Network, Inc.                                                                            |
| Director                    |                         | Masami Obitsu       | Managing Director, Fuji Television Network, Inc.<br>Director, TSS-TV Co., Ltd.                                                        |
| Director                    |                         | Toshikazu Horiguchi | Managing Director, Fuji Television Network, Inc.<br>Director, Toei Animation Co., Ltd.                                                |
| Director                    |                         | Eiichi Kubota       | Director, Fuji Television Network, Inc.<br>Director, Sendai Television Incorporated                                                   |
| Director                    |                         | Yutaka Kobayashi    | Director, Fuji Television Network, Inc.                                                                                               |
| Director                    |                         | Katsuaki Suzuki     | Director, Fuji Television Network, Inc.<br>Director, Sankei Living Shimbun Inc.<br>Director, Pony Canyon Inc.<br>Director, Dinos Inc. |
| Director                    |                         | Isao Matsuoka       | Chairman and Director, TOHO Co., Ltd.                                                                                                 |
| Director                    |                         | Shigeki Sato        | Chairman and Director, Nippon Cultural Broadcasting Inc.                                                                              |
| Director                    |                         | Taizan Ishiguro     | Chairman and Director, Tokai Television Broadcasting Co., Ltd.                                                                        |
| Director                    |                         | Michio Izuma        | Honorary Adviser, Kansai Telecasting Corporation                                                                                      |
| Director                    |                         | Takafumi Beppu      | Chairman and Director, Television Nishinippon Corporation                                                                             |
| Director                    |                         | Takehiko Kiyohara   | Chairman and Representative Director, Sankei Shimbun Co., Ltd.                                                                        |
| Full-time Statutory Auditor |                         | Kiyoshi Onoe        | Statutory Auditor, Fuji Television Network, Inc.                                                                                      |
| Full-time Statutory Auditor |                         | Shunichiro Kondo    | Statutory Auditor, Fuji Television Network, Inc.                                                                                      |
| Full-time Statutory Auditor |                         | Hachiro Itoh        | Statutory Auditor, Fuji Television Network, Inc.                                                                                      |
| Statutory Auditor           |                         | Yuzaburo Motegi     | Chairman and Representative Director, Kikkoman Corporation                                                                            |

| Position          | Business in charge | Name         | Representation of other companies and important interlocking directorate |
|-------------------|--------------------|--------------|--------------------------------------------------------------------------|
| Statutory Auditor |                    | Naoya Minami | Adviser, Tokyo Electric Power Company, Incorporated                      |

Note 1. Directors Messrs. Isao Matsuoka, Shigeki Sato, Taizan Ishiguro, Takafumi Beppu and Takehiko Kiyohara are outside directors as provided for in Article 2, item 15 of the Corporation Law.

Note 2. Statutory Auditors Messrs. Shunichiro Kondo, Yuzaburo Motegi and Naoya Minami are outside statutory auditors as provided for in Article 2, item 16 of the Corporation Law.

Note 3. Full-time Statutory Auditor Mr. Hachiro Itoh, who has built up his experience in accounting at the Company, has considerable knowledge of financing and accounting.

Note 4. Statutory Auditor Mr. Yuzaburo Motegi, who has built up his experience in accounting at Kikkoman Corporation, has considerable knowledge of financing and accounting.

## 2. Amount of remuneration, etc. of Directors and Statutory Auditors:

|                              |    |              |
|------------------------------|----|--------------|
| Directors                    | 20 | ¥724 million |
| (Outside Directors)          | 5  | ¥24 million) |
| Statutory Auditors           | 5  | ¥120 million |
| (Outside Statutory Auditors) | 3  | ¥46 million) |

Note 1. The maximum amounts of remuneration of officers pursuant to the resolution of the General Meeting of Shareholders are ¥960 million per annum for Directors and ¥180 million per annum for Statutory Auditors (as resolved at the 46th Ordinary General Meeting of Shareholders held on June 25, 1987).

Note 2. The amount of remuneration, etc. payable to the Directors does not include the portions of salaries and wages of employees concurrently serving as Directors, accounting for ¥24 million.

Note 3. The above-listed amount of remuneration, etc. includes ¥39 million of bonuses for officers (¥34 million for the Directors and ¥5 million for the Statutory Auditors) to be resolved at the 68th Ordinary General Meeting of Shareholders.

Note 4. The above-listed amount of remuneration, etc. includes a transfer of ¥51 million to reserve for officers' retirement gratuities (¥43 million for the Directors and ¥7 million for the Statutory Auditors) recorded for the fiscal year under review.

Note 5. In accordance with the resolution for the payment of retirement gratuities upon the abolition of the policy of officers' retirement gratuities adopted at the 67th Ordinary General Meeting of Shareholders held on June 27, 2008, retirement gratuities will be paid to each Director and each Statutory Auditor when each such Director or Statutory Auditor retires from office. The amount will be the total of ¥1,276 million payable to 20 Directors (including ¥42 million payable to five outside Directors) and ¥171 million payable to five Statutory Auditors (including ¥97 million payable to three outside Statutory Auditors). The amount includes the amount of reserve for officers'

retirement gratuities disclosed in the business reports for the fiscal year under review and the previous fiscal years.

Note 6. In addition to the above amount of remuneration, etc., the amount of remuneration, etc. received by the outside officers from the subsidiaries of the Company for the fiscal year under review was ¥25 million.

### **3. Matters concerning outside officers:**

(1) State of concurrent holding of offices of managing directors, etc. of other companies:

Director Mr. Isao Matsuoka is concurrently serving as Chairman and Representative Director of Toho Co., Ltd., which has no specific relation of interest with the Company.

Director Mr. Shigeki Sato is concurrently serving as Chairman and Director of Nippon Cultural Broadcasting, Inc., which has no specific relation of interest with the Company.

Director Mr. Taizan Ishiguro is concurrently serving as Chairman and Representative Director of Tokai Television Broadcasting Co., Ltd., which has no specific relation of interest with the Company.

Director Mr. Takafumi Beppu is concurrently serving as Chairman and Director of Television Nishinippon Corporation, which has no specific relation of interest with the Company.

Director Mr. Takehiko Kiyohara is concurrently serving as Chairman and Representative Director of Sankei Shimbun Co., Ltd., which is an equity-method affiliate of the Company.

Statutory Auditor Mr. Yuzaburo Motegi is concurrently serving as Chairman and Representative Director of Kikkoman Corporation, which has no specific relation of interest with the Company.

(2) State of concurrent holding of offices of outside officers, etc. of other companies:

Director Mr. Isao Matsuoka is concurrently serving as outside Director of Fuji Television Network, Inc., Tokyo Rakutenchi Co., Ltd., Tokyo Kaikan K.K. and OS Co., Ltd., respectively.

Directors Messrs. Shigeki Sato, Taizan Ishiguro and Takafumi Beppu are concurrently serving as outside Directors of Fuji Television Network, Inc.

Director Mr. Takehiko Kiyohara is concurrently serving as outside Director of Fuji Television Network, Inc. and Sankei Building Co., Ltd., respectively.

Statutory Auditor Mr. Shunichiro Kondo is concurrently serving as outside Statutory

Auditor of Fuji Television Network, Inc.

Statutory Auditor Mr. Yuzaburo Motegi is concurrently serving as outside Director of HOYA Corporation, outside Statutory Auditor of Fuji Television Network, Inc. and outside Statutory Auditor of Tobu Railway Co., Ltd.

Statutory Auditor Mr. Naoya Minami is concurrently serving as outside Director of Fuyo General Lease Co., Ltd., outside Director of Nomura Research Institute, Ltd. and outside Statutory Auditor of Fuji Television Network, Inc.

- (3) Relationship with major trading partners and other businesses having specific relationships with the Company:

Director Mr. Takehiko Kiyohara is a relative within the third degree of relationship by blood with an employee of the Company's consolidated subsidiary Fuji Television Network, Inc.

- (4) Major activities during the fiscal year under review:

| Name                          | Attendance and speech                                                                                                                                                                                                                                                                                                           |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director<br>Isao Matsuoka     | Mr. Matsuoka attended and spoke at nine of the 12 meetings of the Board of Directors held during the fiscal year under review and at and outside of such meetings, presented advice and recommendations based on his wide experience and expertise as representative director of a listed movie and drama business corporation. |
| Director<br>Shigeki Sato      | Mr. Sato attended and spoke at 11 of the 12 meetings of the Board of Directors held during the fiscal year under review and at and outside of such meetings, presented advice and recommendations based on his wide experience and expertise as representative director of a radio broadcasting business corporation.           |
| Director<br>Taizan Ishiguro   | Mr. Ishiguro attended and spoke at all of the 12 meetings of the Board of Directors held during the fiscal year under review and at and outside of such meetings, presented advice and recommendations based on his wide experience and expertise as representative director of a TV broadcasting business corporation.         |
| Director<br>Takafumi Beppu    | Mr. Beppu attended and spoke at nine of the 12 meetings of the Board of Directors held during the fiscal year under review and at and outside of such meetings, presented advice and recommendations based on his wide experience and expertise as representative director of a TV broadcasting business corporation.           |
| Director<br>Takehiko Kiyohara | Mr. Kiyohara attended and spoke at 11 of the 12 meetings of the Board of Directors held during the fiscal year under review and at and outside of such meetings, presented advice and recommendations based on his wide experience and expertise as                                                                             |

| Name                                            | Attendance and speech                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Full-time Statutory Auditor<br>Shunichiro Kondo | representative director of a newspaper business corporation.<br><br>Mr. Kondo attended and spoke at all of the 12 meetings of the Board of Directors and all of the 15 meetings of the Board of Statutory Auditors held during the fiscal year under review and at and outside of such meetings, conducted audits to secure the appropriateness of the execution by the Directors of their duties, and presented advice and recommendations based on his wide experience and expertise as ex-director of a newspaper business corporation. |
| Statutory Auditor<br>Yuzaburo Motegi            | Mr. Motegi attended and spoke at six of the 12 meetings of the Board of Directors and three of the 15 meetings of the Board of Statutory Auditors held during the fiscal year under review and at and outside of such meetings, conducted audits to secure the appropriateness of the execution by the Directors of their duties, and presented advice and recommendations based on his wide experience and expertise as representative director of a listed corporation.                                                                  |
| Statutory Auditor<br>Naoya Minami               | Mr. Minami attended and spoke at 11 of the 12 meetings of the Board of Directors and six of the 15 meetings of the Board of Statutory Auditors held during the fiscal year under review and at and outside of such meetings, conducted audits to secure the appropriateness of the execution by the Directors of their duties, and presented advice and recommendations based on his wide experience and expertise as ex-representative director of a listed corporation.                                                                  |

(5) Outline of the content of liability limitation agreements:

In accordance with Article 427, paragraph 1 of the Corporation Law, the Company has entered into an agreement with each of all outside Directors and outside Statutory Auditors to limit the liability for damages as provided for in Article 423, paragraph 1 of the said law. The maximum amount of the liability for damages under such agreement shall be the higher of (i) ¥10,000,000 and (ii) such amount as provided for in laws or ordinances.

**IV. Account auditors**

**1. Name of the account auditors:**

Ernst & Young ShinNihon LLC

Ernst & Young ShinNihon changed its category of audit corporations as of July 1, 2008 to be called Ernst & Young ShinNihon LLC.

**2. Amount of remuneration, etc. of the account auditors for the fiscal year under review:**

- (1) Amount of remuneration, etc. payable by the Company for services (audit attestation services) in accordance with Article 2, paragraph 1 of the Certified Public Accountant Law: ¥54 million

Note: In its audit contract with its accounting auditors, the Company has not established separate categories for audit fees in accordance with the Corporation Law and with the Financial Instruments and Exchange Law. As the categorization is not possible in a substantive manner, the figure shown above is a total of these two fees.

- (2) Total of cash and other proprietary benefits payable by the Company and its subsidiaries to the accounting auditors: ¥119 million

**3. Content of non-auditing services:**

The Company has paid the account auditors remuneration for services of assisting financial investigations, in addition to services covered by Article 2, paragraph 1 of the Certified Public Accountant Law.

**4. Policy on the determination of dismissal and non-reappointment of the account auditors:**

For certain reasons on the part of the Company or in the event that the account auditors are judged to have violated or contravened with the Corporation Law, the Certified Public Accountant Law or any other law or ordinance or offended public order or morals, then the Board of Statutory Auditors shall deliberate on the dismissal or non-reappointment of the account auditors. If the Board of Statutory Auditors considers the dismissal or non-reappointment appropriate, it shall, pursuant to the Regulations of the Board of Statutory Auditors, request the Board of Directors to submit a proposition for the "dismissal of the account auditors" or the "non-reappointment of the account auditors" to the General Meeting of Shareholders and the Board of Directors shall discuss it.

**V. Systems and policies of the Company**

**"Systems to secure the execution by the Directors of their duties to comply with laws or ordinances and the Articles of Incorporation and other systems to secure the properness of business activities":**

- 1. Systems to secure the execution by the Directors and employees of their duties to comply with laws or ordinances and the Articles of Incorporation and the regulations concerning management of exposure to the risk of loss and other systems**

The vision of the Group (the Company and its subsidiaries) of becoming Japan's

representative "Media Conglomerate" requires it of the conduct of appropriate group governance, quickness in decision-making and flexibility in execution of business to fulfill its public mission of its media business central to a certified broadcast holding company. For that purpose, as well as to ensure the effective compliance with laws or ordinances and the Articles of Incorporation, the Company shall build up its systems in accordance with the following "program concerning compliance and risk management" (the "Compliance Program"):

(i) Devising of organs and measures

The President and Representative Directors of the Company shall formulate regulations concerning compliance and risk management of the Group (the "Group Compliance Regulations") and pursuant to the Group Compliance Regulations, become an officer responsible for compliance and risk management for the whole Group (the "Compliance Responsible Officer") to exercise general control over the relevant operations of the whole Group. The President and Representative Director of the Company shall appoint an officer in charge of compliance and risk management (the "Compliance Officer in Charge") to assist him and also designate personnel in charge of compliance and risk management of the Group by the Group companies (the "Group Compliance Members"). The Compliance Officer in Charge shall chair the compliance committee comprised of the Group Compliance Members delegated from the Group companies (the "Group Compliance Committee") to discuss and build up measures concerning compliance and risk management of the whole Group. A secretariat to the Group Compliance Committee shall be assigned to the Corporate Compliance Office of the Company. If with regard to compliance and risk, any case is found that may have a material effect on management, the Compliance Responsible Officer shall set up a task force to collect information and consider measures.

(ii) Credibility of financial reporting

The President and Representative Director of the Company shall, as the Compliance Responsible Officer, exert efforts to build up a system to strengthen compliance and risk management while giving full consideration to operations carried on properly, and also establish an internal control system to ensure the credibility of financial reporting pursuant to the Financial Instruments and Exchange Law.

(iii) Education and training

Upon implementing the Compliance Program, the Corporate Compliance Office of the Company shall hold explanatory meetings within the Company and the Group on a timely basis and convey related materials to inform the Directors and employees of the Group companies of the Compliance Program and promote the understanding thereof.

**2. Systems concerning storage and management of information on the execution by**

### **the Directors of their duties**

Pursuant to the information management manuals of the Company, information on the execution by the Directors of the Company of their duties shall be stored and managed properly and accurately in a manner facilitating searching according to the storage media and shall be kept available for inspection for specified periods.

#### **3. Systems to secure efficient execution by the Directors of their duties**

The Directors of the Company shall continue to carry out a study on more rational and prompt operations to secure more efficient management of the Group. The Company shall formulate management plans of the whole Group and monitor the implementation thereof by receiving reports on operating results from each Group company or otherwise.

#### **4. Systems to secure the properness of business activities of the corporate group comprised of the Company, its parent company and its subsidiaries**

- (i) To ensure that the directors and employees of each of the Group companies can act in compliance with laws or ordinances, the articles of incorporation, internal rules and corporate ethics and execute business efficiently, the Directors of the Company shall promote group-wide management pursuant to the regulations of management of associated companies. Business concerning administration of the Group companies shall be conducted by the Group Company Business Development Department of the Company.
- (ii) Each Group company shall autonomously establish a system to make workable compliance and risk management according to its type of operation and scale of the business. The Group Compliance Members of each Group company designated by the Compliance Officer in Charge shall, pursuant to the Group Compliance Regulations, designate personnel in charge of compliance and risk management of each such Group company, who shall be responsible for compliance and risk management of each such Group company and establish a system for compliance and risk management. Such personnel in charge of compliance and risk management shall also carry out activities to raise awareness of compliance and risk management within each such Group company. Business concerning group-wide compliance and risk management of the Group companies shall be conducted by the Group Compliance Committee and its secretariat, the Corporate Compliance Office of the Company.

#### **5. System concerning the employees to assist the Statutory Auditors to execute their duties when the Statutory Auditors request the assignment thereof**

The Statutory Auditors of the Company shall appoint the Statutory Auditors' staff pursuant to the Regulations of the Board of Statutory Auditors. The Statutory Auditors' staff shall conduct business concerning the convocation of meetings of the Board of Statutory Auditors, the preparation of minutes and the administration of the Board of

Statutory Auditors and assist the Statutory Auditors to execute their duties. Such business shall be assigned to the Group Company General Affairs Department of the Company as provided for in the segregation of duties.

**6. Matters concerning the independence of the employees to assist the Statutory Auditors to execute their duties**

With regard to the merit-rating, personnel changes and disciplinary punishments of the Statutory Auditors' staff, opinions of the Statutory Auditors shall be sought.

**7. System for reports by Directors and employees to the Statutory Auditors or the Board of Statutory Auditors and other systems for reporting to the Statutory Auditors**

(1) The Directors and employees of the Company shall report the following matters to the Statutory Auditors or the Board of Statutory Auditors of the Company on a timely basis. (If the finder is an employee, he/she may report the matter to the General Manager of the Corporate Compliance Office in lieu of the Statutory Auditors or the Board of Statutory Auditors. In such case, the General Manager of the Corporate Compliance Office shall report the matter to the Statutory Auditors or the Board of Statutory Auditors.)

(i) A fact is found that may have a material effect on business or finance (including any fact concerning any Group company).

(ii) A fact is found that the Directors and employees do a dishonest act or violate laws or ordinances, the Articles of Incorporation or the internal rules in executing their duties (including any fact concerning any Group company) or any act in contravention with generally-accepted ideas threatens to occur or occurs, and the fact or act is material; provided, however, that if it is difficult to judge whether it is material or not, it shall be reported and conferred to the Corporate Compliance Office of the Company and the General Manager thereof shall determine whether it is material or not.

(iii) Any other urgent or emergent event is found.

(2) The Directors and employees of the Company shall report the following matters to the Statutory Auditors or the Board of Statutory Auditors of the Company periodically or whenever necessary:

(i) Monthly accounting data for each month;

(ii) Internal audit reports and major monthly reports from each department;

(iii) Important litigation;

- (iv) Summaries of activities of the departments involved in internal control;
  - (v) Important accounting policies and accounting standards and the changes thereof;
  - (vi) Details of publication of operating results and forecasts thereof and the details of important disclosure documents;
  - (vii) Reports on business of the Group companies;
  - (viii) Summaries of activities of the statutory auditors of the Group companies; and
  - (ix) Other important matters.
- (3) In the event that the Directors and employees of the Company are requested by the Statutory Auditors or the Board of Statutory Auditors of the Company to report the execution of their duties, they shall do so promptly.

## **8. Internal audits**

- (1) The President and Representative Director of the Company shall order the Corporate Compliance Office of the Company to conduct internal audits. The Company shall establish a fundamental policy on internal audits of the Group, request each Group company to conduct effective internal audits and monitor the status of internal audits by and internal control systems of each Group company to confirm that the whole operations of the Group are conducted properly and validly in terms of laws or ordinances, the Articles of Incorporation and the internal rules.
- (2) The personnel in charge of internal audits at the Corporate Compliance Office shall record, arrange and store the results of the monitoring of the Group companies as "internal audit records", and also prepare "internal audit reports" based on the results of the monitoring thereof and file the reports with the President and Representative Director of the Company.
- (3) If the personnel in charge of internal audits at the Corporate Compliance Office find any matter to be pointed out, they shall, upon approval of the President and Representative Director of the Company, point out the matter required to be improved to the responsible officers of the relevant Group companies and confirm the state of the implementation of the improvement measures.

## CONSOLIDATED BALANCE SHEET

(As of March 31, 2009)

| <u>ASSETS</u>                                   | (million yen)      |
|-------------------------------------------------|--------------------|
| Current assets:                                 | <u>294,369</u>     |
| Cash on hand and in banks receivable .....      | 69,265             |
| Trade notes and trade accounts receivable ..... | 110,060            |
| Marketable securities .....                     | 60,269             |
| Inventories .....                               | 20,213             |
| Deferred tax assets .....                       | 5,643              |
| Other current assets.....                       | 29,405             |
| Allowance for doubtful accounts .....           | (487)              |
| Fixed assets:                                   | <u>389,153</u>     |
| Tangible fixed assets:                          | 166,652            |
| Buildings and structures.....                   | 108,275            |
| Machinery, equipment and vehicles .....         | 20,528             |
| Land .....                                      | 26,348             |
| Construction in progress .....                  | 5,537              |
| Other tangible fixed assets .....               | 5,961              |
| Intangible fixed assets:                        | <u>45,851</u>      |
| Goodwill .....                                  | 5,936              |
| Leasehold rights.....                           | 15,356             |
| Software .....                                  | 18,448             |
| Other intangible fixed assets.....              | 6,110              |
| Investments and other assets:                   | <u>176,649</u>     |
| Investment securities.....                      | 150,953            |
| Long-term loans .....                           | 423                |
| Deferred tax assets .....                       | 12,063             |
| Other investments and other assets .....        | 14,963             |
| Allowance for doubtful accounts .....           | (1,754)            |
| <br>TOTAL ASSETS                                | <br><u>683,523</u> |

LIABILITIES (million yen)

|                                                  |                |
|--------------------------------------------------|----------------|
| Current liabilities:                             | <u>121,613</u> |
| Trade notes and trade accounts payable .....     | 51,283         |
| Short-term borrowings .....                      | 5,188          |
| Accrued corporate income taxes, etc. ....        | 10,677         |
| Allowance for returned goods.....                | 714            |
| Allowance for bonuses for officers.....          | 321            |
| Other current liabilities .....                  | 53,427         |
| Long-term liabilities:                           | <u>108,514</u> |
| Bonds .....                                      | 49,989         |
| Long-term borrowings .....                       | 3,225          |
| Deferred tax liabilities .....                   | 5,556          |
| Reserve for employee retirement benefits .....   | 34,046         |
| Reserve for officers' retirement gratuities..... | 2,312          |
| Negative goodwill.....                           | 9,332          |
| Other long-term liabilities .....                | 4,050          |
| TOTAL LIABILITIES                                | <u>230,127</u> |

NET ASSETS

|                                                             |                |
|-------------------------------------------------------------|----------------|
| Shareholders' equity:                                       | <u>459,273</u> |
| Paid-in capital .....                                       | 146,200        |
| Capital surplus .....                                       | 173,664        |
| Retained earnings.....                                      | 154,913        |
| Treasury stock.....                                         | (15,505)       |
| Valuation and translation adjustments:                      | (10,482)       |
| Valuation difference on available-for-sale securities ..... | (7,782)        |
| Revaluation differences of land .....                       | 358            |
| Translation adjustment.....                                 | (3,057)        |
| Minority interests:                                         | <u>4,604</u>   |
| TOTAL NET ASSETS                                            | <u>453,395</u> |
| TOTAL LIABILITIES AND NET ASSETS                            | <u>683,523</u> |

CONSOLIDATED STATEMENT OF INCOME

(April 1, 2008 to March 31, 2009)

|                                              |        | (million yen) |
|----------------------------------------------|--------|---------------|
| Net sales                                    |        | 563,320       |
| Cost of sales                                |        | 383,524       |
| Gross profit                                 |        | 179,796       |
| Selling, general and administrative expenses |        | 159,966       |
| Operating income                             |        | 19,830        |
| Non-operating income                         |        |               |
| Interest income and dividend income          | 2,891  |               |
| Equity in earnings of affiliates             | 1,568  |               |
| Other income                                 | 2,136  | 6,596         |
| Non-operating expenses                       |        |               |
| Interest expenses                            | 897    |               |
| Loss on investment association               | 1,183  |               |
| Sundry loss                                  | 1,980  | 4,060         |
| Recurring profit                             |        | 22,365        |
| Extraordinary gain                           |        |               |
| Gain on sale of fixed assets                 | 216    |               |
| Gain on sale of investment securities        | 4      |               |
| Settlement received                          | 30,899 |               |
| Others                                       | 108    | 31,229        |
| Extraordinary loss                           |        |               |
| Loss on sale of fixed assets                 | 456    |               |
| Loss on disposal of fixed assets             | 260    |               |
| Impairment loss                              | 2,967  |               |
| Loss on sale of investment securities        | 813    |               |
| Valuation losses on investment securities    | 12,512 |               |
| Loss on sale of memberships                  | 18     |               |
| Valuation losses on memberships              | 122    |               |
| Others                                       | 750    | 17,902        |
| Income before income taxes                   |        | 35,692        |
| Income and enterprise taxes                  | 17,884 |               |
| Adjustment for income taxes                  | 1,356  | 19,241        |
| Minority interests                           |        | 115           |
| Net income                                   |        | 16,567        |

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, ETC.**  
(April 1, 2008 to March 31, 2009)

(million yen)

|                                                                      | Shareholders' equity |                 |                   |                |                            |
|----------------------------------------------------------------------|----------------------|-----------------|-------------------|----------------|----------------------------|
|                                                                      | Paid-in capital      | Capital surplus | Retained earnings | Treasury stock | Total Shareholders' equity |
| Balance at March 31, 2008                                            | 146,200              | 173,664         | 146,322           | (15,505)       | 450,682                    |
| Changes during the year                                              |                      |                 |                   |                |                            |
| Distribution of retained earnings                                    |                      |                 | (8,291)           |                | (8,291)                    |
| Net income                                                           |                      |                 | 16,567            |                | 16,567                     |
| Reversal of revaluation difference of land                           |                      |                 | (821)             |                | (821)                      |
| Increase due to change of scope of consolidation                     |                      |                 | 749               |                | 749                        |
| Increase due to change of scope of equity method                     |                      |                 | 387               |                | 387                        |
| Net increase/decrease during the year except in shareholders' equity |                      |                 |                   |                | -                          |
| Total changes                                                        | -                    | -               | 8,590             | -              | 8,590                      |
| Balance at March 31, 2009                                            | 146,200              | 173,664         | 154,913           | (15,505)       | 459,273                    |

|                                                                      | Valuation and translation adjustments                 |                                 |                        |                                             | Minority interests | Total net assets |
|----------------------------------------------------------------------|-------------------------------------------------------|---------------------------------|------------------------|---------------------------------------------|--------------------|------------------|
|                                                                      | Valuation difference on available-for-sale securities | Revaluation differences of land | Translation adjustment | Total valuation and translation adjustments |                    |                  |
| Balance at March 31, 2008                                            | 1,416                                                 | (463)                           | (302)                  | 649                                         | 4,745              | 456,077          |
| Change during the year                                               |                                                       |                                 |                        |                                             |                    |                  |
| Distribution of retained earnings                                    |                                                       |                                 |                        |                                             |                    | (8,291)          |
| Net income                                                           |                                                       |                                 |                        |                                             |                    | 16,567           |
| Reversal of revaluation difference of land                           |                                                       |                                 |                        |                                             |                    | (821)            |
| Increase due to change of scope of consolidation                     |                                                       |                                 |                        |                                             |                    | 749              |
| Increase due to change of scope of equity method                     |                                                       |                                 |                        |                                             |                    | 387              |
| Net increase/decrease during the year except in shareholders' equity | (9,198)                                               | 821                             | (2,754)                | (11,131)                                    | (141)              | (11,272)         |
| Total changes                                                        | (9,198)                                               | 821                             | (2,754)                | (11,131)                                    | (141)              | (2,682)          |
| Balance at March 31, 2009                                            | (7,782)                                               | 358                             | (3,057)                | (10,482)                                    | 4,604              | 453,395          |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### **(Notes to important matters forming the basis of preparation of consolidated financial statements)**

1. Matters concerning the scope of consolidation

- (1) Number of consolidated subsidiaries: 26 companies

Names of major consolidated subsidiaries: Fuji Television Network, Inc.,  
Dinos Inc. and Pony Canyon Inc.

As of May 15, 2008, the Company acquired all shares in Sankei Living Shimbun, Inc., an equity-method affiliate, to make it a consolidated subsidiary. As a result, its subsidiary Living Pro-Seed, Inc. has changed from an affiliate not subject to the equity method to a consolidated subsidiary of the Company.

As of October 1, 2008, the Company changed its trade name to "Fuji Media Holdings, Inc.", and executed a company split to spin off its major business, including broadcasting business for a transition to a certified broadcast holding company structure and incorporated a new "Fuji Television Network, Inc., which has become a consolidated subsidiary of the Company.

Fuji Pacific Music (USA), Inc. and Windswept Classics, Inc., which became insignificant as they went into liquidation, ceased to be consolidated subsidiaries as of March 31, 2009.

- (2) 44 non-consolidated subsidiaries, including Nippon Planning Center Inc. and Fujisankei Agency, Inc., are small companies and the aggregate amounts of total assets, net sales, net income/loss and retained earnings (based on the Company's equity interest) thereof have no significant impact on the consolidated financial statements. Hence, those subsidiaries are excluded from consolidation.

2. Matters concerning the application of the equity method

- (1) Non-consolidated subsidiaries to which the equity method is applied: 4 companies

Names of major non-consolidated subsidiaries to which the equity method is applied:

FCG Research Institute, Inc., Nippon Planning Center Inc., Fuji Sankei Agency, Inc. and Pony Canyon Music Inc.

Nippon Planning Center Inc. and Pony Canyon Music Inc. are included in the scope of the equity method as from the fiscal year under review as they increased in importance.

- (2) Number of affiliates to which the equity method is applied: 9 companies

Names of major affiliates to which the equity method is applied: Sankei Building Co., Ltd., Sankei Shimbun Co., Ltd. and Fuji Satellite Broadcasting Inc.

Nihon Eiga Satellite Broadcasting Corporation is included in the scope of the equity method as from the fiscal year under review as it increased in importance.

As of May 15, 2008, the Company acquired all shares in Sankei Living Shimbun, Inc., an equity-method affiliate, to make it a consolidated subsidiary. As a result, it was excluded from the scope of the equity method.

- (3) Other subsidiaries and affiliates, including Soundman Inc., Fuji TV Kids Entertainment, Inc. and Fujimic Niigata, Inc. are excluded from the scope of the equity method as they have no significant impact on consolidated net income/loss and retained earnings and are of little importance as a whole.

### 3. Matter concerning accounting standards

- (1) Valuation basis and methods for major assets:

- (i) Marketable securities:

Other securities:

Those with market value:

At market value, determined by market prices, etc. as of the close of the fiscal year (Revaluation differences are all transferred directly to net assets. Selling costs are determined principally by the moving average method.)

Those without market value:

At cost, determined principally by the moving average method

Bonds, in respect of which the difference between the acquisition cost and the bond price is characterized as adjustments in interest rates, are valued at cost, determined by the amortized cost method (straight-line method).

Investments in investment associations and other similar associations (which are deemed to be marketable securities pursuant to Article 2, paragraph 2 of the Financial Instruments and Exchange Law) are valued by recognizing net the amount equal to the Company's equity interest based on the most recent

statements of accounts available according to the settlement report dates as stipulated in contracts for such associations.

(ii) Inventories:

At cost, determined principally by the identified cost method  
(The balance sheet values are calculated by the write-down method based on declined margins.)

(Change of accounting policies)

As from the fiscal year under review, the "Accounting Standard for Revaluation of Inventories" (the Accounting Standard Board of Japan ("ASBJ") Corporate Accounting Standard No. 9, issued on July 5, 2006) is applicable and the valuation method has been changed from the cost method to the cost method (the balance sheet values are calculated by the write-down method based on declined margins). The change has no material impact on the consolidated statement of income for the fiscal year under review.

(2) Method of depreciation of important depreciable assets:

Tangible fixed assets (excluding lease assets):

Tangible fixed assets are depreciated principally by the declining balance method. With regard to their useful lives, the same policy as in the method under the Corporate Tax Law of Japan is applicable.

However, with regard to the building of the head office of the Company and the buildings (excluding appurtenances thereto) acquired on or after April 1, 1998, the straight-line method has been adopted.

(Additional information)

Upon the amendment to the Corporate Tax Law, the consolidated subsidiaries in Japan have reviewed the usage of their assets and changed the useful lives of their machinery and equipment. The change has no significant effect on the consolidated statement of income for the fiscal year under review.

Intangible fixed assets (excluding lease assets):

Intangible fixed assets are depreciated by the straight-line method.

With regard to their useful lives, the same policy as in the method under the Corporate Tax Law of Japan is applicable.

However, software for internal use is depreciated by the straight-line method based on the internal usable period (five years).

Lease assets:

Lease assets related to finance lease transactions that do not transfer ownership:

Lease assets are depreciated by the straight-line method, based on the assumption that the useful life equals to the lease term and the residual value equals to zero.

Any finance lease transaction that do not transfer ownership, which became effective on or before March 31, 2008, is treated similarly in the manner in which ordinary lease transactions are treated.

(3) Basis for accounting for important allowances and reserves:

Allowance for doubtful accounts:

To meet losses from loan default, the Company sets aside an estimated uncollectible amount, by taking into consideration the actual loss rate in respect of general credits and the individual possibilities of collection in respect of specific claims, such as probable non-performing credits.

Allowance for returned goods:

To meet losses from returned publications, etc., the Company sets aside an amount equivalent to the provision limit under the Corporate Tax Law, in respect of publications and musical works, and an estimated amount of loss based on the actual return rates in the past, in respect of other works.

Allowance for bonuses for officers:

To meet the payment of bonuses to officers, the Company sets aside an estimated amount of bonuses to be paid for each current fiscal year.

Reserve for employee retirement benefits:

To meet the payment of retirement benefits to employees, the Company provides an amount estimated to accrue at the close of each current fiscal year, based on the estimated retirement benefit obligations and pension plan assets as of the close of each such current fiscal year.

Past service liability is treated as expenses, based on a straight-line basis for a specific period of years (principally, 15 years) not exceeding the average remaining years of service of employees when such past service liability occurs.

Actuarial differences are treated as expenses, based on the straight-line method for a specific period of years (principally, 15 years) not exceeding the average remaining years of service of employees when such differences occur, from the fiscal year next following the fiscal year when such differences occur.

Reserve for officers' retirement gratuities:

To meet the payment of retirement gratuities to officers, the Company provides an amount estimated to accrue at the close of each fiscal year, pursuant to its internal rules.

(4) Method of important hedge accounting:

(i) Method of hedge accounting:

With regard to interest rate swaps, the exceptional accrual method is applicable if they meet the requirements for the method. Net cash receipts and payments are treated by addition to and subtraction from interest on loans, as the case may be.

(ii) Hedging instruments and hedged items:

Hedging instruments: Interest rate swaps

Hedged items: Interest rate risk related to bank loans

(iii) Hedging policy:

The Group uses interest rate swaps for the purpose of stabilizing future financing cost related to bank loans and not for speculation purposes. The hedged items are identified by their respective agreements.

(iv) Method of evaluating the effectiveness of a hedge:

As each interest rate swap meets the requirements for the exceptional accrual method and cash flows can be fixed after the inception of a hedge, the evaluation of the effectiveness thereof is omitted.

(5) Accounting for revenues and expenses:

Basis of accounting for revenues related to finance lease transactions:

Net sales and cost of sales are recognized upon the receipt of rents.

(6) Accounting treatment of consumption taxes, etc.:

Consumption taxes, etc. are excluded from each account subject to such taxes.

4. Matters concerning the evaluation of assets and liabilities of consolidated subsidiaries:

Assets and liabilities of the consolidated subsidiaries are valued based on the overall market value method.

5. Matters concerning the amortization of goodwill and negative goodwill:

Goodwill and negative goodwill are amortized in equal amounts for specified years not exceeding 20 years according to the cause of the accrual thereof; however, insignificant goodwill or negative goodwill are amortized in a lump sum for a fiscal year during which it is accrued.

6. Amounts are shown by discarding fractions of one million yen.

**(Changes in accounting policies)**

(Accounting Standard for Lease Transactions (Lessee))

As from the fiscal year under review, the "Accounting Standard for Lease Transactions" (ASBJ Corporate Accounting Standard No. 13 (June 17, 1993 (ASBJ Committee Div. 1), as amended on March 30, 2007)) and the "Implementation Guidance on the Accounting Standard for Lease Transactions" (ASBJ Implementation Guidance No. 16 (January 18, 1994 (JICPA Accounting System Committee), as amended on March 30, 2007)) are applicable. Any finance lease transaction that do not transfer ownership, which used to be treated similarly in the manner in which ordinary lease transactions are treated, is treated similarly in the manner in which ordinary sales transactions are treated and is recognized as lease assets.

Any finance lease transaction that do not transfer ownership, which became effective prior to the fiscal year during which the Accounting Standard first became applicable, is treated similarly in the manner in which ordinary lease transactions are treated.

Consequently, the change has no significant effect on the consolidated statement of income for the fiscal year under review.

(Accounting Standard for Lease Transactions (Lessor))

As from the fiscal year under review, the "Accounting Standard for Lease Transactions" (ASBJ Corporate Accounting Standard No. 13 (June 17, 1993 (ASBJ Committee Div. 1), as amended on March 30, 2007)) and the "Implementation Guidance on the Accounting Standard for Lease Transactions" (ASBJ Implementation Guidance No. 16 (January 18, 1994 (JICPA Accounting System Committee), as amended on March 30, 2007)) are applicable. Any finance lease transaction that do not transfer ownership, which used to be treated similarly in the manner in which ordinary lease transactions are treated, is treated similarly in the manner in which ordinary sales transactions are treated and is recognized as lease investment assets.

Any finance lease transaction that do not transfer ownership, which became effective prior to the fiscal year during which the Accounting Standard first became applicable,

is recognized as lease investment assets on the assumption that the agreement is entered into in the beginning of the fiscal year in an amount obtained by deducting the accumulated depreciation of the fixed assets as of the end of the previous fiscal year.

Consequently, lease investment assets were recognized as current assets in the amount of ¥7,892 million. However, the change has no significant effect on the consolidated statement of income for the fiscal year under review.

**(Notes to consolidated balance sheet)**

1. Accumulated depreciation of tangible fixed assets: ¥135,418 million

2. With regard to the tangible fixed assets acquired for and before the fiscal year under review, the amount of advanced depreciation by government subsidies was ¥118 million in buildings and structures and ¥57 million in machinery, equipment and vehicles. The amount thereof in the consolidated balance sheet is shown by deducting such amount of advanced depreciation.

3. Assets pledged:

Consolidated subsidiaries have offered ¥171 million of time deposits and ¥12 million of investment securities to television broadcasting companies, newspaper companies, etc. in substitution for business guarantee deposits.

4. Guarantee obligations:

(million yen)

| Guaranteed                                | Guarantee amount | Details of guaranteed obligations |
|-------------------------------------------|------------------|-----------------------------------|
| Employees                                 | 1,441            | Guarantee for housing loans       |
| Broadcasting Satellite System Corporation | 583              | Guarantee for bank loans          |
| Total                                     | 2,025            |                                   |

Note: The Company, jointly with Fuji Satellite Broadcasting, Inc., provides a guarantee for bank loans to Broadcasting Satellite System Corporation.

**(Notes to consolidated statement of changes in shareholders' equity, etc.)**

1. Total number of issued shares as of March 31, 2009

Shares of common stock: 2,364,298 shares

2. Matters concerning distribution of retained earnings

- (1) Matters concerning distribution of retained earnings made during the fiscal year under review:

| Resolution                                                     | Class of shares        | Total amount of dividends (million yen) | Amount of dividend per share (yen) | Record date        | Effective date   |
|----------------------------------------------------------------|------------------------|-----------------------------------------|------------------------------------|--------------------|------------------|
| Ordinary General Meeting of Shareholders held on June 26, 2008 | Shares of common stock | 4,145                                   | 1,800                              | March 31, 2008     | June 30, 2008    |
| Meeting of the Board of Directors held on November 6, 2008     | Shares of common stock | 4,145                                   | 1,800                              | September 30, 2008 | December 5, 2008 |

- (2) Matters concerning distribution of retained earnings to be made after the end of the fiscal year under review:

| Resolution                                                           | Class of shares        | Source of dividends | Total amount of dividends (million yen) | Amount of dividend per share (yen) | Record date    | Effective date |
|----------------------------------------------------------------------|------------------------|---------------------|-----------------------------------------|------------------------------------|----------------|----------------|
| Ordinary General Meeting of Shareholders to be held on June 26, 2009 | Shares of common stock | Retained earnings   | 4,145                                   | 1,800                              | March 31, 2009 | June 29, 2009  |

**(Notes on the information per share)**

1. Net assets per share: ¥194,864.16  
 2. Net income per share: ¥7,193.40

**(Other notes)**

1. Impairment loss

During the fiscal year under review, the following assets of the Group were charged with impairment losses:

| Usage       | Category                                                                                 | Location, etc.              | Impairment loss (million yen) |
|-------------|------------------------------------------------------------------------------------------|-----------------------------|-------------------------------|
| Idle assets | Buildings and structures; machinery, equipment and vehicles; other tangible fixed assets | The Company, Koto-ku, Tokyo | 539                           |

| Usage            | Category                                                                                                 | Location, etc.                 | Impairment loss<br>(million yen) |
|------------------|----------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------|
| Operating assets | Buildings and structures; land; other tangible fixed assets; other intangible fixed assets; lease assets | Fusosha Publishing, Inc.       | 156                              |
| -                | Goodwill                                                                                                 | Fusosha Publishing, Inc.       | 270                              |
| -                | Goodwill                                                                                                 | Fuji Pacific Music (USA), Inc. | 2,000                            |

With regard to the idle assets, which have been grouped in separate categories but planned to be retired with no usage thereof planned in the future, the difference between the book value and the memorandum value is recognized as an impairment loss.

With regard to the operating assets of Fusosha Publishing, Inc., which have not been considered recoverable due to a downturn in profitability, the difference between the book value and the memorandum value is recognized as an impairment loss. Likewise, with regard to the goodwill of Fusosha Publishing, Inc., the entire book value is recognized as an impairment loss.

With regard to the goodwill of Fuji Pacific Music (USA), Inc., the entire book value is recognized as an impairment loss as investment therein is not considered recoverable due to the liquidation procedure.

## 2. Payments upon the abolition of the plan of officers' retirement gratuities

At the Ordinary General Meeting of Shareholders of the Company held on June 27, 2008, it was approved and adopted that the plan of officers' retirement gratuities be abolished at the close of the Ordinary General Meeting of Shareholders and that retirement gratuities upon the abolition of the policy thereof be paid to all of the Directors and Statutory Auditors in office for their respective terms of office from the assumption of office to the close of the Ordinary General Meeting of Shareholders.

Accordingly, the entire balance of the reserve for officers' retirement gratuities were reversed for the fiscal year under review and the amount of retirement gratuities upon the abolition of the policy thereof remaining payable is included in "other long-term liabilities".

## NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2009)

| <u>ASSETS</u>                                           | (million yen)      |
|---------------------------------------------------------|--------------------|
| Current assets:                                         | <u>42,947</u>      |
| Cash on hand and in banks receivable .....              | 5,918              |
| Marketable securities .....                             | 35,997             |
| Prepaid expenses .....                                  | 81                 |
| Other current assets .....                              | 950                |
| Fixed assets:                                           | <u>447,122</u>     |
| Tangible fixed assets:                                  | 74,506             |
| Buildings .....                                         | 68,851             |
| Structures .....                                        | 256                |
| Machinery and equipment .....                           | 0                  |
| Motor vehicles .....                                    | 13                 |
| Tools, furniture and fixtures .....                     | 2,373              |
| Land .....                                              | 2,951              |
| Construction in progress .....                          | 58                 |
| Intangible fixed assets:                                | <u>14,812</u>      |
| Goodwill .....                                          | 418                |
| Leasehold rights .....                                  | 14,393             |
| Other intangible fixed assets .....                     | 0                  |
| Investments and other assets:                           | <u>357,804</u>     |
| Investment securities .....                             | 101,760            |
| Investment in shares of affiliates .....                | 237,564            |
| Investment in other related companies' securities ..... | 7,137              |
| Long-term prepaid expenses .....                        | 92                 |
| Deferred tax assets .....                               | 10,816             |
| Other investments and other assets .....                | 525                |
| Allowance for doubtful accounts .....                   | (91)               |
| <br>TOTAL ASSETS                                        | <br><u>490,070</u> |

LIABILITIES (million yen)

|                                                |               |
|------------------------------------------------|---------------|
| Current liabilities:                           | <u>9,691</u>  |
| Trade accounts payable.....                    | 2,785         |
| Accrued expenses .....                         | 227           |
| Accrued corporate income taxes, etc. ....      | 5,714         |
| Accrued consumption taxes .....                | 238           |
| Advance received.....                          | 630           |
| Deposit received .....                         | 54            |
| Reserve for bonuses for officers .....         | 39            |
| Long-term liabilities:                         | <u>63,255</u> |
| Bonds .....                                    | 49,989        |
| Reserve for employee retirement benefits ..... | 43            |
| Negative goodwill.....                         | 5,690         |
| Guarantee deposit .....                        | 6,084         |
| Other long-term liabilities.....               | 1,447         |
| TOTAL LIABILITIES                              | <u>72,946</u> |

NET ASSETS

|                                                        |                 |
|--------------------------------------------------------|-----------------|
| Shareholders' equity                                   | <u>424,510</u>  |
| Paid-in capital:                                       | <u>146,200</u>  |
| Capital surplus:                                       | <u>173,664</u>  |
| Capital reserve .....                                  | 173,664         |
| Retained earnings:                                     | <u>120,150</u>  |
| Earned surplus reserve .....                           | 4,385           |
| Other retained earnings .....                          | 115,765         |
| General reserve .....                                  | 100,300         |
| Retained earnings carried forward.....                 | 15,465          |
| Treasury stock.....                                    | <u>(15,505)</u> |
| Valuation and translation adjustments:                 | <u>(7,386)</u>  |
| Valuation difference on available-for-sale securities: | <u>(7,386)</u>  |
| TOTAL NET ASSETS                                       | <u>417,124</u>  |
| TOTAL LIABILITIES AND NET ASSETS                       | <u>490,070</u>  |

NON-CONSOLIDATED STATEMENT OF INCOME

(April 1, 2008 to March 31, 2009)

|                                                                                                              |        | (million yen) |
|--------------------------------------------------------------------------------------------------------------|--------|---------------|
| Net sales                                                                                                    |        | 176,157       |
| Operating revenue                                                                                            |        | 3,957         |
| Total sales revenue                                                                                          |        | 180,115       |
| Cost of sales                                                                                                |        | 119,872       |
| Gross profit (net sales-cost of sales)                                                                       |        | 56,285        |
| Selling, general and administrative expenses                                                                 |        | 45,956        |
| Operating expenses                                                                                           |        | 5,471         |
| Total operating expenses (cost of sales + selling, general and administrative expenses + operating expenses) |        | 171,300       |
| Operating income                                                                                             |        | 8,814         |
| Non-operating income                                                                                         |        |               |
| Interest income and dividend income                                                                          | 5,666  |               |
| Write-off of negative goodwill                                                                               | 355    |               |
| Other income                                                                                                 | 804    | 6,826         |
| Non-operating expenses                                                                                       |        |               |
| Interest expenses                                                                                            | 772    |               |
| Loss on investment association                                                                               | 1,040  |               |
| Sundry loss                                                                                                  | 538    | 2,351         |
| Recurring profit                                                                                             |        | 13,289        |
| Extraordinary gain                                                                                           |        |               |
| Gain on sale of fixed assets                                                                                 | 205    |               |
| Settlement received                                                                                          | 30,899 |               |
| Others                                                                                                       | 8      | 31,113        |
| Extraordinary loss                                                                                           |        |               |
| Loss on sale of investment securities                                                                        | 12,125 |               |
| Valuation losses on investment in shares of affiliates                                                       | 2,591  |               |
| Others                                                                                                       | 1,377  | 16,094        |
| Income before income taxes                                                                                   |        | 28,307        |
| Income and enterprise taxes                                                                                  | 11,154 |               |
| Adjustment for income taxes                                                                                  | 2,100  | 13,255        |
| Net income                                                                                                   |        | 15,052        |

NON-CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, ETC.

(April 1, 2008 to March 31, 2009)

(million yen)

|                                                                      | Shareholders' equity |                 |                        |                         |                                   |
|----------------------------------------------------------------------|----------------------|-----------------|------------------------|-------------------------|-----------------------------------|
|                                                                      | Paid-in capital      | Capital surplus | Retained earnings      |                         |                                   |
|                                                                      |                      | Capital reserve | Earned surplus reserve | Other retained earnings |                                   |
|                                                                      |                      |                 |                        | General reserve         | Retained earnings carried forward |
| Balance at March 31, 2008                                            | 146,200              | 173,664         | 4,385                  | 93,300                  | 15,704                            |
| Changes during the year                                              |                      |                 |                        |                         |                                   |
| Distribution of retained earnings                                    |                      |                 |                        |                         | (8,291)                           |
| Net income                                                           |                      |                 |                        |                         | 15,052                            |
| Addition to general reserve                                          |                      |                 |                        | 7,000                   | (7,000)                           |
| Net increase/decrease during the year except in shareholders' equity |                      |                 |                        |                         |                                   |
| Total changes                                                        | -                    | -               | -                      | 7,000                   | (238)                             |
| Balance at March 31, 2009                                            | 146,200              | 173,664         | 4,385                  | 100,300                 | 15,465                            |

|                                                                      | Shareholders' equity |                            | Valuation and translation adjustments                 | Total net assets |
|----------------------------------------------------------------------|----------------------|----------------------------|-------------------------------------------------------|------------------|
|                                                                      | Treasury stock       | Total shareholders' equity | Valuation difference on available-for-sale securities |                  |
| Balance at March 31, 2008                                            | (15,505)             | 417,749                    | 1,516                                                 | 419,265          |
| Changes during the year                                              |                      |                            |                                                       |                  |
| Distribution of retained earnings                                    |                      | (8,291)                    |                                                       | (8,291)          |
| Net income                                                           |                      | 15,052                     |                                                       | 15,052           |
| Addition to general reserve                                          |                      | -                          |                                                       | -                |
| Net increase/decrease during the year except in shareholders' equity |                      | -                          | (8,902)                                               | (8,902)          |
| Total changes                                                        | -                    | 6,761                      | (8,902)                                               | (2,141)          |
| Balance at March 31, 2009                                            | (15,505)             | 424,510                    | (7,386)                                               | 417,124          |

## NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

### **(Notes to the matters concerning significant accounting policies)**

1. Valuation basis and methods for assets:

Marketable securities:

Investment in shares of subsidiaries and affiliates:

At cost, determined by the moving average method

Other securities:

Those with market value:

At market value, determined by market prices, etc. as of the close of the fiscal year (Revaluation differences are all transferred directly to net assets. Selling costs are determined by the moving average method.)

Those without market value:

At cost, determined by the moving average method

Bonds, in respect of which the difference between the acquisition cost and the bond price is characterized as adjustments in interest rates, are valued at cost, determined by the amortized cost method (straight-line method).

Investments in investment associations and other similar associations (which are deemed to be marketable securities pursuant to Article 2, paragraph 2 of the Financial Instruments and Exchange Law) are valued by recognizing net the amount equal to the Company's equity interest based on the most recent statements of accounts available according to the settlement report dates as stipulated in contracts for such associations.

2. Method of depreciation of fixed assets:

Tangible fixed assets:

Tangible fixed assets are depreciated by the declining balance method.

With regard to their useful lives, the same policy as in the method under the Corporate Tax Law of Japan is applicable.

However, with regard to the building of the head office and the buildings (excluding appurtenances thereto) acquired on or after April 1, 1998, the straight-line method has been adopted.

Intangible fixed assets:

Intangible fixed assets are depreciated by the straight-line method.

With regard to their useful lives, the same policy as in the method under the Corporate Tax Law of Japan is applicable.

However, goodwill is amortized in equal amounts for five years and software for internal use is depreciated by the straight-line method based on the internal usable period (five years).

3. Basis for accounting for allowances and reserves:

Allowance for doubtful accounts:

To meet losses from loan default, the Company sets aside an estimated uncollectible amount, by taking into consideration the actual loss rate in respect of general credits and the individual possibilities of collection in respect of specific claims, such as probable non-performing credits.

Allowance for bonuses for officers:

To meet the payment of bonuses to officers, the Company sets aside an estimated amount of bonuses to be paid for each current fiscal year.

Reserve for employee retirement benefits:

To meet the payment of retirement benefits to employees, the Company provides an amount estimated to accrue at the close of each current fiscal year, based on the estimated retirement benefit obligations and pension plan assets as of the close of each such current fiscal year.

Past service liability is treated as expenses, based on a straight-line basis for a specific period of years (15 years) not exceeding the average remaining years of service of employees when such past service liability occurs.

Actuarial differences are treated as expenses, based on the straight-line method for a specific period of years (15 years) not exceeding the average remaining years of service of employees when such differences occur, from the fiscal year next following the fiscal year when such differences occur.

4. Accounting treatment of consumption taxes, etc.:

Consumption taxes, etc. are excluded from each account subject to such taxes.

5. Amounts are shown by discarding fractions of one million yen.

### **(Change in accounting policies)**

#### Accounting Standard for Lease Transactions

As from the fiscal year under review, the "Accounting Standard for Lease Transactions" (ASBJ Corporate Accounting Standard No. 13 (June 17, 1993 (ASBJ Committee Div. 1), as amended on March 30, 2007)) and the "Implementation Guidance on the Accounting Standard for Lease Transactions" (ASBJ Implementation Guidance No. 16 (January 18, 1994 (JICPA Accounting System Committee), as amended on March 30, 2007)) are applicable. Any finance lease transaction that do not transfer ownership, which used to be treated similarly in the manner in which ordinary lease transactions are treated, is treated similarly in the manner in which ordinary sales transactions are treated.

Any finance lease transaction that do not transfer ownership, which became effective prior to the fiscal year during which the Accounting Standard first became applicable, is treated similarly in the manner in which ordinary lease transactions are treated.

Consequently, the change has no significant effect on the non-consolidated statement of income for the fiscal year under review.

### **(Notes to non-consolidated balance sheet)**

1. Money debts due from and payable to related companies:

|                                                      |                |
|------------------------------------------------------|----------------|
| Short-term money debts due from related companies:   | ¥701 million   |
| Short-term money debts payable to related companies: | ¥77 million    |
| Long-term money debts payable to related companies:  | ¥5,963 million |

2. Accumulated depreciation of tangible fixed assets: ¥58,641 million

3. With regard to the tangible fixed assets acquired for and before the fiscal year under review, the amount of advanced depreciation by government subsidies was ¥106 million in structures. The amount thereof in the non-consolidated balance sheet is shown by deducting such amount of advanced depreciation.

4. Guarantee obligations:

(million yen)

| Guaranteed                                | Guarantee amount | Details of guaranteed obligations |
|-------------------------------------------|------------------|-----------------------------------|
| Broadcasting Satellite System Corporation | 583              | Guarantee for bank loans          |

Note: The Company, jointly with Fuji Satellite Broadcasting Inc., provides a guarantee for bank loans to Broadcasting Satellite System Corporation.

**(Notes to non-consolidated statement of income)**

Transactions with related companies:

|                                               |                 |
|-----------------------------------------------|-----------------|
| Sales:                                        | ¥16,064 million |
| Purchases:                                    | ¥20,364 million |
| Selling, general and administrative expenses: | ¥5,145 million  |
| Transactions other than ordinary business:    | ¥10,373 million |

**(Notes to non-consolidated statement of changes in shareholders' equity, etc.)**

Total number of shares of treasury stock as of March 31, 2009

Shares of common stock: 61,202 shares

**(Notes on tax effect accounting)**

Principal components of deferred tax assets and deferred tax liabilities:

|                                                        | (million yen) |
|--------------------------------------------------------|---------------|
| (Deferred tax assets)                                  |               |
| Accrued enterprise taxes                               | 471           |
| Accrued officers' retirement gratuities                | 588           |
| Valuation losses on fixed assets                       | 1,138         |
| Valuation losses on investment securities              | 6,329         |
| Shares of affiliates associated with reorganization    | 12,327        |
| Valuation differences on available-for-sale securities | 4,230         |
| Others                                                 | 690           |
| Subtotal of deferred tax assets                        | 25,777        |
| Valuation reserve                                      | (9,487)       |
| Total deferred tax assets                              | 16,290        |
| (Deferred tax liabilities)                             |               |
| Shares of affiliates associated with reorganization    | 5,314         |
| Others                                                 | 159           |
| Total deferred tax liabilities                         | 5,474         |
| Net deferred tax assets                                | 10,816        |

**(Notes on the fixed assets used by lease)**

Finance lease transactions that do not transfer ownership prior to the fiscal year during which the Accounting Standard first became applicable:

1. Rent paid for the year, the amount equivalent to depreciation costs and the amount equivalent to interest paid:

|                                          |              |
|------------------------------------------|--------------|
| Rent paid:                               | ¥684 million |
| Amount equivalent to depreciation costs: | ¥647 million |
| Amount equivalent to interest paid:      | ¥41 million  |

2. Method of calculation of the amount equivalent to depreciation costs:

By the straight-line method on the assumption that the useful life equals to the lease term and that the residual value equals to zero.

3. Method of calculation of the amount equivalent to interest paid:

The difference between the total rents paid for the year and the amounts equivalent to the acquisition prices of leased property shall be deemed to be the amount equivalent to interest and the distribution thereof to each fiscal year shall be made by the interest method.

**(Notes on transactions with related parties)**

Subsidiaries, etc.

| Attribute  | Trade name                          | Location            | Capital stock<br>(million yen) | Principal<br>business                  | Ratio of voting<br>rights owned by<br>the Company<br>(owned in the<br>Company) | Relation                                              | Transaction            | Transaction<br>amount<br>(million yen) | Account item        | End-of-year<br>balance<br>(million yen) |
|------------|-------------------------------------|---------------------|--------------------------------|----------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------|------------------------|----------------------------------------|---------------------|-----------------------------------------|
| Subsidiary | Fuji<br>Television<br>Network, Inc. | Minato-ku,<br>Tokyo | 8,800                          | Television<br>broadcasting<br>business | Direct<br>100.0%                                                               | Lease of<br>building;<br>interlocking<br>directorates | Receipt of<br>rents    | 3,599                                  | Advance<br>received | 629                                     |
|            |                                     |                     |                                |                                        |                                                                                |                                                       | Receipt of<br>deposits | 5,890                                  | Deposit<br>received | 5,890                                   |

- (Notes)
1. The above transaction amounts do not include consumption taxes.
  2. Business conditions and policy on deciding business conditions:  
The lease of the building relates to the building of the head office and the rent is determined based on the current status of transactions in the neighborhood.

**(Notes on the information per share)**

Net assets per share: ¥181,114.58

Net income per share: ¥6,535.71

**(Other notes)**

1. Impairment loss

During the fiscal year under review, the following assets of the Company were charged with impairment losses:

| Usage       | Category                                                                         | Location, etc.                 | Impairment loss<br>(million yen) |
|-------------|----------------------------------------------------------------------------------|--------------------------------|----------------------------------|
| Idle assets | Buildings; structures;<br>machinery, equipment; tools,<br>furniture and fixtures | The Company,<br>Koto-ku, Tokyo | 539                              |

With regard to the idle assets, which have been grouped in separate categories but planned to be retired with no usage thereof planned in the future, the difference between the book value and the memorandum value is recognized as an impairment loss.

Of the amount of impairment loss, ¥432 million was for buildings, ¥0 million for structures, ¥106 million for machinery and equipment and ¥0 million for tools, furniture and fixtures.

2. Company split upon introduction of holding company system

The Company executed a company split as of October 1, 2008 to shift to a certified broadcast holding company structure.

Accordingly, the Company changed its trade name to "Fuji Media Holdings, Inc." as of October 1, 2008 and transferred its main business, including broadcasting business prior to the company split to "Fuji Television Network, Inc.", newly incorporated upon the company split.

Upon the shift to a certified broadcast holding company structure, the Company's main business has become management and administration of the Group companies and investment and management of the Group's real estate. Hence, as from October 1, 2008, income from real estate lease to the operating companies and dividend income from the related companies are recognized as "operating revenue" and expenses corresponding thereto are recognized as "operating expenses".

3. Payments upon the abolition of the plan of officers' retirement gratuities

At the Ordinary General Meeting of Shareholders of the Company held on June 27, 2008, it was approved and adopted that the plan of officers' retirement gratuities be abolished at the close of the Ordinary General Meeting of Shareholders and that retirement gratuities upon the abolition of the policy thereof be paid to all of the Directors and Statutory Auditors in office for their respective terms of office from the assumption of office to the close of the

Ordinary General Meeting of Shareholders.

Accordingly, the entire balance of the reserve for officers' retirement gratuities were reversed for the fiscal year under review and the amount of retirement gratuities upon the abolition of the policy thereof remaining payable is included in "other long-term liabilities".

Copy of Account Auditors' Audit Report on the Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

May 11, 2009

To: The Board of Directors  
Fuji Media Holdings, Inc.

Ernst & Young ShinNihon LLC

By Tsunetoshi Harada (seal)  
Specified and Executive Partner  
Certified Public Accountant

By Kazuhiro Hara (seal)  
Specified and Executive Partner  
Certified Public Accountant

By Munetake Kamiyama (seal)  
Specified and Executive Partner  
Certified Public Accountant

We have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in shareholders' equity, etc. and the notes to consolidated financial statements of Fuji Media Holdings, Inc. (Previous name: Fuji Television Network, Inc.), applicable to its consolidated fiscal year from April 1, 2008 to March 31, 2009 pursuant to Article 444, paragraph 4 of the Corporation Law of Japan. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements from an independent standpoint.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence. An audit also includes assessing the accounting policies and methods of application thereof employed by management and estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We are of the opinion that the above consolidated financial statements present properly the financial position and profit and loss of the corporate group comprised of Fuji Media Holdings, Inc. (Previous name: Fuji Television Network, Inc.) and its consolidated subsidiaries for the period related to the consolidated financial statements in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

We have no financial interest in the Company which is required to be disclosed under the provisions of the Certified Public Accountant Law of Japan.

- END -

Copy of Account Auditors' Audit Report

INDEPENDENT AUDITORS' REPORT

May 11, 2009

To: The Board of Directors  
Fuji Media Holdings, Inc.

Ernst & Young ShinNihon LLC

By Tsunetoshi Harada (seal)  
Specified and Executive Partner  
Certified Public Accountant

By Kazuhiro Hara (seal)  
Specified and Executive Partner  
Certified Public Accountant

By Munetake Kamiyama (seal)  
Specified and Executive Partner  
Certified Public Accountant

We have audited the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity, etc. and the notes to non-consolidated financial statements, and their accompanying detailed statements of Fuji Media Holdings, Inc. (Previous Name: Fuji Television Network, Inc.) for the 68th fiscal year covering the period from April 1, 2008 to March 31, 2009 pursuant to Article 436, paragraph 2, item 1 of the Corporation Law of Japan. These non-consolidated financial statements and their accompanying detailed statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these non-consolidated financial statements and their accompanying detailed statements from an independent standpoint.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to obtain reasonable assurance about whether the non-consolidated financial statements and their accompanying detailed statements are free of material misstatement. An audit includes examining, on a test basis, evidence. An audit also includes assessing the accounting policies and methods of application thereof employed by management and estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and their accompanying detailed statements. We believe that our audit provides a reasonable basis for our opinion.

We are of the opinion that the above non-consolidated financial statements present properly the financial position and profit and loss for the period related to the non-consolidated financial statements and their accompanying detailed statements in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

We have no financial interest in the Company which is required to be disclosed under the provisions of the Certified Public Accountant Law of Japan.

- END -

AUDITORS' REPORT

We, the Board of Statutory Auditors of the Company, based on the audit report prepared by each Statutory Auditor on the performance by the Directors of their duties during the 68th fiscal year from April 1, 2008 to March 31, 2009, prepared this audit report upon deliberation and hereby report as follows:

1. Method of audit by the Statutory Auditors and the Board of Statutory Auditors and the particulars thereof:

The Board of Statutory Auditors determined the audit policy, audit plans for the fiscal year under review, etc., received from each Statutory Auditor reports on the state of his performance of audits and the results thereof, and also received from the Directors, etc. and the account auditors reports on the state of execution of their duties and demanded their explanations whenever necessary.

Each Statutory Auditor, pursuant to the rules of audits by Statutory Auditors determined by the Board of Statutory Auditors and in accordance with the audit policy, audit plans, etc., maintained constant communication with the Directors, the internal audit sections and other employees, etc. in an effort to collect information and improve the environment for auditing, attended meetings of the Board of Directors and other important meetings, received from the Directors and employees, etc., reports on the state of execution of their duties, demanded their explanations whenever necessary, inspected important decision documents, etc., and made investigation into the state of activities and property. We also monitored and verified the details of the resolutions of the Board of Directors for establishing systems to secure that the execution by the Directors of their duties will comply with laws or ordinances and the Articles of Incorporation and such other systems provided for in Article 100, paragraphs 1 and 3 of the Regulations to Enforce the Corporation Law of Japan as necessary to secure the adequacy of business of joint-stock corporations, as well as the status of the systems established pursuant to such resolutions. With regard to its subsidiaries, we visited each subsidiary to maintain constant communication and exchange information with its executives, statutory auditors, etc. thereof and received reports on its business operations whenever necessary. In accordance with such methods, we investigated the business report and its supplementary schedules for the fiscal year under review.

We also monitored and verified whether the account auditors had maintained an independent position and conducted adequate audits, and received from the account auditors reports on the state of execution of their duties and demanded their explanations whenever necessary. In addition, we received from the account auditors a notice that the "systems to secure adequate execution of duties" had been established in accordance with the "Standard for Quality Control Concerning Audits" and demanded their explanations whenever necessary. In accordance with such methods, we investigated the non-consolidated financial statements and their accompanying detailed statements, as well as the consolidated

financial statements, for the fiscal year under review.

2. Results of audit:

(1) Results of audit of the business report, etc.:

We are of the opinion:

- (i) That the business report and its supplementary schedules present fairly the state of the Company in accordance with laws or ordinances and the Articles of Incorporation;
- (ii) That in connection with the execution by the Directors of their duties, no dishonest act or material fact of violation of laws or ordinances or the Articles of Incorporation exists; and
- (iii) That the details of the resolutions of the Board of Directors on internal control systems are proper and that the execution by the Directors of their duties concerning such internal control systems contains nothing to be pointed out.

(2) Results of audit of the non-consolidated financial statements and their accompanying detailed statements:

We are of the opinion that the method and results of the audit made by the account auditors, Ernst & Young ShinNihon LLC, are proper.

(3) Results of audit of the consolidated financial statements:

We are of the opinion that the method and results of the audit made by the account auditors, Ernst & Young ShinNihon LLC, are proper.

May 12, 2009

The Board of Statutory Auditors  
Fuji Media Holdings, Inc.

Kiyoshi Onoe (seal)  
Full-time Statutory Auditor

Shunichiro Kondo (seal)  
Full-time Statutory Auditor  
(Outside Statutory Auditor)

Hachiro Itoh (seal)  
Full-time Statutory Auditor

Yuzaburo Motegi (seal)  
Statutory Auditor  
(Outside Statutory Auditor)

Naoya Minami (seal)  
Statutory Auditor  
(Outside Statutory Auditor)

- END -

## **REFERENCE DOCUMENT FOR GENERAL MEETING OF SHAREHOLDERS**

### **Propositions and explanatory information:**

#### **Proposition No. 1: Appropriation of retained earnings**

The Company hereby proposes the appropriation of retained earnings as set forth below:

##### 1. Matters concerning year-end dividends

The Company regards the disbursement of profits to its shareholders as one of its most important management responsibilities. Its basic policy is to pay dividends commensurate with its performance, while aggressively reorganizing the Group, investing in infrastructure and content and entering new fields of business in order to respond to changes in the broadcasting industry, in order to provide for the Group's growth and expansion of corporate value under the new certified broadcast holding company structure.

Based on this policy, as well as a comprehensive review of various factors related to the Company's income during the said year, the investments necessary to develop the business in the future and other factors, the Company hereby proposes to pay year-end dividends for the fiscal year ended March 31, 2009 as follows:

##### (1) Matters concerning the allocation of property to be made to the shareholders as dividends and the aggregate amount thereof:

|                                                 |                                                                    |
|-------------------------------------------------|--------------------------------------------------------------------|
| ¥1,800 per share of common stock of the Company |                                                                    |
| Aggregate amount:                               | ¥4,145,572,800                                                     |
| (Annual dividend:                               | ¥3,600 per share, including ¥1,800 per share in interim dividends) |

##### (2) Effective date of the distribution of retained earnings:

June 29, 2009

##### 2. Matters concerning the appropriation of retained earnings

##### (1) Item of retained earnings to be increased and the amount thereof:

|                  |                |
|------------------|----------------|
| General reserve: | ¥7,000,000,000 |
|------------------|----------------|

##### (2) Item of retained earnings to be decreased and the amount thereof:

|                                    |                |
|------------------------------------|----------------|
| Retained earnings carried forward: | ¥7,000,000,000 |
|------------------------------------|----------------|

## **Proposition No. 2: Amendment to the Articles of Incorporation**

### 1. Reasons for the amendment:

Upon the enforcement of the "Law to Amend Part of the Law Concerning Book-Entry Transfer of Bonds, Etc. to Streamline Settlements for Trading in Stocks, Etc." (2004 Law No. 88; hereinafter the "Settlement Streamlining Law") as of January 5, 2009, it is hereby proposed that required amendment be made to the Articles of Incorporation of the Company, as described below:

- (1) Upon the enforcement of the Settlement Streamlining Law, the provision for the issuance of share certificates in the Articles of Incorporation of the Company is deemed to have been abolished as of January 5, 2009. Hence, it is hereby proposed that the provisions of Articles 7 and 10 of the existing Articles of Incorporation and the relevant descriptions of the reissue of share certificates in Article 11 thereof be deleted.
- (2) Upon the enforcement of the Settlement Streamlining Law, the "Law Concerning Depository and Book-Entry Transfer of Share Certificates, Etc." (1984 Law No.30) was abolished as of January 5, 2009. Hence, it is hereby proposed that the descriptions of "beneficial shareholders" and "the register of beneficial shareholders" in Articles 9 and 11 of the existing Articles of Incorporation be deleted.
- (3) Pursuant to the provisions of Article 221 of the Corporation Law, the register of loss of share certificates must be prepared and kept for one year from the day next following the date of the abolition of the provisions for the issuance of share certificates. Hence, it is hereby proposed that the provision for the register of loss of share certificates in Article 12, paragraph 3 of the existing Articles of Incorporation be transferred to the Supplementary Provisions, which shall be abolished as of January 6, 2010.
- (4) In addition, in accordance with the abovementioned amendment, it is hereby proposed that the required amendment, including the change of relevant numbers of articles, be made.

2. The particulars of the proposed amendment:

The particulars of the proposed amendment are as follows:

(Underlines show the amendment.)

| Existing Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Proposed amendment to the Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Articles 1 to 6 (Descriptions omitted)</p> <p><u>(Issuance of share certificates)</u></p> <p><u>Article 7. The Company shall issue certificates representing its shares.</u></p> <p>Article <u>8</u>. (Descriptions omitted)</p> <p>(Restrictions on entries or recordation of foreigners, etc. in the register of shareholders)</p> <p>Article <u>9</u>. In the event that the aggregate of the ratio of voting rights directly owned by the persons (the "foreigners, etc.") listed in items 1 through 3 below and such ratio of voting rights indirectly owned by the foreigners, etc. through any person listed in item 4 below as specified in the Ordinance of the Ministry of Public Management, Home Affairs, Posts and Telecommunications of Japan would amount to the ratio of one-fifth (1/5) or more of the Company's aggregate voting rights, the Company may turn down a request for the entry or recordation in the register of shareholders <u>(including the register of beneficial shareholders; the same applies hereinafter)</u> in respect of the shares acquired by the foreigners, etc., pursuant to the provisions of the Broadcasting Law of Japan:</p> <p>(1) Persons of non-Japanese nationality;<br/>           (2) Foreign governments and representatives thereof;</p> | <p>Articles 1 to 6 (Same as existing)</p> <p>(To be deleted)</p> <p>Article <u>7</u>. (Same as existing)</p> <p>(Restrictions on entries or recordation of foreigners, etc. in the register of shareholders)</p> <p>Article <u>8</u>. In the event that the aggregate of the ratio of voting rights directly owned by the persons (the "foreigners, etc.") listed in items 1 through 3 below and such ratio of voting rights indirectly owned by the foreigners, etc. through any person listed in item 4 below as specified in the Ordinance of the Ministry of Public Management, Home Affairs, Posts and Telecommunications of Japan would amount to the ratio of one-fifth (1/5) or more of the Company's aggregate voting rights, the Company may turn down a request for the entry or recordation in the register of shareholders in respect of the shares acquired by the foreigners, etc., pursuant to the provisions of the Broadcasting Law of Japan:</p> <p>(1) Persons of non-Japanese nationality;<br/>           (2) Foreign governments and representatives thereof;</p> |

| Existing Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Proposed amendment to the Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(3) Foreign corporations and organizations; and</p> <p>(4) Corporations and organizations whose ratio of voting rights directly owned by the persons listed in items 1 through 3 is no less than the rate specified in the Ministry of Public Management, Home Affairs, Posts and Telecommunications of Japan.</p> <p><u>(Denominations of share certificates)</u></p> <p><u>Article 10. The denominations of share certificates to be issued by the Company shall be governed as provided for in the Share Handling Regulations to be established by the Board of Directors.</u></p> <p>(Share Handling Regulations)</p> <p>Article <u>11</u>. The entries or recordation in the register of shareholders of the Company, the registration of a pledge or cancellation thereof, the indication of trust property or cancellation thereof, <u>the reissue of share certificates</u>, the matters concerning the exercise of rights by the shareholders <u>(including the beneficial shareholders; the same applies hereinafter)</u> as provided for in laws or ordinances and other proceedings concerning shares, and the fees therefor shall be governed as provided for in the Share Handling Regulations to be established by the Board of Directors.</p> <p>(Share registrar)</p> <p>Article <u>12</u>. The Company shall have a share registrar.</p> <p>2. (Descriptions omitted)</p> | <p>(3) Foreign corporations and organizations; and</p> <p>(4) Corporations and organizations whose ratio of voting rights directly owned by the persons listed in items 1 through 3 is no less than the rate specified in the Ministry of Public Management, Home Affairs, Posts and Telecommunications of Japan.</p> <p>(To be deleted)</p> <p>(Share Handling Regulations)</p> <p>Article <u>9</u>. The entries or recordation in the register of shareholders of the Company, the registration of a pledge or cancellation thereof, the indication of trust property or cancellation thereof, the matters concerning the exercise of rights by the shareholders as provided for in laws or ordinances and other proceedings concerning shares, and the fees therefor shall be governed as provided for in the Share Handling Regulations to be established by the Board of Directors.</p> <p>(Share registrar)</p> <p>Article <u>10</u>. The Company shall have a share registrar.</p> <p>2. (Same as existing)</p> |

| Existing Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Proposed amendment to the Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p data-bbox="252 344 815 712">3. The preparation and keeping of the register of shareholders, the register of stock acquisition rights <u>and the register of loss of share certificates</u> of the Company and other affairs relating to the register of shareholders, the register of stock acquisition rights <u>and the register of loss of share certificates</u> shall be delegated to the share registrar and shall not be handled by the Company.</p> <p data-bbox="252 763 767 864">Articles <u>13</u> to <u>41</u> (Descriptions omitted)<br/>(To be newly established)</p> | <p data-bbox="837 344 1401 636">3. The preparation and keeping of the register of shareholders <u>and</u> the register of stock acquisition rights of the Company and other affairs relating to the register of shareholders <u>and</u> the register of stock acquisition rights shall be delegated to the share registrar and shall not be handled by the Company.</p> <p data-bbox="837 763 1302 797">Articles <u>11</u> to <u>39</u> (Same as existing)</p> <p data-bbox="951 831 1294 864"><u>Supplementary Provisions</u></p> <p data-bbox="837 904 1401 1122"><u>Article 1.</u> The preparation and keeping of the register of loss of share certificates of the Company and other affairs relating thereto shall be delegated to the share registrar and shall not be handled by the Company.</p> <p data-bbox="837 1167 1401 1267"><u>Article 2.</u> The preceding Article and this Article shall be deleted as of January 6, 2010.</p> |

Proposition No. 3: Election of 19 Directors

The term of office of all of the (20) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that 19 Directors be elected.

The candidates for Directors are as set forth below:

| Candidate No. | Name<br>(Date of birth)                          | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                                                                                   | Number of shares of the Company held by Candidate |
|---------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 1             | Hisashi Hieda<br>(December 31, 1937)<br>[Note 1] | April 1961                                                                                        | Joined the Company                                                                                                                                                                | 1,559 shares                                      |
|               |                                                  | May 1980                                                                                          | General Manager, Programming Department of the Company                                                                                                                            |                                                   |
|               |                                                  | June 1983                                                                                         | Director and General Manager, Programming Department of the Company                                                                                                               |                                                   |
|               |                                                  | June 1986                                                                                         | Managing Director, in charge of Corporate Development Office of the Company                                                                                                       |                                                   |
|               |                                                  | June 1988                                                                                         | President and Representative Director of the Company                                                                                                                              |                                                   |
|               |                                                  | August 1988                                                                                       | Director, Fuji Sankei Living Service Co., Ltd. (now Dinos Inc.) (to date)                                                                                                         |                                                   |
|               |                                                  | June 1989                                                                                         | Director, Sankei Building Co., Ltd. (to date)                                                                                                                                     |                                                   |
|               |                                                  | June 1991                                                                                         | Director, Hokkaido Cultural Broadcasting Co., Ltd. (to date)                                                                                                                      |                                                   |
|               |                                                  | June 1993                                                                                         | Director and Adviser, Sankei Shimbun Co., Ltd. (to date)<br>Director, Tokai Television Broadcasting Co., Ltd. (to date)<br>Director, Television Nishinippon Corporation (to date) |                                                   |
|               |                                                  | June 1994                                                                                         | Director, Kansai Telecasting Corporation (to date)                                                                                                                                |                                                   |
|               |                                                  | June 2001                                                                                         | Chairman and Representative Director of the Company (to date)                                                                                                                     |                                                   |
|               |                                                  | October 2008                                                                                      | Chairman and Representative Director, Fuji Television Network, Inc. (to date)                                                                                                     |                                                   |
| 2             | Koh Toyoda<br>(April 28, 1946)<br>[Note 1]       | April 1971                                                                                        | Joined the Company                                                                                                                                                                | 194 shares                                        |
|               |                                                  | June 1997                                                                                         | General Manager, Sales Department, Sales Division of the Company                                                                                                                  |                                                   |
|               |                                                  | June 2001                                                                                         | Director, in charge of Sales of the Company                                                                                                                                       |                                                   |
|               |                                                  | June 2005                                                                                         | Managing Director, in charge of Sales, Network, Business and Intellectual Properties of the Company                                                                               |                                                   |
|               |                                                  | June 2006                                                                                         | Director, Sankei Living Shimbun Inc. (to date)                                                                                                                                    |                                                   |
|               |                                                  | June 2007                                                                                         | President and Representative Director of the Company (to date)<br>Director, Dinos Inc. (to date)                                                                                  |                                                   |
|               |                                                  | October 2008                                                                                      | President and Representative Director, Fuji Television Network, Inc. (to date)                                                                                                    |                                                   |

| Candidate No. | Name<br>(Date of birth)                         | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                                                                                                                                                                                                                                                                         | Number of shares of the Company held by Candidate |
|---------------|-------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 3             | Hideaki Ohta<br>(December 22, 1946)<br>[Note 1] | April 1969                                                                                        | Joined the Company                                                                                                                                                                                                                                                                                                                                                      | 150 shares                                        |
|               |                                                 | June 1997                                                                                         | General Manager, Information Planning Department, Content Creation Division of the Company                                                                                                                                                                                                                                                                              |                                                   |
|               |                                                 | June 2001                                                                                         | Executive Officer and General Manager, Information Planning Department of the Company                                                                                                                                                                                                                                                                                   |                                                   |
|               |                                                 | June 2003                                                                                         | Senior Executive Officer and General Manager, Information Planning Department of the Company                                                                                                                                                                                                                                                                            |                                                   |
|               |                                                 | June 2005                                                                                         | Director, in charge of Infotainment and Documentary and Sports; General Manager, Infotainment and Documentary Department of the Company;<br>Director, Hokkaido Cultural Broadcasting Co., Ltd. (to date)                                                                                                                                                                |                                                   |
|               |                                                 | June 2006                                                                                         | Managing Director, in charge of General Affairs, Human Resources, Information System, TV Code Affairs and Corporate Social Responsibility Office of the Company;<br>Director, Sankei Shimbun Co., Ltd. (to date)                                                                                                                                                        |                                                   |
|               |                                                 | June 2007                                                                                         | Senior Managing Director, in charge of General Affairs, Human Resources, Intellectual Properties, Digital Content, TV Code Affairs, Corporate Compliance Office and Corporate Social Responsibility Office of the Company;<br>Director, Sankei Living Shimbun Inc. (to date)                                                                                            |                                                   |
|               |                                                 | October 2008                                                                                      | Senior Managing Director, in charge of Corporate Social Responsibility Office, Corporate Compliance Office and Group Corporate of the Company (to date);<br>Senior Managing Director, in charge of General Affairs, Human Resources, TV Code Affairs, Corporate Social Responsibility Office and Corporate Compliance Office of Fuji Television Network, Inc. (to date) |                                                   |

| Candidate No. | Name<br>(Date of birth)                          | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                                                                                   | Number of shares of the Company held by Candidate |
|---------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 4             | Shuji Kanoh<br>(February 22, 1950)<br>[Note 1]   | April 1972                                                                                        | Joined the Company                                                                                                                                                                | 134 shares                                        |
|               |                                                  | June 1999                                                                                         | General Manager, Finance Department, Budget Management Division of the Company                                                                                                    |                                                   |
|               |                                                  | June 2001                                                                                         | Director, in charge of Finance of the Company; Statutory Auditor, Fuji Sankei Living Service Co., Ltd. (now, Dinos Inc.) (to date); Statutory Auditor, TSS-TV Co., Ltd. (to date) |                                                   |
|               |                                                  | June 2002                                                                                         | Statutory Auditor, Sankei Shimbun Co., Ltd. (to date)                                                                                                                             |                                                   |
|               |                                                  | April 2006                                                                                        | Director, Nippon Broadcasting System, Inc. (to date)                                                                                                                              |                                                   |
|               |                                                  | June 2006                                                                                         | Managing Director, in charge of Finance, Budget Management of the Company                                                                                                         |                                                   |
|               |                                                  | June 2007                                                                                         | Statutory Auditor, Sankei Building Co., Ltd. (to date)                                                                                                                            |                                                   |
|               |                                                  | June 2008                                                                                         | Director, Kansai Telecasting Corporation (to date)                                                                                                                                |                                                   |
|               |                                                  | October 2008                                                                                      | Managing Director, in charge of Group Finance of the Company (to date)<br>Managing Director, in charge of Finance of Fuji Television Network, Inc. (to date)                      |                                                   |
| 5             | Kazunobu Iijima<br>(January 4, 1947)<br>[Note 1] | May 1997                                                                                          | Joined the Company                                                                                                                                                                | 128 shares                                        |
|               |                                                  | June 1999                                                                                         | General Manager, Corporate Planning Department, Business Promotion Division of the Company                                                                                        |                                                   |
|               |                                                  | June 2001                                                                                         | Executive Officer and General Manager, Corporate Planning Department of the Company                                                                                               |                                                   |
|               |                                                  | June 2004                                                                                         | Director, WOWOW, Inc. (to date)                                                                                                                                                   |                                                   |
|               |                                                  | June 2005                                                                                         | Senior Executive Officer and General Manager, Corporate Planning Department of the Company                                                                                        |                                                   |
|               |                                                  | June 2006                                                                                         | Director, in charge of Corporate Planning, IR and Radio Planning, Director; General Manager, Corporate Planning Department of the Company                                         |                                                   |
|               |                                                  | April 2007                                                                                        | Director, SKY Perfect JSAT Corporation (now, SKY Perfect JSAT Holdings Inc.) (to date)                                                                                            |                                                   |
|               |                                                  | June 2007                                                                                         | Managing Director, in charge of Corporate Planning of the Company                                                                                                                 |                                                   |
|               |                                                  | October 2008                                                                                      | Managing Director, in charge of Group Planning of the Company (to date);<br>Managing Director, in charge of Corporate Planning of Fuji Television Network, Inc. (to date)         |                                                   |

| Candidate No. | Name<br>(Date of birth)                         | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Number of shares of the Company held by Candidate |
|---------------|-------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 6             | Ryunosuke Endo<br>(June 3, 1956)<br>[Note 1]    | April 1981<br>June 2006<br>June 2007<br>October 2008                                              | Joined the Company<br>General Manager, Public Relations Department of the Company<br>Director, in charge of Public Relations and General Manager, Public Relations Department of the Company<br>Director, in charge of Public Relations Office of the Company (to date);<br>Director, in charge of Public Relations and General Manager, Public Relations Department of Fuji Television Network, Inc. (to date)                                                                                                                                                                                       | 69 shares                                         |
| 7             | Ryosuke Yokoi<br>(January 16, 1942)<br>[Note 1] | May 1964<br>July 1992<br>June 1995<br>June 1997<br>June 1999<br>June 2007<br>October 2008         | Joined the Company<br>General Manager, Technical Department of the Company<br>Director and General Manager, Technical Department of the Company<br>Managing Director and General Manager, Technical Division of the Company<br>Senior Managing Director and General Manager, Technical Division of the Company<br>Vice President and Director, in charge of Technical and Information Systems of the Company<br>Director of the Company (to date);<br>Vice President and Director, in charge of Engineering Development, Technical and Information Systems of Fuji Television Network, Inc. (to date) | 129 shares                                        |
| 8             | Masami Obitsu<br>(December 9, 1946)<br>[Note 1] | June 1980<br>June 1998<br>June 2001<br>June 2005<br>June 2006<br>October 2008                     | Joined the Company<br>General Manager, News Department, News and Documentary Division of the Company<br>Executive Officer, General Manager, News Department, of the Company<br>Director, in charge of International and News of the Company;<br>Director, TSS-TV Co., Ltd. (to date)<br>Managing Director, in charge of News, Infotainment and Documentary, International and Sport of the Company<br>Director of the Company (to date);<br>Managing Director, in charge of News, Infotainment and Documentary and Sport of Fuji Television Network, Inc. (to date)                                   | 171 shares                                        |

| Candidate No. | Name<br>(Date of birth)                                 | Brief history, representation of other companies, positions and business in charge in the Company          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Number of shares of the Company held by Candidate |
|---------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 9             | Toshikazu Horiguchi<br>(August 10, 1946)<br>[Note 1]    | April 1969<br>June 1998<br>July 2000<br>June 2001<br>June 2005<br>June 2006<br>June 2007<br>October 2008   | Joined the Company<br>General Manager, Events and Promotion Department, Content and Production Division of the Company<br>Executive Officer and General Manager, Events and Promotion Department, Programming and Production Department of the Company<br>Senior Executive Officer and General Manager, Events and Promotion Department of the Company<br>Managing Executive Officer of the Company<br>Senior Managing Executive Officer of the Company<br>Managing Director, in charge of Motion Picture Business and Events and Promotion of the Company; Director, Toei Animation Co., Ltd. (to date)<br>Director of the Company (to date);<br>Managing Director, in charge of Motion Picture Business and Events and Promotion of Fuji Television Network, Inc. (to date) | 89 shares                                         |
| 10            | Katsuaki Suzuki<br>(July 30, 1958)<br>[Note 1]          | April 1981<br>June 2005<br>June 2007<br>October 2008                                                       | Joined the Company<br>General Manager, Programming and Production Department of the Company<br>Director, in charge of Programming and Production and General Manager, Programming and Production Department of the Company;<br>Director, Pony Canyon Inc. (to date);<br>Director, Sankei Living Shimbun Inc. (to date);<br>Director, Dinos Inc. (to date)<br>Director of the Company (to date);<br>Director, in charge of Programming and Production, Intellectual Properties and Digital Content and General Manager, Programming and Production Department of Fuji Television Network, Inc. (to date)                                                                                                                                                                       | 90 shares                                         |
| 11            | Isao Matsuoka<br>(December 18, 1934)<br>[Notes 1,2,3,9] | March 1970<br>August 1974<br>May 1976<br>May 1977<br>December 1988<br>May 1995<br>October 2008<br>May 2009 | Director, Toho Co., Ltd.<br>Vice President and Director, Toho Co., Ltd.<br>Vice President and Representative Director, Toho Co., Ltd.<br>President and Representative Director, Toho Co., Ltd.<br>Director of the Company (to date)<br>Chairman and Representative Director, Toho Co., Ltd.<br>Director, Fuji Television Network, Inc. (to date)<br>Honorary Chairman, Toho Co., Ltd. (to date)                                                                                                                                                                                                                                                                                                                                                                               | 600 shares                                        |

| Candidate No. | Name<br>(Date of birth)                              | Brief history, representation of other companies, positions and business in charge in the Company                          |                                                                                          | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------|
| 12            | Taizan Ishiguro<br>(May 19, 1932)<br>[Notes 1,2,4,9] | June 1985                                                                                                                  | Director, Tokai Television Broadcasting Co., Ltd.                                        | 37 shares                                         |
|               |                                                      | July 1989                                                                                                                  | Managing Director, Tokai Television Broadcasting Co., Ltd.                               |                                                   |
|               |                                                      | June 1995                                                                                                                  | Senior Managing Director, Tokai Television Broadcasting Co., Ltd.                        |                                                   |
|               |                                                      | June 1997                                                                                                                  | Vice President and Director, Tokai Television Broadcasting Co., Ltd.                     |                                                   |
|               |                                                      | June 1999                                                                                                                  | Vice President and Representative Director, Tokai Television Broadcasting Co., Ltd.      |                                                   |
|               |                                                      | June 2001                                                                                                                  | President and Representative Director, Tokai Television Broadcasting Co., Ltd.           |                                                   |
|               |                                                      | June 2006                                                                                                                  | Director of the Company (to date)                                                        |                                                   |
|               |                                                      | June 2007                                                                                                                  | Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd. (to date)  |                                                   |
|               |                                                      | October 2008                                                                                                               | Director, Fuji Television Network, Inc. (to date)                                        |                                                   |
|               |                                                      | (Representative of other companies, etc.)<br>Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd. |                                                                                          |                                                   |
| 13            | Takafumi Beppu<br>(June 30, 1933)<br>[Notes 1,2,5,9] | June 1989                                                                                                                  | Director, Television Nishinippon Corporation                                             | 0 share                                           |
|               |                                                      | July 1995                                                                                                                  | Managing Director, Television Nishinippon Corporation                                    |                                                   |
|               |                                                      | June 1996                                                                                                                  | Senior Managing Director, Television Nishinippon Corporation                             |                                                   |
|               |                                                      | June 1997                                                                                                                  | Senior Managing Director and Representative Director, Television Nishinippon Corporation |                                                   |
|               |                                                      | June 1998                                                                                                                  | Vice President and Representative Director, Television Nishinippon Corporation           |                                                   |
|               |                                                      | June 1999                                                                                                                  | President and Representative Director, Television Nishinippon Corporation                |                                                   |
|               |                                                      | June 2001                                                                                                                  | Director of the Company (to date)                                                        |                                                   |
|               |                                                      | June 2005                                                                                                                  | Chairman and Representative Director, Television Nishinippon Corporation                 |                                                   |
|               |                                                      | June 2008                                                                                                                  | Chairman and Director, Television Nishinippon Corporation (to date)                      |                                                   |
|               |                                                      | October 2008                                                                                                               | Director, Fuji Television Network, Inc. (to date)                                        |                                                   |

| Candidate No. | Name<br>(Date of birth)                                    | Brief history, representation of other companies, positions and business in charge in the Company           |                                                                                                                               | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 14            | Takehiko Kiyohara<br>(October 31, 1937)<br>[Notes 1,2,6,9] | June 1990                                                                                                   | Director, in charge of Editorial, Chief Editorial Writer, Sankei Shimbun Co., Ltd.                                            | 34 shares                                         |
|               |                                                            | June 1992                                                                                                   | Managing Director, in charge of Editing and Editorial and General Manager, Tokyo Editorial Office of Sankei Shimbun Co., Ltd. |                                                   |
|               |                                                            | June 1994                                                                                                   | Senior Managing Director, in charge of Editing, Editorial and Just Arguments of Sankei Shimbun Co., Ltd.                      |                                                   |
|               |                                                            | June 1997                                                                                                   | President and Representative Director, Sankei Shimbun Co., Ltd.                                                               |                                                   |
|               |                                                            | June 2004                                                                                                   | Chairman and Representative Director, Sankei Shimbun Co., Ltd. (to date)                                                      |                                                   |
|               |                                                            | June 2005                                                                                                   | Director of the Company (to date)                                                                                             |                                                   |
|               |                                                            | October 2008                                                                                                | Director, Fuji Television Network, Inc. (to date)                                                                             |                                                   |
|               |                                                            | (Representative of other companies, etc.)<br>Chairman and Representative Director, Sankei Shimbun Co., Ltd. |                                                                                                                               |                                                   |
| 15            | Yoshiyuki Seki<br>(August 3, 1945)<br>[Note 1]             | April 1968                                                                                                  | Joined the Company                                                                                                            | 46 shares                                         |
|               |                                                            | June 2008                                                                                                   | Managing Executive Officer and General Manager, Affiliate Relations Department of the Company                                 |                                                   |
|               |                                                            | October 2008                                                                                                | Managing Executive Officer and General Manager, Affiliate Relations Department of Fuji Television Network, Inc. (to date)     |                                                   |
| 16            | Kazuya Maeda<br>(July 30, 1953)<br>[Note 1]                | April 1981                                                                                                  | Joined the Company                                                                                                            | 23 shares                                         |
|               |                                                            | June 2005                                                                                                   | General Manager, Intellectual Properties Department of the Company                                                            |                                                   |
|               |                                                            | June 2006                                                                                                   | Director, Pony Canyon Inc. (to date)                                                                                          |                                                   |
|               |                                                            | June 2008                                                                                                   | Executive Officer and General Manager, Intellectual Properties Department of the Company                                      |                                                   |
|               |                                                            | October 2008                                                                                                | Executive Officer and General Manager, Intellectual Properties Department of Fuji Television Network, Inc. (to date)          |                                                   |
| 17            | Koji Inagi<br>(August 1, 1955)<br>[Note 1]                 | April 1979                                                                                                  | Joined the Company                                                                                                            | 22 shares                                         |
|               |                                                            | June 2005                                                                                                   | General Manager, Sales Department of the Company                                                                              |                                                   |
|               |                                                            | June 2007                                                                                                   | Executive Officer and General Manager, Sales Department of the Company                                                        |                                                   |
|               |                                                            | October 2008                                                                                                | Executive Officer and General Manager, Sales Department of Fuji Television Network, Inc. (to date)                            |                                                   |

| Candidate No. | Name<br>(Date of birth)                                    | Brief history, representation of other companies, positions and business in charge in the Company                     |                                                                                              | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------|
| 18            | Akihiro Miki<br>(July 15, 1947)<br>[Notes 1,2,7,10]        | June 2001                                                                                                             | Director and General Manager, Programming Department of Nippon Cultural Broadcasting Inc.    | 0 share                                           |
|               |                                                            | June 2004                                                                                                             | Managing Director and General Manager, Sales Department of Nippon Cultural Broadcasting Inc. |                                                   |
|               |                                                            | June 2007                                                                                                             | President and Representative Director, Nippon Cultural Broadcasting Inc. (to date)           |                                                   |
|               |                                                            | (Representative of other companies, etc.)<br>President and Representative Director, Nippon Cultural Broadcasting Inc. |                                                                                              |                                                   |
| 19            | Masabumi Yokota<br>(March 18, 1936)<br>[Notes 1, 2, 8, 10] | June 1994                                                                                                             | Director and General Manager, General Affairs Department of Kansai Telecasting Corporation   | 0 share                                           |
|               |                                                            | June 1996                                                                                                             | Managing Director, Kansai Telecasting Corporation                                            |                                                   |
|               |                                                            | June 1998                                                                                                             | Senior Managing Director, Kansai Telecasting Corporation                                     |                                                   |
|               |                                                            | June 2000                                                                                                             | Full-time Statutory Auditor, Kansai Telecasting Corporation                                  |                                                   |
|               |                                                            | June 2008                                                                                                             | Chairman and Representative Director, Kansai Telecasting Corporation (to date)               |                                                   |
|               |                                                            | (Representative of other companies, etc.)<br>Chairman and Representative Director, Kansai Telecasting Corporation     |                                                                                              |                                                   |

[Note 1] Any candidate for Director and the Company are not special interested parties to each other.

[Note 2] Messrs. Isao Matsuoka, Daisen Ishiguro, Takafumi Beppu, Takehiko Kiyohara, Akihiro Miki and Masabumi Yokota are candidates for outside Directors.

[Note 3] Management expects Mr. Isao Matsuoka to use his wide experience and expertise as honorary chairman of a listed movie and drama business corporation for the management of the Company and proposes to elect him as outside Director. He will have served as outside Director of the Company for 20 years and six months at the close of this General Meeting of Shareholders.

Kansai Telecasting Corporation, for which Mr. Matsuoka had served as outside Director, put the programs of "*Hakkutsu! Aru-aru Daijiten II*" series, which contained contents not based on the facts, on the air on January 7, 2007 and other occasions. On March 30, 2007, the Ministry of Public Management, Home Affairs, Posts and Telecommunications issued an admonition to the effect that the company violated the Broadcasting Law. He was not aware that it had produced and broadcasted the programs containing contents not based on the facts when the incident was uncovered. However, he had presented advice to the company or invited its attention from the perspectives of compliance with law on a daily basis. He also presented necessary advice and recommendations to prevent the recurrence of such incident.

- [Note 4] Management expects Mr. Taizan Ishiguro to use his wide experience and expertise as director of a TV broadcasting business corporation for the management of the Company and proposes to elect him as outside Director. He will have served as outside Director of the Company for three years at the close of this General Meeting of Shareholders.
- [Note 5] Management expects Mr. Takafumi Beppu to use his wide experience and expertise as director of a TV broadcasting business corporation for the management of the Company and proposes to elect him as outside Director. He will have served as outside Director of the Company for eight years at the close of this General Meeting of Shareholders.
- [Note 6] Management expects Mr. Takehiko Kiyohara to use his wide experience and expertise as representative director of a newspaper business corporation for the management of the Company and proposes to elect him as outside Director. He will have served as outside Director of the Company for four years at the close of this General Meeting of Shareholders. He is an executive of Sankei Shimbun Co., Ltd., which is a company having specific relationships with the Company. He is also a relative within the third degree of relationship by blood with an employee of a company having specific relationships with the Company.
- [Note 7] Management expects to Mr. Akihiro Miki to use his wide experience and expertise as representative director of a radio broadcasting business corporation for the management of the Company and proposes to elect him as outside Director.
- [Note 8] Management expects Mr. Masabumi Yokota to use his wide experience and expertise as representative director of a TV broadcasting business corporation for the management of the Company and proposes to elect him as outside Director.
- [Note 9] Each of outside Directors Messrs. Isao Matsuoka, Taizan Ishiguro, Takafumi Beppu and Takehiko Kiyohara has, in accordance with Article 427, paragraph 1 of the Corporation Law, entered into an agreement with the Company to limit the liability for damages as provided for in Article 423, paragraph 1 of the said law. The maximum amount of the liability for damages under such agreement shall be the higher of (i) ¥10,000,000 and (ii) such amount as provided for in laws or ordinances.
- [Note 10] If candidates for outside Directors Messrs. Akihiro Miki and Masabumi Yokota are elected, each of them will, in accordance with Article 427, paragraph 1 of the Corporation Law, enter into an agreement with the Company to limit the liability for damages as provided for in Article 423, paragraph 1 of the said law. The maximum amount of the liability for damages under such agreement will be the higher of (i) ¥10,000,000 and (ii) such amount as provided for in laws or ordinances.

**Proposition No. 4: Election of three Statutory Auditors**

The term of office of Statutory Auditor Mr. Kiyoshi Onoe will expire, and Statutory Auditors Messrs. Shunichiro Kondo and Hachiro Ito will resign from office, at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that three Statutory Auditors be elected.

The Board of Statutory Auditors has consented to this proposition.

The candidates for Statutory Auditors are as set forth below:

| Candidate No. | Name<br>(Date of birth)                      | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                         | Number of shares of the Company held by Candidate |
|---------------|----------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 1             | Kiyoshi Onoe<br>(March 16, 1935)<br>[Note 1] | December 1958                                                                                     | Joined the Company                                                                                                      | 608 shares                                        |
|               |                                              | June 1987                                                                                         | General Manager, Technical Department of the Company                                                                    |                                                   |
|               |                                              | June 1989                                                                                         | Director, in charge of Technical and System Development Office and General Manager, Technical Department of the Company |                                                   |
|               |                                              | June 1992                                                                                         | Managing Director, in charge of Executive Offices, General Affairs, Human Resources and Technical of the Company        |                                                   |
|               |                                              | June 1997                                                                                         | Senior Managing Director, in charge of President Office and General Manager, Administration Division of the Company     |                                                   |
|               |                                              | June 1999                                                                                         | Vice President and Representative Director of the Company                                                               |                                                   |
|               |                                              | June 2001                                                                                         | Director and Adviser of the Company                                                                                     |                                                   |
|               |                                              | June 2003                                                                                         | Vice Chairman and Director of the Company                                                                               |                                                   |
|               |                                              | June 2005                                                                                         | Full-time Statutory Auditor of the Company (to date)                                                                    |                                                   |
|               |                                              | October 2008                                                                                      | Statutory Auditor, Fuji Television Network, Inc. (to date)                                                              |                                                   |

| Candidate No. | Name<br>(Date of birth)                              | Brief history, representation of other companies, positions and business in charge in the Company |                                                                                                                                                                                      | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 2             | Hiroshi Seta<br>(September 9, 1944)<br>[Note 1]      | April 1969                                                                                        | Joined the Company                                                                                                                                                                   | 194 shares                                        |
|               |                                                      | June 2003                                                                                         | Executive Officer and General Manager, Executive Offices of the Company                                                                                                              |                                                   |
|               |                                                      | June 2005                                                                                         | Senior Executive Officer and General Manager, Executive Offices of the Company                                                                                                       |                                                   |
|               |                                                      | June 2006                                                                                         | Managing Executive Officer and General Manager, Executive Offices of the Company                                                                                                     |                                                   |
|               |                                                      | June 2007                                                                                         | Managing Director, in charge of Executive Offices and International of the Company                                                                                                   |                                                   |
|               |                                                      | October 2008                                                                                      | Director, in charge of Executive Offices of the Company (to date);<br>Managing Director, in charge of Executive Offices and International of Fuji Television Network, Inc. (to date) |                                                   |
| 3             | Takayasu Okushima<br>(April 16, 1939)<br>[Notes 1,2] | April 1976                                                                                        | Professor, Faculty of Law, Waseda University                                                                                                                                         | 0 share                                           |
|               |                                                      | September 1990                                                                                    | Dean of Faculty of Law, Waseda University                                                                                                                                            |                                                   |
|               |                                                      | November 1994                                                                                     | President, Waseda University                                                                                                                                                         |                                                   |
|               |                                                      | November 2002                                                                                     | Scholarly Adviser, Waseda University (to date)                                                                                                                                       |                                                   |
|               |                                                      | April 2004                                                                                        | Professor, Department of Legal Studies, Graduate School, Waseda University (to date)                                                                                                 |                                                   |
|               |                                                      | (Representative of other companies, etc.)<br>Chairman, Japan High School Baseball Federation      |                                                                                                                                                                                      |                                                   |

[Note 1] Any candidate for Statutory Auditor and the Company are not special interested parties to each other.

[Note 2] Mr. Takayasu Okushima is a candidate for outside Statutory Auditor. Management expects him to use his wide experience and expertise as president of a university and a doctor of jurisprudence for the audit system of the Company and proposes to elect him as outside Statutory Auditor. In addition, as he may have sufficient knowledge of the soundness of corporate management and the strictness of compliance with law, he is considered to properly perform his duties as outside Statutory Auditor. If he is elected, he will, in accordance with Article 427, paragraph 1 of the Corporation Law, enter into an agreement with the Company to limit the liability for damages as provided for in Article 423, paragraph 1 of the said law. The maximum amount of the liability for damages under such agreement will be the higher of (i) ¥10,000,000 and (ii) such amount as provided for in laws or ordinances.

**Proposition No. 5: Payment of bonuses for officers**

Taking into consideration the operating results for the fiscal year under review and other factors, it is hereby proposed that bonuses in the aggregate of ¥39,700,000 (¥34,030,000 for Directors (including ¥3,750,000 for outside Directors) and ¥5,670,000 for Statutory Auditors) be paid to 20 Directors (including five outside Directors) and five Statutory Auditors in office as of March 31, 2009.

- END -

## Notice on Exercise of Voting Rights via the Internet

### 1. Matters to be understood to exercise voting rights via the Internet:

In exercising your voting rights via the Internet, please confirm the items described below in advance:

- (1) Any exercise of voting rights via the Internet will be possible only on the website for the exercise of voting rights specified by the Company (please see the following URL). To exercise voting rights via the Internet, the "code for the exercise of voting rights" and the "password" printed in the enclosed voting form are necessary.
- (2) Any exercise of voting rights via the Internet will be acceptable no later than 5:30 p.m., Thursday, June 25, 2009. However, for the expedient counting of the voting rights exercised, it would be appreciated if you could exercise your voting rights early.
- (3) The code for the exercise of voting rights and the password printed in the enclosed voting form are good only for this Ordinary General Meeting of Shareholders. A new code and password will be issued for any subsequent General Meeting of Shareholders.
- (4) If voting rights are exercised both by the voting form and via the Internet, the voting rights exercised via the Internet shall be treated as effective.
- (5) If voting rights are exercised via the Internet twice or more, the latest exercise thereof shall be treated as effective.
- (6) All expenses for using the Internet (such as fees payable to Internet service providers and telecommunication carriers) must be borne by the shareholders.

### 2. Concrete procedures for exercising voting rights via the Internet:

- (1) Please access <http://www.it-soukai.com/> or <https://daiko.mizuho-tb.co.jp/>; however, the website is not accessible from 3:00 a.m. to 5:00 a.m. on each day during the exercise period:
- (2) Please enter the code for the exercise of voting rights and the password printed in the enclosed voting form and click the "login" button.

The code for the exercise of voting rights and the password are printed on the lower right in the enclosed voting form.

- (3) In accordance with the guidance on the screen, please exercise your voting rights.

3. Usage environment:

- (1) PC: Windows<sup>®</sup>-based  
(Not accessible via PDAs, mobile phones or gaming machines)
- (2) Browser: Microsoft<sup>®</sup> Internet Explorer ver.5.5 or above
- (3) Internet environment: Internet-capable environment through contracts with Internet service providers
- (4) Display resolution: 1024 x 768 or above recommended

\* "Microsoft" and "Windows" are the registered trademarks or trademarks of Microsoft Corporation of the United States in the United States and/or other nations.

4. Security:

To ensure security, the website employs encryption technology (128 bit SSL) to block the tampering and sniffing of information on the exercise of voting rights.

As the code for the exercise of voting rights and the password printed in the enclosed voting form are important information that authenticates each shareholder, please keep them confidential. We never inquire of any shareholder about his/her password.

5. Contact for inquires:

- (1) Inquiries about PC operations, etc. with regard to the exercise of voting rights by electronic methods:

Internet Help Dial, Stock Transfer Agency Department  
Mizuho Trust & Banking Co., Ltd.  
Tel (0120) 768-524 (toll-free)  
Office hours: 9:00 – 21:00 (not on Saturdays, Sundays and national holidays)

- (2) Inquiries other than those in item (1) above, such as address corrections:

Stock Transfer Agency Department  
Mizuho Trust & Banking Co., Ltd.  
Tel (0120) 288-324 (toll-free)  
Office hours: 9:00 – 17:00 (not on Saturdays, Sundays and national holidays)