

(Translation)

Securities Code: 4676

June 3, 2013

To the Shareholders:

NOTICE OF THE 72ND ORDINARY GENERAL MEETING
OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued good offices.

Please take notice that the 72nd 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.

Yours very truly,

Hisashi Hieda,
Chairman and Representative Director (CEO)

Fuji Media Holdings, Inc.

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

Description

1. Date and hour:

June 27 (Thursday), 2013, 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 Corporate Auditors for the 72nd fiscal year (from April 1, 2012 to March 31, 2013)
2. Report on the non-consolidated financial statements for the 72nd fiscal year (from April 1, 2012 to March 31, 2013)

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 16 Directors

Proposition No. 4: Election of three Corporate Auditors

Proposition No. 5: Payment of bonuses for officers

4. Exercise of voting rights:

- (1) Exercise of voting rights by 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 5:30 p.m., Wednesday, June 26, 2013.

(2) 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 5:30 p.m., Wednesday, June 26, 2013. 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 79 and page 80.

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

(3) Handling of approvals and disapprovals of propositions:

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 for an approval of the proposition.

(4) 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.

(5) Exercise of voting rights by proxy:

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.

(6) Diverse exercise of voting rights:

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 -

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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 on weekdays (not on Saturdays, Sundays and national holidays)

(Attached documents)

## BUSINESS REPORT

(For the period from April 1, 2012 to March 31, 2013)

### **I. Matters concerning the current state of the Fuji Media Holdings Group:**

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

The Japanese economy during fiscal 2012 (April 1, 2012 to March 31, 2013) had initially provided expectations for an upturn in consumer spending and economic recovery as a result of earthquake recovery-related demand following the Great East Japan Earthquake and eco-car tax breaks, but the slowdown in the global economy due to the European sovereign debt crisis, diplomatic frictions with China and other elements of instability remained prominent, and the momentum for recovery appeared to stall. Afterwards, the economic policies put forward following the change of government at the end of 2012 raised expectations for improvement in corporate earnings and boosted capital spending, and the economy began to recover.

Amid this economic environment, the Fuji Media Holdings Group posted consolidated net sales for the subject fiscal year of ¥632,029 million, up 6.5% from the previous fiscal year. This was due mainly to gains in the Production segment, Advertising segment and Other segment, along with the inclusion of new revenues from the Urban Development segment comprising The Sankei Building Co., Ltd. and its subsidiaries, offsetting declines in revenue in the mainstay Broadcasting segment, the Video and Music segment and the Life Information segment.

Operating income rose 13.3% from the previous fiscal year to ¥37,608 million, due mainly to earnings gains in the Production segment and the addition of the Urban Development segment. Recurring profit declined 9.8% to ¥47,209 million despite the negative goodwill generated when Kansai Telecasting Corporation was made an equity-method affiliate, as a greater gain was recorded in the previous fiscal year from the negative goodwill generated when nine stations affiliated with Fuji TV became equity-method affiliates. Net income fell 48.8% year-on-year to ¥31,337 million, due mainly to the recording of extraordinary gains, including the negative goodwill generated in the previous fiscal year when The Sankei Building Co., Ltd. became a consolidated subsidiary.

Results by reported segment are as follows:

|                   | Net sales                                                             |                                                                       |                                                | Segment operating income                                              |                                                                     |                                                |
|-------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------|
|                   | 71st fiscal year<br>April 1, 2011 -<br>Mar. 31, 2012<br>(million yen) | 72nd fiscal year<br>April 1, 2012 -<br>Mar. 31, 2013<br>(million yen) | Comparison<br>with the<br>previous year<br>(%) | 71st fiscal year<br>April 1, 2011 -<br>Mar. 31, 2012<br>(million yen) | 72nd fiscal year<br>April 1, 2012<br>Mar. 31, 2012<br>(million yen) | Comparison<br>with the<br>previous year<br>(%) |
| Broadcasting      | 355,215                                                               | 352,088                                                               | - 0.9                                          | 27,166                                                                | 25,342                                                              | - 6.7                                          |
| Production        | 44,611                                                                | 51,720                                                                | 15.9                                           | 2,259                                                                 | 2,940                                                               | 30.2                                           |
| Video and Music   | 59,547                                                                | 58,690                                                                | - 1.4                                          | 2,583                                                                 | 2,572                                                               | - 0.5                                          |
| Life Information  | 134,744                                                               | 132,323                                                               | - 1.8                                          | 1,440                                                                 | 1,072                                                               | - 25.6                                         |
| Advertising       | 39,562                                                                | 41,127                                                                | 4.0                                            | 135                                                                   | 82                                                                  | - 39.2                                         |
| Urban Development | -                                                                     | 40,172                                                                | -                                              | -                                                                     | 5,444                                                               | -                                              |
| Other             | 27,160                                                                | 27,430                                                                | 1.0                                            | 769                                                                   | 741                                                                 | - 3.7                                          |
| Eliminations      | (67,197)                                                              | (71,525)                                                              | -                                              | (1,151)                                                               | (586)                                                               | -                                              |
| Total             | 593,645                                                               | 632,029                                                               | 6.5                                            | 33,204                                                                | 37,608                                                              | 13.3                                           |

#### <Broadcasting>

Broadcasting revenue, which forms the core of revenue from the broadcasting businesses of Fuji Television Network, Inc. ("Fuji TV"), declined 2.1% from the previous fiscal year to ¥242,989 million, as positive performance in the first quarter, centered on spot ad sales, continued to slow down from the second quarter onward.

Network time advertising sales (time advertising for nationwide broadcasts) rose 0.6% year-on-year to ¥113,205 million. The standard fee for regular program sponsorships rose slightly year-on-year for the April new programming season, as ad placement demand expanded with the recovery in consumer spending, but the standard fee dipped slightly for the October program lineup as the economy slowed. One-off programming sales were strong, rising year-on-year due mainly in the first half of the period to major sports programs such as the London 2012 Olympic Games, and in the second half to such program as The Manzai 2012 and the 2013 Tokyo Marathon, offsetting the rebound decline from last year's 2011 FIVB World Cup Volleyball tournament.

Local time advertising sales (time advertising for the Kanto region) declined 4.4% from the previous fiscal year to ¥15,289 million. The standard fee for regular program sponsorships remained on a par with the previous fiscal year for the April programming season, but declined for the October program lineup, due mainly to a change in sales categories. One-off programming sales, despite a boost from 18 broadcasts of single-sponsor programs throughout the period, declined as well mainly as a result of the rebound from last year's 2011 FIVB World Cup Volleyball tournament.

Spot advertising sales declined 4.2% from the previous fiscal year to ¥114,494 million. First-half results were up sharply from the same period of the previous fiscal year following

the previous year's earthquake disaster-related falloff, but performance in the second half declined with the downturn in the market and a drop in viewer ratings, and full-year sales fell short of the result in the previous fiscal year. By industry category, spending was up sharply in "Autos" on placements for eco-cars and light motor vehicles, "Telecommunication" for content-related advertising, "Distribution/Retail" on a considerable rise in placements for mail-order businesses, and "Pharmaceuticals/Medical Products." By contrast, year-on-year spending was down for "Beverage (Alcoholic)" on a slump in beer, shochu highball and cocktail products, "Fast Food/Services" on a decline in placements by restaurant chains, and "Cosmetics/Toiletries."

Revenue from other broadcasting business increased 4.5% year-on-year to ¥33,841 million, due mainly to steady gains in program sales income, as well as income from communication satellite (CS) broadcasting, which exceeded ¥10 billion for the first time since its inception on the success of sports programming and original dramas.

Revenue from other businesses decreased 3.6% from the previous fiscal year to ¥46,750 million. In the movie business, revenue was up sharply as Fuji TV productions captured the top three spots for box office revenue for Japanese movies in 2012, with BRAVE HEARTS Umizaru (¥7.33 billion in box office revenues) in first place, THERMAE ROMA (¥5.98 billion) in second place, and BAYSIDE SHAKEDOWN THE FINAL (¥5.97 billion) in third place. In the event business, despite the popularity of "Tutankhamun and The Golden Age of The Pharaohs" held in Osaka and Tokyo, and the large-scale live summer event "a-nation," revenue was down year-on-year due to the rebound decline from the hit production "Cirque du Soleil's KOOZA" in the previous fiscal year. Year-on-year gains were also recorded in the digital business, driven by the popularity of the Fuji TV On Demand service that allows viewers to download missed drama episodes, as well as in the merchandising business.

In terms of expenses, effective cost controls resulted in year-on-year decreases in costs for both broadcasting and other operations. As a result, operating expenses overall declined from the previous fiscal year.

Fuji Satellite Broadcasting, Inc. (BS Fuji) posted an increase in revenue on strong sales in both time and spot advertising, but earnings declined from the previous fiscal year as a result of aggressive efforts to expand and improve program content resulting in a rise in broadcasting costs.

Nippon Broadcasting System, Inc. recorded a decline in broadcast revenue as business conditions remained harsh, but revenue rose overall on gains from event and merchandise sales. Earnings also rose on declines in program production costs and selling and other expenses.

As a result, for the Broadcasting segment overall, net sales declined 0.9% from the previous fiscal year to ¥352,088 million, with segment operating income down 6.7% to ¥25,342 million.

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

|                                             | 71st fiscal year<br>April 1, 2011 -<br>Mar. 31, 2012<br>(million yen) | 72nd fiscal year<br>April 1, 2012 -<br>Mar. 31, 2013<br>(million yen) | Comparison<br>with the<br>previous year<br>(%) |
|---------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------|
| Fuji Television Network, Inc.               |                                                                       |                                                                       |                                                |
| Broadcasting operations                     | 280,501                                                               | 276,831                                                               | - 1.3                                          |
| Broadcasting                                | 248,105                                                               | 242,989                                                               | - 2.1                                          |
| Network time                                | 112,553                                                               | 113,205                                                               | 0.6                                            |
| Local time                                  | 15,986                                                                | 15,289                                                                | - 4.4                                          |
| Spot                                        | 119,564                                                               | 114,494                                                               | - 4.2                                          |
| Other broadcasting business                 | 32,395                                                                | 33,841                                                                | 4.5                                            |
| Other businesses                            | 48,512                                                                | 46,750                                                                | - 3.6                                          |
| Subtotal                                    | 329,013                                                               | 323,581                                                               | - 1.7                                          |
| Fuji Satellite Broadcasting, Inc. (BS Fuji) | 9,587                                                                 | 11,816                                                                | 23.2                                           |
| Nippon Broadcasting System, Inc.            | 18,837                                                                | 19,203                                                                | 1.9                                            |
| Elimination in the segment                  | (2,222)                                                               | (2,513)                                                               | -                                              |
| Total                                       | 355,215                                                               | 352,088                                                               | - 0.9                                          |

#### <Production>

Net sales in the Production segment rose 15.9% from the previous fiscal year to ¥51,720 million. This was due mainly to a steady rise in order for programs and events, resulting in an increase in revenue group-wide, along with the addition of NEXTEP TV Workshop Co., Ltd. from the subject fiscal year. In terms of expenses, outsourcing costs rose on the broad expansion in orders, but due to efforts to secure earnings through improvement in the cost rate, segment operating income increased 30.2% from the previous fiscal year to ¥2,940 million.

#### <Video and Music>

Pony Canyon, Inc. posted a decline in revenue overall, as contributions in the music division from aiko's new album, and in the video division from Fuji TV productions such as BRAVE HEARTS Umizaru and The Locked Room, were unable to offset a sharp decline in titles in the video division overall. In terms of expenses, the cost rate rose due mainly to a rise in amortization of production investments, which along with increases in advertising and promotional costs, led to a decline in Pony Canyon's earnings overall.

Fujipacific Music Inc., despite a decline in the copyright division's JASRAC distributions, recorded a record high revenue on income from hit products related to the AKB48 group produced by its house artists, as well as video title income. Earnings were also up from the previous fiscal year.



As a result, net sales in the Video and Music segment overall fell 1.4% from the previous fiscal year to ¥58,690 million, with segment operating income down 0.5% to ¥2,572 million.

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

Dinos Inc.'s television shopping business was sluggish due to the lack of hit products to rival the previous fiscal year's One Piece-themed car navigation system, but revenue rose overall as a result of measures in the catalogue shopping business to gain new customers and stimulate business among existing customers, along with strong performance in fashion items and household goods. Earnings, however, declined as a result of an increase in promotional costs.

Cecile Co., Ltd. posted decreases in both revenue and earnings, due mainly to sluggish sales of fashion items as a result of the unseasonable weather conditions from the start of the subject fiscal year, and a slowdown from the previous fiscal year in sales of power-saving and emergency products.

Sankei Living Shimbun Inc. recorded a decrease in revenue as a result of the sluggishness in advertising sales in the Osaka area, though operating income increased on efforts to cut expenses.

As a result, net sales in the Life Information segment overall decreased 1.8% from the previous fiscal year to ¥132,323 million, with segment operating income down 25.6% to ¥1,072 million.

#### **<Advertising>**

Quaras Inc. recorded an increase in revenue on steady advertising sales revenue from television and radio, along with a substantial gain in event sales, while earnings also rose on efforts to curb increases in selling, general and administrative expenses.

Kyodo Advertising Co., Ltd. recorded a revenue decline stemming from a falloff in ad placements from major clients, and despite cuts in expenses, posted an operating loss.

As a result, net sales in the Advertising segment overall increased 4.0% from the previous fiscal year to ¥41,127 million, though segment operating income declined 39.2% to ¥82 million.

#### **<Urban Development>**

The Sankei Building Co., Ltd., incorporated into consolidated earnings from the subject fiscal year, recorded sales on a par with the previous fiscal year, as revenue declines in the mainstay building business were offset by positive performance in the residential business. Earnings, however, declined as a result of an increase in selling costs and other factors. As a

result, net sales in the Urban Development segment overall amounted to ¥40,172 million, with segment operating income of ¥5,444 million.

### **<Other Development>**

Fujimic, Inc. recorded gains in both revenue and earnings on a rise in orders for IT system development. Fusosha Publishing, Inc. posted declines in both revenue and earnings, as strong advertising sales in the magazine division were offset by fewer hit titles in the book division compared to the previous fiscal year.

As a result, net sales in the Other segment overall rose 1.0% from the previous fiscal year to ¥27,430 million, though segment operating income declined 3.7% to ¥741 million.

### **Equity-Method Affiliates**

Fee-based broadcaster Nihon Eiga Satellite Broadcasting Corporation posted gains in both revenue and earnings on rising revenue from subscribers to SKY PerfecTV! e2, offsetting greater expenses related to expansion into BS broadcasts and adaptation to high-definition formats. Sankei Shimbun Co., Ltd. recorded a slight decline in revenue, and although operating income increased, year-on-year earnings were down as a result of the rebound from a gain on sales of stock recorded in the previous fiscal year. In addition, the 10 stations affiliated with Fuji TV included in consolidated financial results from the subject fiscal year all secured earnings despite harsh conditions for broadcast revenue, contributing to equity in earnings of affiliates.

### **2. Capital investment:**

Capital investment during the fiscal year under review totaled ¥17,609 million, which was spent principally on broadcasting-related equipment in the Broadcasting business and real estate for lease and others in the Urban Development business.

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

The Fuji Media Holdings Group, since its transition to a certified broadcast holding company structure in 2008, has supported the growth of each Group company, and worked to consolidate management resources and provide for efficient operations for the corporate group as a whole. Fuji Satellite Broadcasting Inc. (BS Fuji), which operates in a growth field, and The Sankei Building Co., Ltd., which is expected to contribute to stable earnings, were made wholly-owned subsidiaries in fiscal 2011 and 2012, respectively, strengthening the earnings foundation for the corporate group.

In the Broadcast business, at Fuji Television Network Inc., we will make efforts to produce appealing content with the aim of improving viewer ratings and enhancing media value, and securing a high level of broadcast revenue. Also, centered on our mainstay free-to-air terrestrial commercial broadcasting, and in conjunction with the two satellite

mediums, the free-to-air commercial broadcast satellite (BS) service that is steadily expanding revenues, and the subscription-based communication satellite (CS) service, the Fuji Media Holdings Group will efficiently manage its three television mediums in a unified manner, and further enhance the earnings capacity of the broadcast business. We will also expand the earnings of the entire corporate group by utilizing content in the various businesses of Group companies.

In the Life Information business, efforts to strengthen management have created a business able to generate steady earnings. We plan to merge Dinos Inc. and Cecile Co., Ltd. in July 2013, with the aim of further growth through joint development of products and business plans, and the streamlining of operations. In the Production business as well, we plan to merge Happo Television, Inc. and Fuji Lighting and Technology Co., Ltd. in order to enhance technological skills and further streamline operations. In the Video and Music business, we will broaden tie-ups among Group companies, concentrating on bolstering our lineup of video and music titles.

In the Urban Development business, centered on The Sankei Building Co., Ltd., we will secure stable earnings in the mainstay office building business, and promote growth in residential housing and other businesses, with the aim of expanding earnings for the corporate group and contributing to earnings stability.

The Fuji Media Holdings Group will also make proactive efforts for new businesses. The digital content business, for online distribution of programs, games and other content, a field in which Fuji Television Network Inc. was an early entrant, has already grown to a scale that contributes to earnings. With rapid growth in this field expected in the future, in January 2013 we established a venture capital firm Fuji Startup Ventures, Inc. to provide investment support for newly-established, promising companies with original technologies or ideas. We have expectations that this will lead to business expansion in the Fuji Media Holdings Group's growth fields in the future.

For overseas markets, we will strengthen overseas sales of content centered on Fuji Television Network Inc., and pursue new business development. FI Media Project, Inc., jointly established by Fuji Media Holdings and ITOCHU Corporation in November 2012, is forming operational tie-ups with overseas broadcasters and conducting test marketing aimed at commercialization of the music rights and mail order businesses.

As a major project for the future, Fuji Media Holdings is progressively considering ways to utilize the area around Daiba, which is ideally suited for international tourism strategies, to realize the Tokyo Metropolitan Government's Asia Headquarters Special Zone Project.

The Fuji Media Holdings Group, in its core terrestrial television broadcasting, and various other business fields, including movies, events, video and music, life information and urban development, will take steps to further enhance earnings and develop and capture new businesses, to achieve growth for the entire corporate group. We also keenly recognize that

as a mainstay media company, we have a public mission and social responsibility, and utilizing the distinctive features of the corporate group, will contribute to the revitalization of the Japanese economy and recovery from the earthquake disaster.

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

| Item                              | 69th fiscal year<br>April 1, 2009 -<br>Mar. 31, 2010 | 70th fiscal year<br>April 1, 2010 -<br>Mar. 31, 2011 | 71st fiscal year<br>April 1, 2011 -<br>Mar. 31, 2012 | 72nd fiscal year<br>(current year)<br>April 1, 2012 -<br>Mar. 31, 2013 |
|-----------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------|
| Net sales<br>(million yen)        | 583,843                                              | 589,671                                              | 593,645                                              | 632,029                                                                |
| Operating income<br>(million yen) | 9,279                                                | 26,351                                               | 33,204                                               | 37,608                                                                 |
| Recurring profit<br>(million yen) | 12,060                                               | 29,460                                               | 52,320                                               | 47,209                                                                 |
| Net income<br>(million yen)       | 7,459                                                | 10,002                                               | 61,213                                               | 31,337                                                                 |
| Net income per share<br>(yen)     | 3,238.69                                             | 4,342.98                                             | 26,138.30                                            | 13,508.82                                                              |
| Total assets<br>(million yen)     | 753,191                                              | 723,789                                              | 953,537                                              | 952,335                                                                |
| Net assets<br>(million yen)       | 464,187                                              | 461,631                                              | 534,525                                              | 568,200                                                                |
| Net assets per share (yen)        | 199,432.99                                           | 198,377.85                                           | 226,290.92                                           | 243,177.16                                                             |

##### 69th fiscal year:

The sales climate for the advertising market remained tight partly due to its structural changes and revenues from the core Broadcasting business and Video and Music business declined. However, due to an increase of consolidated subsidiaries, net sales increased on a consolidated basis. As to earnings, due to decreased revenues from Broadcasting business and Video and Music business, operating income, recurring profit and net income decreased.

##### 70th fiscal year:

The Japanese economy began to pick up on improvement in corporate earnings, an increase in capital expenditures and other factors. However, due in part to the Great East Japan Earthquake that occurred on March 11, 2011, revenues decreased slightly in the core Broadcasting business, while revenues from Video and Music business and Life Information business increased. On a consolidated basis, net sales increased. As to earnings, due to significant increases in revenues from Broadcasting business and Video and Music business, and the securing of profitability in the Life Information business and Other businesses, operating income, recurring profit and net income increased.

##### 71st fiscal year:

While the Japanese economy began to recover slowly from the impacts of the Great East Japan Earthquake, revenues increased in the core Broadcasting business and Life Information business. On a consolidated basis, net sales increased. As to earnings, due to significant increases in revenues from Broadcasting business and Life Information business and negative goodwill generated by the inclusion of a new consolidated subsidiary and equity-method affiliates, operating income, recurring profit and net income

increased.  
 72nd fiscal year (current year):  
 As described in "1. Development and results of business activities"

## 5. State of major subsidiaries:

### (1) State of major subsidiaries:

| Name                             | Capital stock<br>(million yen) | Ratio of equity<br>participation<br>(%) | Principal business                               |
|----------------------------------|--------------------------------|-----------------------------------------|--------------------------------------------------|
| Fuji Television Network, Inc.    | 8,800                          | 100.0                                   | TV broadcasting business                         |
| Nippon Broadcasting System, Inc. | 480                            | 100.0                                   | Radio broadcasting business                      |
| Pony Canyon Inc.                 | 1,200                          | 100.0                                   | Production and sale of audio<br>/video software  |
| Dinos Inc.                       | 2,000                          | 100.0                                   | Direct marketing business                        |
| Cecile Co., Ltd.                 | 2,000                          | 100.0                                   | Direct marketing business                        |
| The Sankei Building Co., Ltd.    | 14,120                         | 100.0                                   | Building leasing and real<br>estate transactions |

### (2) Development and results of business combinations:

As of April 2, 2012, as a result of the acquisition of additional shares by the Company, NEXTEP TV Workshop Co., Ltd., an equity-method affiliate of the Company, became a wholly owned subsidiary of the Company, which has been made a consolidated subsidiary of the Company.

Fuji Media Service, Inc. ceased to be a consolidated subsidiary of the Company due to its decreased importance as it sold its shares in The Sankei Building Co., Ltd.

As of June 1, 2012, the Company acquired additional shares in Kansai Telecasting Corporation and made it an equity-method affiliate of the Company.

As a result, the Company had 39 consolidated subsidiaries, including the above six major subsidiaries and 19 equity-method companies for the fiscal year under review.

## 6. Major businesses:

The Group's major activities are mainstay business of broadcasting as prescribed by Japan's Broadcasting Act 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 urban development business, including building leasing, real estate transactions and others, as well as services related to each of these businesses.

The Group's segments and the business of each segment are shown below:

| Segment name      | Business                                                                                    |
|-------------------|---------------------------------------------------------------------------------------------|
| 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.                                                                           |
| Urban Development | Building leasing, real estate transactions, etc.                                            |
| Other             | Publishing, temporary agency services, leasing of movables, software development, etc.      |

**7. 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

Nippon Broadcasting System, Inc. Chiyoda-ku, Tokyo

Pony Canyon Inc. Minato-ku, Tokyo

Dinos Inc. Nakano-ku, Tokyo

Cecile Co., Ltd. Takamatsu City, Kagawa

The Sankei Building Co., Ltd. Chiyoda-ku, Tokyo

**8. State of employees:**

| Segment name      | Number of employees | Comparison with the end of the previous fiscal year |
|-------------------|---------------------|-----------------------------------------------------|
| Broadcasting      | 1,582               | - 31                                                |
| Production        | 1,345               | + 81                                                |
| Video and Music   | 464                 | - 7                                                 |
| Life Information  | 1,288               | - 213                                               |
| Advertising       | 363                 | - 20                                                |
| Urban Development | 312                 | -                                                   |
| Other             | 537                 | - 6                                                 |
| All-company       | 26                  | + 1                                                 |
| Total             | 5,917               | - 195                                               |

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

**9. Principal lenders:**

| Lender                                       | Balance of borrowings (million yen) |
|----------------------------------------------|-------------------------------------|
| Development Bank of Japan                    | 13,089                              |
| Mizuho Corporate Bank, Ltd.                  | 12,983                              |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd.       | 7,766                               |
| Sumitomo Mitsui Banking Corporation          | 7,362                               |
| Mitsubishi UFJ Trust and Banking Corporation | 2,784                               |
| Mizuho Trust & Banking Co., Ltd.             | 2,200                               |
| Shinsei Bank, Limited                        | 2,200                               |

**II. Matters concerning the shares of the Company**

- Total number of issued shares:** 2,364,298 shares  
(including 22,352 shares of treasury stock)
- Number of shareholders:** 60,352 persons

### 3. Principal shareholders:

| Name of shareholder                                                                        | Number of shares<br>(shares) | Ratio of equity<br>participation<br>(%) |
|--------------------------------------------------------------------------------------------|------------------------------|-----------------------------------------|
| Toho Co., Ltd.                                                                             | 185,721                      | 7.93                                    |
| The Master Trust Bank of Japan, Ltd. (Trust Account)                                       | 135,654                      | 5.79                                    |
| Japan Trustee Services Bank, Ltd. (Trust Account)                                          | 122,554                      | 5.23                                    |
| Nippon Cultural Broadcasting, Inc.                                                         | 77,920                       | 3.33                                    |
| NTT DOCOMO Co., Ltd.                                                                       | 77,000                       | 3.29                                    |
| Kansai Telecasting Corporation                                                             | 61,461                       | 2.62                                    |
| Japan Trustee Services Bank, Ltd. (Trust Account 9)                                        | 55,638                       | 2.38                                    |
| The Master Trust Bank of Japan, Ltd.<br>(Retirement Benefit Trust Account for Dentsu Inc.) | 46,500                       | 1.99                                    |
| State Street Bank and Trust Company 505223                                                 | 43,089                       | 1.84                                    |
| YAKULT HONSHA CO., LTD.                                                                    | 39,690                       | 1.69                                    |

Note: 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 Corporate Auditors, etc.:

(As of March 31, 2013)

| Position                                    | Business in charge                                                                                                               | Name           | Important concurrent office                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chairman and Representative Director (CEO)  |                                                                                                                                  | Hisashi Hieda  | Chairman and Representative Director, Fuji Television Network, Inc.<br>Director and Adviser, Sankei Shimbun Co., Ltd.<br>Director, The Sankei Building Co., Ltd.<br>Director, Kansai Telecasting Corporation<br>Director, Tokai Television Broadcasting Co., Ltd.<br>Director, Television Nishinippon Corporation<br>Director, Hokkaido Cultural Broadcasting Co., Ltd. |
| President and Representative Director (COO) |                                                                                                                                  | Kou Toyoda     | President and Representative Director, Fuji Television Network, Inc.                                                                                                                                                                                                                                                                                                    |
| Senior Executive Vice President             | General Administration and Secretary's Office                                                                                    | Hideaki Ota    | Senior Executive Vice President, Fuji Television Network, Inc.<br>Director, Sankei Shimbun Co., Ltd.<br>Director, Sankei Living Shimbun Inc.<br>Director, Hokkaido Cultural Broadcasting Co., Ltd.                                                                                                                                                                      |
| Executive Vice President                    | Finance                                                                                                                          | Shuji Kanoh    | Executive Vice President, Fuji Television Network, Inc.<br>Director, Nippon Broadcasting System, Inc.<br>Corporate Auditor, Sankei Shimbun Co., Ltd.<br>Corporate Auditor, The Sankei Building Co., Ltd.<br>Director, Kansai Telecasting Corporation<br>Corporate Auditor, TSS-TV Co., Ltd.                                                                             |
| Senior Executive Managing Director          | Corporate Planning                                                                                                               | Shigeru Masuda | Senior Executive Managing Director, Fuji Television Network, Inc.<br>Corporate Auditor, Sankei Living Shimbun Inc.<br>Corporate Auditor, Pony Canyon Inc.<br>Director, Hokkaido Cultural Broadcasting Co., Ltd.                                                                                                                                                         |
| Executive Managing Director                 | Public Relations Dept., Corporate Social Responsibility Office, Corporate Compliance Office, General Affairs and Human Resources | Ryunosuke Endo | Senior Executive Managing Director, Fuji Television Network, Inc.                                                                                                                                                                                                                                                                                                       |

| Position                    | Business in charge | Name              | Important concurrent office                                                                                                                                   |
|-----------------------------|--------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Managing Director |                    | Katsuaki Suzuki   | Senior Executive Managing Director, Fuji Television Network, Inc.<br>Director, Sankei Living Shimbun Inc.                                                     |
| Executive Managing Director |                    | Chihiro Kameyama  | Senior Executive Managing Director, Fuji Television Network, Inc.<br>Director, Pony Canyon Inc.<br>Director, Dinos Inc.<br>Director, Toei Animation Co., Ltd. |
| Executive Managing Director |                    | Toru Ota          | Senior Executive Managing Director, Fuji Television Network, Inc.<br>Director, Pony Canyon Inc.<br>Director, Dinos Inc.                                       |
| Executive Managing Director |                    | Isao Matsuoka     | Honorary Chairman, Toho Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc.                                                               |
| Executive Managing Director |                    | Akihiro Miki      | President and Representative Director, Nippon Cultural Broadcasting, Inc.<br>Executive Managing Director, Fuji Television Network, Inc.                       |
| Executive Managing Director |                    | Taizan Ishiguro   | Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc.                   |
| Executive Managing Director |                    | Masafumi Yokota   | Chairman and Representative Director, Kansai Telecasting Corporation<br>Executive Managing Director, Fuji Television Network, Inc.                            |
| Executive Managing Director |                    | Kazuo Terasaki    | President and Representative Director, Television Nishinippon Corporation<br>Executive Managing Director, Fuji Television Network, Inc.                       |
| Executive Managing Director |                    | Takehiko Kiyohara | Chairman and Director, Sankei Shimbun Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc.<br>Director, The Sankei Building Co., Ltd.      |
| Full-time Corporate Auditor |                    | Kiyoshi Onoe      | Corporate Auditor, Fuji Television Network, Inc.                                                                                                              |
| Full-time Corporate Auditor |                    | Hiroshi Seta      | Corporate Auditor, Fuji Television Network, Inc.                                                                                                              |

| Position          | Business in charge | Name              | Important concurrent office                                                                                                                      |
|-------------------|--------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate Auditor |                    | Yuzaburo Mogi     | Honorary Chairman and Director, and Chairman of the Board of Directors, Kikkoman Corporation<br>Corporate Auditor, Fuji Television Network, Inc. |
| Corporate Auditor |                    | Naoya Minami      | Corporate Auditor, Fuji Television Network, Inc.                                                                                                 |
| Corporate Auditor |                    | Takayasu Okushima | Chairman, Japan High School Baseball Federation<br>Corporate Auditor, Fuji Television Network, Inc.                                              |

Note 1. Executive Managing Director Messrs. Isao Matsuoka, Akihiro Miki, Taizan Ishiguro, Masafumi Yokota, Kazuo Terasaki and Takehiko Kiyohara are outside directors as provided for in Article 2, item 15 of the Companies Act.

Note 2. Corporate Auditor Messrs. Yuzaburo Mogi, Naoya Minami and Takayasu Okushima are outside corporate auditors as provided for in Article 2, item 16 of the Companies Act.

Note 3. Executive Managing Director Messrs. Isao Matsuoka and Akihiro Miki and Corporate Auditors Messrs. Yuzaburo Mogi, Naoya Minami and Takayasu Okushima have been registered with the Tokyo Stock Exchange as independent officers.

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

Note 5. Corporate Auditor Mr. Naoya Minami, who has built up his experience in accounting at Tokyo Electric Power Company, Incorporated, has considerable knowledge of financing and accounting.

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

¥353 million for 17 Directors (including ¥28 million for 6 Outside Directors)

¥54 million for 5 Corporate Auditors (including ¥13 million for 3 Outside Corporate Auditors)

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 Corporate Auditors (as resolved at the 46th Ordinary General Meeting of Shareholders held on June 25, 1987).

Note 2. The above-listed amount of remuneration, etc. includes ¥21 million of bonuses for officers (¥17 million for the Directors and ¥3 million for the Corporate Auditors) to be resolved at the 72nd Ordinary General Meeting of Shareholders.

Note 3. 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 ¥44 million.

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

- (1) State of important concurrent offices of managing directors, etc. of other corporations and the relationships between the Company and such other corporations:

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

Executive Managing Director Mr. Akihiro Miki is concurrently serving as President and Representative Director of Nippon Cultural Broadcasting, Inc., which has no specific relation of interest with the Company.

Executive Managing 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.

Executive Managing Director Mr. Masafumi Yokota is concurrently serving as Chairman and Representative Director of Kansai Telecasting Corporation, which is an equity-method affiliate of the Company.

Executive Managing Director Mr. Kazuo Terasaki is concurrently serving as President and Representative Director of Television Nishinippon Corporation, which has no specific relation of interest with the Company.

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

Corporate Auditor Mr. Yuzaburo Mogi is concurrently serving as Honorary Chairman and Director, and Chairman of the Board of Directors of Kikkoman Corporation, which has no specific relation of interest with the Company.

Corporate Auditor Mr. Takayasu Okushima is concurrently serving as Chairman of Japan High School Baseball Federation, which has no specific relation of interest with the Company.

- (2) State of important concurrent offices of outside officers, etc. of other corporations and the relationships between the Company and such other corporations:

Executive Managing Directors Messrs. Isao Matsuoka, Akihiro Miki, Taizan Ishiguro, Masafumi Yokota and Kazuo Terasaki are concurrently serving as outside Executive Managing Director of Fuji Television Network, Inc.

Executive Managing Director Mr. Takehiko Kiyohara is concurrently serving as outside Executive Managing Director of Fuji Television Network, Inc. and outside

Director of The Sankei Building Co., Ltd., respectively.

Corporate Auditors Messrs. Yuzaburo Mogi, Naoya Minami and Takayasu Okushima are concurrently serving as outside Corporate Auditors of Fuji Television Network, Inc.

Fuji Television Network, Inc. and The Sankei Building Co., Ltd. are consolidated subsidiaries of the Company.

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

Executive Managing 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                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Managing Director<br>Isao Matsuoka   | Mr. Matsuoka attended and spoke at five of the 10 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 a former representative director of a listed movie and drama business corporation. |
| Executive Managing Director<br>Akihiro Miki    | Mr. Miki attended and spoke at nine of the 10 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.                  |
| Executive Managing Director<br>Taizan Ishiguro | Mr. Ishiguro attended and spoke at all of the 10 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.                  |
| Executive Managing Director<br>Masafumi Yokota | Mr. Yokota attended and spoke at nine of the 10 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.                   |
| Executive Managing Director<br>Kazuo Terasaki  | Mr. Terasaki attended and spoke at all of the 10 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.                  |

| Name                                             | Attendance and speech                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Managing Director<br>Takehiko Kiyohara | Mr. Kiyohara attended and spoke at nine of the 10 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 a former representative director of a newspaper business corporation.                                                                                                                                                                  |
| Corporate Auditor<br>Yuzaburo Mogi               | Mr. Mogi attended and spoke at seven of the 10 meetings of the Board of Directors and four of the six meetings of the Board of Corporate 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 a former representative director of a listed corporation.           |
| Corporate Auditor<br>Naoya Minami                | Mr. Minami attended and spoke at all of the 10 meetings of the Board of Directors and all of the six meetings of the Board of Corporate 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 a former representative director of a listed corporation.            |
| Corporate Auditor<br>Takayasu Okushima           | Mr. Okushima attended and spoke at eight of the 10 meetings of the Board of Directors and five of the six meetings of the Board of Corporate 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 a former president of a university and Doctor of Jurisprudence. |

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

In accordance with Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with each of all outside Directors and outside Corporate Auditors to limit the liability for damages as provided for in Article 423, paragraph 1 of the said act. 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

##### **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 Act: ¥34 million

Note: In its audit contract with its accounting auditors, the Company has not established separate categories for audit fees for fees in accordance with the Companies Act and with the Financial Instruments and Exchange Act. 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: ¥177 million

##### **3. 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 Companies Act, the Certified Public Accountant Act or any other law or ordinance or offended public order or morals, then the Board of Corporate Auditors shall deliberate on the dismissal or non-reappointment of the account auditors. If the Board of Corporate Auditors considers the dismissal or non-reappointment appropriate, it shall, pursuant to the Regulations of the Board of Corporate 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 Director 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 Act.

(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**

- (1) 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 Corporate Planning Department of the Company.
- (2) 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. Matters concerning the employees to assist the Corporate Auditors to execute their duties when the Corporate Auditors request the assignment thereof**

The Corporate Auditors of the Company shall appoint the Corporate Auditors' staff pursuant to the Regulations of the Board of Corporate Auditors. The Corporate Auditors' staff shall conduct business concerning the convocation of meetings of the Board of

Corporate Auditors, the preparation of minutes and the administration of the Board of Corporate Auditors and assist the Corporate Auditors to execute their duties. Such business shall be assigned to the 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 Corporate Auditors to execute their duties**

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

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

(1) The Directors and employees of the Company shall report the following matters to the Corporate Auditors or the Board of Corporate 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 Corporate Auditors or the Board of Corporate Auditors. In such case, the General Manager of the Corporate Compliance Office shall report the matter to the Corporate Auditors or the Board of Corporate 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 Corporate Auditors or the Board of Corporate 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 corporate 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 Corporate Auditors or the Board of Corporate 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, 2013)

(million yen)

**ASSETS**

|                                                 |                |
|-------------------------------------------------|----------------|
| <b>Current assets:</b>                          | <b>341,691</b> |
| Cash on hand and in banks .....                 | 42,107         |
| Trade notes and trade accounts receivable ..... | 119,797        |
| Marketable securities.....                      | 98,687         |
| Inventories .....                               | 39,149         |
| Deferred tax assets .....                       | 5,555          |
| Other current assets .....                      | 37,033         |
| Allowance for doubtful accounts .....           | (639)          |
| <b>Fixed assets</b>                             | <b>610,644</b> |
| <b>Tangible fixed assets:</b>                   | <b>317,904</b> |
| Buildings and structures .....                  | 138,755        |
| Machinery, equipment and vehicles .....         | 10,516         |
| Land.....                                       | 158,248        |
| Construction in progress .....                  | 1,921          |
| Other tangible fixed assets .....               | 8,462          |
| <b>Intangible fixed assets:</b>                 | <b>41,556</b>  |
| Goodwill.....                                   | 1,327          |
| Leasehold rights .....                          | 16,896         |
| Software .....                                  | 13,128         |
| Other intangible fixed assets .....             | 10,204         |
| <b>Investments and other assets:</b>            | <b>251,182</b> |
| Investment securities .....                     | 218,873        |
| Deferred tax assets .....                       | 13,594         |
| Other investments and other assets .....        | 20,654         |
| Allowance for doubtful accounts .....           | (1,940)        |
| <b>TOTAL ASSETS</b>                             | <b>952,335</b> |

(million yen)

**LIABILITIES**

**Current liabilities: 160,860**

|                                                                                     |        |
|-------------------------------------------------------------------------------------|--------|
| Trade notes and trade accounts payable .....                                        | 50,237 |
| Short-term borrowings .....                                                         | 28,618 |
| Accrued corporate income taxes, etc.....                                            | 8,169  |
| Allowance for returned goods .....                                                  | 785    |
| Allowance for bonuses for officers .....                                            | 359    |
| Provision for point card certificates .....                                         | 858    |
| Provision for measures associated with the relocation of transmitting station ..... | 1,080  |
| Other current liabilities .....                                                     | 70,751 |

**Long-term liabilities: 223,274**

|                                                   |        |
|---------------------------------------------------|--------|
| Bonds.....                                        | 60,000 |
| Long-term borrowings.....                         | 41,690 |
| Deferred tax liabilities.....                     | 41,870 |
| Deferred tax liabilities upon revaluation .....   | 10,819 |
| Reserve for employee retirement benefits.....     | 45,834 |
| Reserve for officers' retirement gratuities ..... | 1,630  |
| Provision for loss on interest repayment .....    | 40     |
| Provision for environmental measures .....        | 18     |
| Negative goodwill .....                           | 7,039  |
| Other long-term liabilities .....                 | 14,329 |

**TOTAL LIABILITIES 384,135**

**NET ASSETS**

**Shareholders' equity: 544,360**

|                        |         |
|------------------------|---------|
| Paid-in capital.....   | 146,200 |
| Capital surplus .....  | 173,664 |
| Retained earnings..... | 233,723 |
| Treasury stock .....   | (9,228) |

**Accumulated other comprehensive income: 18,923**

|                                                             |         |
|-------------------------------------------------------------|---------|
| Valuation difference on available-for-sale securities ..... | 19,429  |
| Deferred gains or losses on hedges .....                    | 69      |
| Revaluation differences of land .....                       | 2,980   |
| Translation adjustment .....                                | (3,556) |

**Minority interests: 4,915**

**TOTAL NET ASSETS 568,200**

**TOTAL LIABILITIES AND NET ASSETS 952,335**

# CONSOLIDATED STATEMENT OF INCOME

(April 1, 2012 to March 31, 2013)

(million yen)

|                                                                         |         |                |
|-------------------------------------------------------------------------|---------|----------------|
| <b>Net sales</b>                                                        |         | <b>632,029</b> |
| <b>Cost of sales</b>                                                    |         | <b>415,266</b> |
| <b>Gross profit</b>                                                     |         | <b>216,762</b> |
| <b>Selling, general and administrative expenses</b>                     |         | <b>179,153</b> |
| <b>Operating income</b>                                                 |         | <b>37,608</b>  |
| Non-operating income                                                    |         |                |
| Interest income and dividend income                                     | 2,403   |                |
| Equity in earnings of affiliates                                        | 8,469   |                |
| Other income                                                            | 1,919   | 12,792         |
| Non-operating expenses                                                  |         |                |
| Interest expenses                                                       | 2,043   |                |
| Loss on investment associations                                         | 524     |                |
| Sundry loss                                                             | 623     | 3,191          |
| <b>Recurring profit</b>                                                 |         | <b>47,209</b>  |
| Extraordinary gain                                                      |         |                |
| Gain on sales of fixed assets                                           | 669     |                |
| Gain on receipt of fixed assets                                         | 329     |                |
| Gain on negative goodwill                                               | 1,617   |                |
| Others                                                                  | 507     | 3,123          |
| Extraordinary loss                                                      |         |                |
| Impairment loss on fixed assets                                         | 1,529   |                |
| Special retirement benefits                                             | 1,763   |                |
| Loss on measures associated with the relocation of transmitting station | 1,376   |                |
| Others                                                                  | 1,145   | 5,814          |
| <b>Income before income taxes</b>                                       |         | <b>44,518</b>  |
| Income and enterprise taxes                                             | 15,002  |                |
| Adjustment for income taxes                                             | (2,187) | 12,814         |
| <b>Income before minority interests</b>                                 |         | <b>31,703</b>  |
| Minority interests in income                                            |         | 366            |
| <b>Net income</b>                                                       |         | <b>31,337</b>  |

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, ETC.**  
(April 1, 2012 to March 31, 2013)

(million yen)

|                                                                                               | Shareholders' equity |                 |                   |                |                            |
|-----------------------------------------------------------------------------------------------|----------------------|-----------------|-------------------|----------------|----------------------------|
|                                                                                               | Paid-in capital      | Capital surplus | Retained earnings | Treasury stock | Total Shareholders' equity |
| Balance at April 1, 2012                                                                      | 146,200              | 173,664         | 214,135           | (7,355)        | 526,645                    |
| Changes during the year                                                                       |                      |                 |                   |                |                            |
| Distribution of retained earnings                                                             |                      |                 | (11,709)          |                | (11,709)                   |
| Net income                                                                                    |                      |                 | 31,337            |                | 31,337                     |
| Change of treasury stock due to change in equity in affiliates accounted for by equity method |                      |                 |                   | (1,872)        | (1,872)                    |
| Reversal of revaluation differences of land                                                   |                      |                 | 4                 |                | 4                          |
| Change of scope of consolidation                                                              |                      |                 | (5)               |                | (5)                        |
| Increase by merger                                                                            |                      |                 | (37)              |                | (37)                       |
| Net change of items other than shareholders' equity                                           |                      |                 |                   |                | -                          |
| Total changes                                                                                 | -                    | -               | 19,588            | (1,872)        | 17,715                     |
| Balance at March 31, 2013                                                                     | 146,200              | 173,664         | 233,723           | (9,228)        | 544,360                    |

|                                                                                               | Accumulated other comprehensive income                |                                    |                                 |                        |                                              | Minority interests | Total net assets |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------|---------------------------------|------------------------|----------------------------------------------|--------------------|------------------|
|                                                                                               | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Revaluation differences of land | Translation adjustment | Total accumulated other comprehensive income |                    |                  |
| Balance at April 1, 2012                                                                      | 5,080                                                 | 55                                 | (20)                            | (4,491)                | 624                                          | 7,256              | 534,525          |
| Changes during the year                                                                       |                                                       |                                    |                                 |                        |                                              |                    |                  |
| Distribution of retained earnings                                                             |                                                       |                                    |                                 |                        | -                                            |                    | (11,709)         |
| Net income                                                                                    |                                                       |                                    |                                 |                        | -                                            |                    | 31,337           |
| Change of treasury stock due to change in equity in affiliates accounted for by equity method |                                                       |                                    |                                 |                        | -                                            |                    | (1,872)          |
| Reversal of revaluation differences of land                                                   |                                                       |                                    |                                 |                        | -                                            |                    | 4                |
| Change of scope of consolidation                                                              |                                                       |                                    |                                 |                        | -                                            |                    | (5)              |
| Increase by merger                                                                            |                                                       |                                    |                                 |                        | -                                            |                    | (37)             |
| Net change of items other than shareholders' equity                                           | 14,349                                                | 14                                 | 3,001                           | 934                    | 18,299                                       | (2,340)            | 15,958           |
| Total changes                                                                                 | 14,349                                                | 14                                 | 3,001                           | 934                    | 18,299                                       | (2,340)            | 33,674           |
| Balance at March 31, 2013                                                                     | 19,429                                                | 69                                 | 2,980                           | (3,556)                | 18,923                                       | 4,915              | 568,200          |

## 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: 39 companies

Names of major consolidated subsidiaries: Fuji Television Network, Inc.,  
The Sankei Building Co., Ltd. and  
Pony Canyon Inc.

As of April 2, 2012, as a result of the acquisition of additional shares by the Company, NEXTEP TV Workshop Co., Ltd., an equity-method affiliate of the Company, became a wholly owned subsidiary of the Company, which has been made a consolidated subsidiary of the Company.

Fuji Media Service, Inc. ceased to be a consolidated subsidiary of the Company due to its decreased importance as it sold its shares in The Sankei Building Co., Ltd.

- (2) 56 non-consolidated subsidiaries, including FCG Research Institute, 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 Artists Inc.



- (2) Number of affiliates to which the equity method is applied: 15 companies

Names of major affiliates to which the equity method is applied:

Kansai Telecasting Corporation and  
Sankei Shimbun Co., Ltd.

As of April 2, 2012, as a result of the acquisition of additional shares by the Company, NEXTEP TV Workshop Co., Ltd., an equity-method affiliate of the Company, became a wholly owned subsidiary of the Company, which has been made a consolidated subsidiary of the Company.

As of June 1, 2012, the Company acquired additional shares in Kansai Telecasting Corporation and made it an equity-method affiliate of the Company.

- (3) Other subsidiaries and affiliates, including Storia Co., Ltd., Phonics Co., Ltd. and Fuji Television Kids Entertainment, 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:

Held-to-maturity bonds:

Stated at amortized cost (by the straight-line 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 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 Act) 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.)

(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 Act of Japan is applicable.

However, with regard to the building and others 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.

(Change in the accounting policy which is difficult to be differentiated from a change in accounting estimates)

In accordance with revisions to the Corporate Tax Act, as from the fiscal year under review, the Company and its consolidated subsidiaries in Japan changed their accounting policy for tangible fixed assets acquired on or after April 1, 2012 to the depreciation method based on the revised Corporate Tax Act.

The impact of this change on operating income, recurring profit and income before income taxes for the fiscal year under review was insignificant.

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 Act 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 Act, 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 the fiscal year.

Provision for point card certificates:

To meet the payment for points granted to customers for the purpose of sales promotion when they are used, the Company sets aside an amount estimated to be used in the future as of the close of the fiscal year.

Provision for measures associated with the relocation of transmitting station:

To prepare for the implementation of measures associated with the relocation of the transmitting station to TOKYO SKYTREE, the Company sets aside an amount rationally estimated for the measures.

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 the fiscal year, based on the estimated retirement benefit obligations and pension plan assets as of the close of the 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 the fiscal year, pursuant to its internal rules.

Provision for loss on interest repayment:

To meet claims for interest repayment in the future, the Company sets aside an amount estimated to be required, by taking into consideration the actual interest repayments in the past years.

Provision for environmental measures:

To meet the payment for expenses of disposal of polychlorinated biphenyl (PCB) and other wastes, the Company provides an estimated amount of disposal expenses.

(4) 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.

(5) Method of important hedge accounting:

(i) Method of hedge accounting:

The Group uses the deferred method for hedge accounting. The specific allocation method is used to account for exchange contracts that meet the requirements of the method and the exceptional accrual method is used to account for interest rate swaps that meet the requirements for the method.

(ii) Hedging instruments and hedged items:

Foreign currency payables and foreign currency anticipated transactions arising from import of products, and bank loans are hedged items and exchange contracts and interest rate swaps are hedging instruments.

(iii) Hedging policy:

In accordance with its internal rules that provide for authorities concerning derivatives and other matters, the Group hedges risks of foreign exchange and interest rate fluctuations relating to hedged items to a limited extent and not for speculation purposes. The hedged items are identified by their respective agreements.

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

The effectiveness of a hedge is measured by comparing the accumulated amount of difference in a hedging instrument and that of a hedged item.

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.

(6) Method and period of amortization of goodwill and negative goodwill:

Goodwill, and negative goodwill that was accrued on or before March 31, 2010, 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.

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

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

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

## **(Changes in the method of presentation)**

(Consolidated statement of income)

"Gain on sale of fixed assets" (¥18 million for the previous fiscal year), which was included in the item of "Other" under the extraordinary gain in the previous fiscal year, is independently presented as from the fiscal year under review due to its increased significance.

"Loss on impairment of fixed assets" (¥465 million for the previous fiscal year) and "special retirement benefits" (¥33 million for the previous fiscal year), which were included in the item of "Other" under the extraordinary loss in the previous fiscal year, are independently presented as from the fiscal year under review due to their increased significance.

"Loss on step acquisition" (¥87 million for the fiscal year under review), which was independently presented in the previous fiscal year, is presented by inclusion in the item of "Other" under the extraordinary loss as it is insignificant.

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

1. Accumulated depreciation of tangible fixed assets: ¥220,982 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 ¥165 million in buildings and structures and ¥211 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 and secured liabilities:

(1) Assets pledged:

|                          |                |
|--------------------------|----------------|
| Buildings and structures | ¥3,248 million |
| Land                     | ¥2,013 million |
| Total                    | ¥5,261 million |

(2) Secured liabilities:

|                                        |                |
|----------------------------------------|----------------|
| Trade notes and trade accounts payable | ¥88 million    |
| Short-term borrowings                  | ¥500 million   |
| Other current liabilities              | ¥1,293 million |
| Total                                  | ¥1,881 million |

- (3) In addition, consolidated subsidiaries have provided ¥211 million of time deposits and ¥15 million of investment securities to television broadcasting companies, newspaper companies, etc. in substitution for business guarantee deposits.

4. Guarantee obligations:

| Guaranteed        | Guarantee amount<br>(million yen) | Details of guaranteed obligations          |
|-------------------|-----------------------------------|--------------------------------------------|
| SBF – 2 Co., Ltd. | 2,270                             | Guarantee for financial institutions loans |
| Employees         | 739                               | Guarantee for housing loans                |
| Total             | 3,009                             |                                            |

5. Notes receivable and notes payable as of the end of the fiscal year are recorded on the date on which notes are cleared. The following notes maturing on March 31, 2012 remained outstanding then as the settlement date for the fiscal year under review fell on a banking holiday:

|                                                               |                |
|---------------------------------------------------------------|----------------|
| Notes receivable:                                             | ¥663 million   |
| Notes payable:                                                | ¥2,373 million |
| Other current liabilities:<br>(out of business notes payable) | ¥226 million   |

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

1. Total number of issued shares as of March 31, 2013

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 28, 2012 | Shares of common stock | 6,557                                   | 2,800                              | March 31, 2012     | June 29, 2012    |
| Meeting of the Board of Directors held on November 1, 2012     | Shares of common stock | 5,152                                   | 2,200                              | September 30, 2012 | December 4, 2012 |

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

The following resolution is expected to be adopted at the Ordinary General Meeting of Shareholders to be held on June 27, 2013:

| 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 27, 2013 | Shares of common stock | Retained earnings   | 5,152                                   | 2,200                              | March 31, 2013 | June 28, 2013  |

## (Notes on financial instruments)

### 1. Matters concerning the status of financial instruments

#### (1) Policy on dealing in financial instruments:

The Group raises required funds principally through bank loans and bond issues. Floating money is invested in high-security financial assets. The Group uses derivatives to the extent necessary to reduce interest rate risk in respect of interest rate swaps and foreign currency risk in respect of exchange contracts, and has a policy not to conduct speculative trading. To purchase financial instruments combining derivatives the risk of which may be posed on cash financial assets, full discussions shall be devoted internally.



(2) Details of financial instruments and related risks and risk management system:

Trade receivables – trade notes and trade accounts receivable – are exposed to credit risk in relation to customers. With regard to such risk, the Group, in accordance with its customer management rules, periodically monitors the status of trade receivables from its major clients in each business division, fixes a credit limit for each customer and manages the due dates and balances of its trade receivables by client to early detect or reduce credits that may become uncollectable due to the deterioration of its financial position or other reasons.

Marketable securities and investment securities, which principally consist of bonds to invest floating money and shares relating to business and capital alliances with client companies, are exposed to market risk. The Group periodically gains information on the market values and financial standings of the client companies and review the holding of such shares on a continuous basis by taking into consideration the relationships with the client companies.

Substantially all of trade payables – trade notes and trade accounts payable – have payment due dates within one year. With regard to some trade payables relating to imports that are denominated in foreign currencies and are exposed to foreign currency risk, the Group uses exchange contracts to hedge such risk. Borrowings, bonds and lease obligations relating to finance lease transactions, which the Group uses principally to raise funds necessary for capital expenditure, repayment of borrowings and long-term investments and loans, will be redeemed in 11 years maximum after the close of the fiscal year. Certain borrowings with floating interest rates are exposed to interest volatility risk. The Group uses derivatives (interest rate swaps) mostly to hedge such risk, which is relatively small.

Trade payables and borrowings are exposed to liquidity risk. The Group manages such liquidity risk by formulating and revising cash management projections on a timely basis by its treasury management division based on reports from other divisions and departments.

With regard to derivatives, the Company and some consolidated subsidiaries purchase compound instruments combining derivatives, which are exposed to market fluctuation risk and foreign currency risk when due. Some consolidated subsidiaries also use interest rate swaps to hedge risks relating to fluctuations of interest rates on borrowings, and exchange contracts to hedge foreign currency risk involving imports. Contracts on these derivatives are executed by the treasury management division. After approval based on the internal rules, the kinds and transaction amounts thereof are reported to the Board of Directors and the status of transactions and the balance thereof are managed by the treasury management division.

With regard to the hedging instruments and hedged items, hedging policy and method of evaluating the effectiveness of a hedge with regard to hedge accounting, please refer to

"(5) Method of important hedge accounting" described in "Notes to important matters forming the basis of preparation of consolidated financial statements" above.

## 2. Matters concerning fair values, etc. of financial instruments

The following chart shows the amounts for items recorded in the consolidated balance sheet as of March 31, 2013 (the consolidated settlement date for the fiscal year under review), along with their fair values and the differences:

(million yen)

|                                                      | Balance<br>sheet amount | Fair value     | Difference   |
|------------------------------------------------------|-------------------------|----------------|--------------|
| (1) Cash on hand and in banks                        | 42,107                  | 42,107         | -            |
| (2) Trade notes and trade accounts receivable        | 119,797                 | 119,797        | -            |
| (3) Marketable securities and investment securities: |                         |                |              |
| Held-to-maturity bonds                               | 178                     | 186            | 8            |
| Other marketable securities                          | 196,480                 | 196,480        | -            |
| <b>Total assets</b>                                  | <b>358,564</b>          | <b>358,572</b> | <b>8</b>     |
| (1) Trade notes and trade accounts payable           | 50,237                  | 50,237         | -            |
| (2) Short-term borrowings                            | 16,000                  | 16,000         | -            |
| (3) Bonds                                            | 60,000                  | 61,624         | 1,624        |
| (4) Long-term borrowings                             | 54,309                  | 55,288         | 978          |
| <b>Total liabilities</b>                             | <b>180,546</b>          | <b>183,150</b> | <b>2,603</b> |

(Note 1) Matters concerning the calculation method of the fair values of financial instruments, as well as marketable securities and derivatives:

### Assets:

(1) Cash on hand and in banks and (2) Trade notes and trade accounts receivable:

The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

(3) Marketable securities and investment securities:

The fair value of stocks is determined by the price of the stock traded on an exchange. For bonds, the value is determined by the price on an exchange or prices announced by financial institutions with business relationships.

For commercial paper, beneficiary certificates of bond investment trusts (such as MMF) and negotiable deposits, the book value is used, as the fair value is nearly equal to the book value as a result of their short settlement periods.

### Liabilities:

(1) Trade notes and trade accounts payable and (2) Short-term borrowings:

The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

(3) Bonds:

For the bonds issued by the Company and its consolidated subsidiaries that have a market

price, the fair value is calculated based on the market price. For those without a market price, the fair value is calculated from the present value of the total principal and interest discounted at a rate taking into account the remaining period of the bonds and credit risk.

(4) Long-term borrowings:

The fair value of long-term borrowings is calculated from the present value of the total principal and interest discounted at a rate supposing newly conducted similar borrowing. However, for long-term borrowings to which the exceptional accrual method with regard to interest rate swaps is applicable, the fair value is calculated from the present value of the total principal and interest treated together with the interest rate swaps, discounted at a rate supposing newly conducted similar borrowing.

Derivatives:

The derivatives to which the exceptional accrual method with regard to interest rate swaps is applicable are treated together with long-term borrowings as hedged items. Hence, the fair value is presented by inclusion in "(4) Long-term borrowings" as liabilities on the above chart.

For compound instruments combining derivatives the fair value of which can not separately be measured, the fair value is presented by inclusion in "(3) Marketable securities and investment securities" on the above chart.

(Note 2) Financial instruments for which determining the market values is recognized as being extremely difficult:

| Item                                  | Balance sheet amount<br>(million yen) |
|---------------------------------------|---------------------------------------|
| Unlisted shares                       | 79,965                                |
| Investment in investment associations | 25,415                                |
| Others                                | 15,520                                |

These items have no market price and it is impossible to estimate their future cash flow. As determining the market value is recognized as being extremely difficult, they are not included in "(3) Marketable securities and investment securities".

**(Notes on leased and other real estate properties)**

1. Matters concerning the status of leased and other real estate properties

The Company and some of its consolidated subsidiaries hold real estate properties for lease, including office buildings and commercial facilities (with land), in Tokyo, Osaka and Hiroshima.

2. Matters concerning the market value of leased and other real estate properties  
(million yen)

| Balance sheet amount | Fair value |
|----------------------|------------|
| 174,636              | 168,484    |

(Note 1) The consolidated balance sheet amount is the acquisition amount less accumulated depreciation and impairment loss.

(Note 2) The fair value of major properties at the close of the fiscal year under review is an amount based on real-estate appraisals by outside real-estate appraisers. The fair value of other large properties is calculated by each of the Company and the consolidated subsidiaries based on real-estate appraisals by in-house real-estate appraisers. The fair value of other properties is calculated by each of the Company and the consolidated subsidiaries based on the benchmarks considered to properly reflect the market price.

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

|    |                       |             |
|----|-----------------------|-------------|
| 1. | Net assets per share: | ¥243,177.16 |
| 2. | Net income per share: | ¥13,508.82  |

**(Other notes)**

(Impairment loss on fixed assets)

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

| Location, etc.                                           | Usage                    | Category                             | Amount<br>(million yen) |
|----------------------------------------------------------|--------------------------|--------------------------------------|-------------------------|
| Cecile Co., Ltd.<br>Takamatsu City, Kagawa<br>Prefecture | Assets to be disposed of | Building and<br>structures, and land | 1,122                   |
| The Sankei Building Co., Ltd.<br>Chiyoda-ku, Tokyo       | Assets to be disposed of | Building and<br>structures, etc.     | 407                     |

The Group groups the assets to be disposed of in separate items. As each of the above-listed items is planned to be sold or otherwise disposed of, the difference between the book value and the recoverable value thereof is recognized as an impairment loss.

# NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2013)

(million yen)

## ASSETS

|                                                            |                |
|------------------------------------------------------------|----------------|
| <b>Current assets:</b>                                     | <b>142,156</b> |
| Cash on hand and in banks.....                             | 31,370         |
| Marketable securities .....                                | 98,487         |
| Prepaid expenses .....                                     | 200            |
| Income tax refund receivable .....                         | 2,938          |
| Other current assets .....                                 | 9,159          |
| <b>Fixed assets:</b>                                       | <b>510,617</b> |
| <b>Tangible fixed assets:</b>                              | <b>53,566</b>  |
| Buildings .....                                            | 51,083         |
| Structures .....                                           | 173            |
| Machinery and equipment.....                               | 0              |
| Motor vehicles .....                                       | 12             |
| Tools, furniture and fixtures .....                        | 2,226          |
| Land .....                                                 | 70             |
| <b>Intangible fixed assets:</b>                            | <b>14,505</b>  |
| Leasehold rights .....                                     | 14,393         |
| Software .....                                             | 111            |
| Other intangible fixed assets .....                        | 0              |
| <b>Investments and other assets:</b>                       | <b>442,545</b> |
| Investment securities.....                                 | 130,376        |
| Investment in shares of affiliates .....                   | 302,759        |
| Investment in other associated companies' securities ..... | 5,458          |
| Long-term loans .....                                      | 2,032          |
| Long-term prepaid expenses .....                           | 138            |
| Other investments and other assets .....                   | 1,885          |
| Allowance for doubtful accounts .....                      | (104)          |
| <b>TOTAL ASSETS</b>                                        | <b>652,774</b> |

(million yen)

**LIABILITIES**

|                                                |                |
|------------------------------------------------|----------------|
| <b>Current liabilities:</b>                    | <b>148,774</b> |
| Trade accounts payable.....                    | 3,018          |
| Accrued expenses .....                         | 214            |
| Accrued income taxes.....                      | 146            |
| Advance received .....                         | 745            |
| Deposit received .....                         | 144,542        |
| Reserve for bonuses for officers .....         | 21             |
| Other current liabilities .....                | 84             |
| <b>Long-term liabilities:</b>                  | <b>57,903</b>  |
| Bonds .....                                    | 30,000         |
| Deferred tax liabilities .....                 | 15,165         |
| Reserve for employee retirement benefits ..... | 94             |
| Negative goodwill .....                        | 4,267          |
| Guarantee deposit .....                        | 7,420          |
| Other long-term liabilities .....              | 954            |
| <b>TOTAL LIABILITIES</b>                       | <b>206,677</b> |

**NET ASSETS**

|                                                                    |                |
|--------------------------------------------------------------------|----------------|
| <b>Shareholders' equity:</b>                                       | <b>428,055</b> |
| <b>Paid-in capital.....</b>                                        | <b>146,200</b> |
| <b>Capital surplus .....</b>                                       | <b>173,664</b> |
| <b>Capital reserve .....</b>                                       | <b>173,664</b> |
| <b>Retained earnings.....</b>                                      | <b>113,852</b> |
| <b>Earned surplus reserve .....</b>                                | <b>4,385</b>   |
| <b>Other retained earnings .....</b>                               | <b>109,467</b> |
| <b>General reserve .....</b>                                       | <b>98,300</b>  |
| <b>Retained earnings carried forward .....</b>                     | <b>11,167</b>  |
| <b>Treasury stock .....</b>                                        | <b>(5,662)</b> |
| <b>Valuation and translation adjustments:</b>                      | <b>18,041</b>  |
| <b>Valuation difference on available-for-sale securities .....</b> | <b>18,041</b>  |
| <b>TOTAL NET ASSETS</b>                                            | <b>446,096</b> |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                            | <b>652,774</b> |

# NON-CONSOLIDATED STATEMENT OF INCOME

(April 1, 2012 to March 31, 2013)

(million yen)

|                                           |       |               |
|-------------------------------------------|-------|---------------|
| <b>Operating revenue</b>                  |       | <b>20,913</b> |
| <b>Operating expenses</b>                 |       | <b>7,695</b>  |
| <b>Operating income</b>                   |       | <b>13,218</b> |
| <b>Non-operating income</b>               |       |               |
| Interest income and dividend income       | 2,117 |               |
| Write-off of negative goodwill            | 355   |               |
| Other income                              | 332   | 2,806         |
| <b>Non-operating expenses</b>             |       |               |
| Interest expenses                         | 975   |               |
| Loss on investment associations           | 485   |               |
| Sundry loss                               | 23    | 1,484         |
| <b>Recurring profit</b>                   |       | <b>14,540</b> |
| <b>Extraordinary gain</b>                 |       |               |
| Gain on sale of fixed assets              | 661   |               |
| Gain on sale of investment securities     | 17    | 679           |
| <b>Extraordinary loss</b>                 |       |               |
| Valuation losses on investment securities | 90    |               |
| Others                                    | 0     | 91            |
| <b>Income before income taxes</b>         |       | <b>15,127</b> |
| Income and enterprise taxes               | 15    |               |
| Adjustment for income taxes               | 1     | 17            |
| <b>Net income</b>                         |       | <b>15,109</b> |

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

(April 1, 2012 to March 31, 2013)

(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 April 1, 2012                            | 146,200              | 173,664         | 4,385                  | 98,300                  | 7,768                             |
| Changes during the year                             |                      |                 |                        |                         |                                   |
| Distribution of retained earnings                   |                      |                 |                        |                         | (11,709)                          |
| Net income                                          |                      |                 |                        |                         | 15,109                            |
| Net change of items other than shareholders' equity |                      |                 |                        |                         |                                   |
| Total changes                                       | -                    | -               | -                      | -                       | 3,399                             |
| Balance at March 31, 2013                           | 146,200              | 173,664         | 4,385                  | 98,300                  | 11,167                            |

|                                                     | Shareholders' equity |                            | Valuation and translation adjustments                 | Total net assets |
|-----------------------------------------------------|----------------------|----------------------------|-------------------------------------------------------|------------------|
|                                                     | Treasury stock       | Total shareholders' equity | Valuation difference on available-for-sale securities |                  |
| Balance at April 1, 2012                            | (5,662)              | 424,655                    | 4,792                                                 | 429,447          |
| Changes during the year                             |                      |                            |                                                       |                  |
| Distribution of retained earnings                   |                      | (11,709)                   |                                                       | (11,709)         |
| Net income                                          |                      | 15,109                     |                                                       | 15,109           |
| Net change of items other than shareholders' equity |                      | -                          | 13,249                                                | 13,249           |
| Total changes                                       | -                    | 3,399                      | 13,249                                                | 16,649           |
| Balance at March 31, 2013                           | (5,662)              | 428,055                    | 18,041                                                | 446,096          |



## 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 Act) 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 Act 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.

(Change in the accounting policy which is difficult to be differentiated from a change in accounting estimates)

In accordance with revisions to the Corporate Tax Act, as from the fiscal year under review, the Company changed its accounting policy for tangible fixed assets acquired on or after April 1, 2012 to the depreciation method based on the revised Corporate Tax Act.

The impact of this change on operating income, recurring profit and income before income taxes for the fiscal year under review was insignificant.

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 Act of Japan is applicable.

However, 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 the 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 the fiscal year, based on the estimated retirement benefit obligations and pension plan assets as of the close of the 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. Method and period of amortization of negative goodwill:

Negative goodwill that was accrued on or before March 31, 2010 is amortized in equal amounts for specified years not exceeding 20 years according to the cause of the accrual thereof.

5. Accounting treatment of consumption taxes, etc.:

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

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

**(Changes in the method of presentation)**

(Non-consolidated balance sheet)

"Short-term borrowings" (¥4,121 million for the previous fiscal year), which were independently presented in the previous fiscal year, are presented by inclusion in the item of "Other current assets" as they are insignificant.

(Non-consolidated statement of income)

"Loss on impairment of fixed assets" (¥0 million for the fiscal year under review), which was independently presented in the previous fiscal year, is presented by inclusion in the item of "Others" under the extraordinary loss as it is insignificant.

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

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

|                                                         |                  |
|---------------------------------------------------------|------------------|
| Short-term money debts due from associated companies:   | ¥4,129 million   |
| Long-term money debts due from associated companies:    | ¥3,489 million   |
| Short-term money debts payable to associated companies: | ¥144,567 million |
| Long-term money debts payable to associated companies:  | ¥7,354 million   |

2. Accumulated depreciation of tangible fixed assets: ¥73,171 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.

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

Transactions with associated companies:

|                                            |                 |
|--------------------------------------------|-----------------|
| Operating revenue:                         | ¥20,912 million |
| Operating expenses:                        | ¥808 million    |
| Transactions other than ordinary business: | ¥406 million    |

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

Total number of shares of treasury stock as of March 31, 2013:

|                         |               |
|-------------------------|---------------|
| Shares of common stock: | 22,352 shares |
|-------------------------|---------------|

**(Notes on tax effect accounting)**

Principal components of deferred tax assets and deferred tax liabilities:

|                                                                |               |
|----------------------------------------------------------------|---------------|
| (Deferred tax assets)                                          | (million yen) |
| Accrued enterprise taxes                                       | 55            |
| Accrued officers' retirement gratuities                        | 338           |
| Valuation losses on investment securities                      | 6,832         |
| Shares of associated affiliates associated with reorganization | 10,906        |
| Net operating loss carryforward                                | 3,176         |
| Others                                                         | 826           |
| Subtotal of deferred tax assets                                | 22,135        |
| Valuation reserve                                              | (21,841)      |
| Total deferred tax assets                                      | 293           |
|                                                                |               |
| (Deferred tax liabilities)                                     |               |
| Shares of associated affiliates associated with reorganization | 4,654         |
| Valuation difference on available-for-sale securities          | 10,662        |
| Others                                                         | 141           |
| Total deferred tax liabilities                                 | 15,459        |
| Net deferred tax liabilities                                   | 15,165        |

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

**Subsidiaries, etc.**

| Category   | 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>directorate | Receipt of<br>rents                                                                           | 7,068                                  | Advance<br>received<br>Deposit<br>received | 677<br>6,559                            |
| Subsidiary | Fuji Media<br>Services, Inc.        | Minato-ku,<br>Tokyo | 50                             | Acquisition<br>and holding<br>of securities,<br>etc. | Direct<br>100.0%                                                               | Loan of<br>funds;<br>interlocking<br>directorate     | Acquisition of<br>shares of<br>affiliates<br>Collection of<br>loans<br>Receipt of<br>interest | 30,920<br>31,881<br>122                | -                                          | -                                       |

- (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.  
The amount payable for the acquisition of shares of affiliates is determined by taking into consideration the market prices and other factors.  
Interest on a loan of funds is determined by taking into consideration the market interest rate.

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

|                       |             |
|-----------------------|-------------|
| Net assets per share: | ¥190,481.30 |
| Net income per share: | ¥6,451.72   |

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

INDEPENDENT AUDITOR'S REPORT

May 9, 2013

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

Ernst & Young ShinNihon LLC

By Kazuhiro Hara (seal)  
Designated and Limited Engagement Partner  
Certified Public Accountant

By Munetake Kamiyama (seal)  
Designated and Limited Engagement Partner  
Certified Public Accountant

By Kazuhito Shiratori (seal)  
Designated and Limited Engagement 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. (the "Company"), applicable to its consolidated fiscal year from April 1, 2012 to March 31, 2013 pursuant to Article 444, paragraph 4 of the Companies Act of Japan.

Management's Responsibility for Consolidated Financial Statements

The responsibility of the Company's management is to prepare and present properly these consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly these consolidated financial statements free of material misstatement by fraud or error.

Account Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements from an independent standpoint, based on our audit conducted. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to formulate an audit plan and conduct an audit based thereon to obtain reasonable assurance about whether these consolidated financial statements are free of material misstatement.

In an audit, procedures are taken to obtain audit evidence as to the amounts in consolidated financial statements and disclosure thereof. Audit procedures, on our own judgment, are selected and applied based on our risk assessment of material misstatement in the consolidated financial statements by fraud or error. An audit is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, we



assess internal control related to the preparation and proper presentation of these consolidated financial statements to form a plan for adequate audit procedures according to conditions. 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 sufficient and appropriate audit evidence forming a basis for our opinion.

#### Account Auditors' Opinion

In our opinion, the consolidated financial statements referred above present fairly, in all material respects, the financial position and profit and loss of the corporate group comprised of Fuji Media Holdings, Inc. and its consolidated subsidiaries for the period related to the consolidated financial statements in conformity with the corporate accounting standards generally accepted in Japan.

#### Financial Interest

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

- END -

Copy of Account Auditors' Audit Report

INDEPENDENT AUDITORS' REPORT

May 9, 2013

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

Ernst & Young ShinNihon LLC

By Kazuhiro Hara (seal)  
Designated and Limited Engagement Partner  
Certified Public Accountant

By Munetake Kamiyama (seal)  
Designated and Limited Engagement Partner  
Certified Public Accountant

By Kazuhito Shiratori (seal)  
Designated and Limited Engagement 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 supplemental schedules of Fuji Media Holdings, Inc. for the 72nd fiscal year covering the period from April 1, 2012 to March 31, 2013 pursuant to Article 436, paragraph 2, item 1 of the Companies Act of Japan.

Management's Responsibility for Non-Consolidated Financial Statements, etc.

The responsibility of the Company's management is to prepare and present properly these non-consolidated financial statements and their accompanying supplemental schedules in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly these non-consolidated financial statements and their accompanying supplemental schedules free of material misstatement by fraud or error.

Account Auditors' Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and their accompanying supplemental schedules based on our audit conducted. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require us to formulate an audit plan and conduct an audit based thereon to obtain reasonable assurance about whether these non-consolidated financial statements and their accompanying supplemental schedules are free of material misstatement.

In an audit, procedures are taken to obtain audit evidence as to the amounts in non-consolidated financial statements and their accompanying supplemental schedules and disclosure thereof. Audit procedures, on our own judgment, are selected and applied based on our risk assessment of material misstatement in the non-consolidated financial statements and their accompanying supplemental schedules by fraud or error. An audit is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, we assess internal control related to the preparation and proper presentation of these non-consolidated financial statements and their accompanying supplemental schedules to form a plan for adequate audit procedures according to conditions. 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 these non-consolidated financial statements and their accompanying supplemental schedules.

We believe that our audit provides sufficient and appropriate audit evidence forming a basis for our opinion.

#### Account Auditors' Opinion

In our opinion, the non-consolidated financial statements and their accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company for the period related to the non-consolidated financial statements and their accompanying supplemental schedules in conformity with the corporate accounting principles generally accepted in Japan.

#### Financial Interest

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

- END -

Copy of the Board of Corporate Auditors' Audit Report

AUDITORS' REPORT

We, the Board of Corporate Auditors of the Company, based on the audit report prepared by each Corporate Auditor on the performance by the Directors of their duties during the 72nd fiscal year from April 1, 2012 to March 31, 2013, prepared this audit report upon deliberation and hereby report as follows:

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

The Board of Corporate Auditors determined the audit policy, audit plans for the fiscal year under review, etc., received from each Corporate 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 Corporate Auditor, pursuant to the rules of audits by Corporate Auditors determined by the Board of Corporate 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. With regard to 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 Companies Act 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, which are described in the business report, we periodically received from the Directors and employees, etc. reports, demanded their explanations and expressed our opinions whenever necessary, on the state of formulation and operation thereof.

With regard to internal control over financial reporting, we received from the Directors, etc. and Ernst & Young ShinNihon LLC reports, demanded their explanations whenever necessary, on the state of assessment and audit of the internal control. With regard to subsidiaries, we visited each subsidiary to maintain constant communication and exchange information with its executives, corporate auditors, etc. thereof and received from each subsidiary reports on its business operations whenever necessary. In accordance with such methods, we investigated the business report and its accompanying supplemental 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 supplemental schedules, 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 accompanying supplemental 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 descriptions in the business report and the execution by the Directors of their duties concerning such internal control systems, including internal control over financial reporting, contain nothing to be pointed out.

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

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 10, 2013

The Board of Corporate Auditors  
Fuji Media Holdings, Inc.

Kiyoshi Onoe (seal)  
Full-time Corporate Auditor

Hiroshi Seta (seal)  
Full-time Corporate Auditor

Yuzaburo Mogi (seal)  
Corporate Auditor  
(Outside Corporate Auditor)

Naoya Minami (seal)  
Corporate Auditor  
(Outside Corporate Auditor)

Takayasu Okushima (seal)  
Corporate Auditor  
(Outside Corporate Auditor)

- END -

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

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

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

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 provide for the Group's growth and expansion of corporate value under the certified broadcast holding company structure.

Based on the policy of materializing the target payout ratio of 40% on a consolidated basis and taking into consideration factors specific to the consolidated account settlement for the fiscal year under review, the Company hereby proposes to pay year-end dividends for the fiscal year under review as follows:

<Matters concerning year-end dividends>

- (1) Kind of property to be distributed:

Cash

- (2) Matters concerning the allocation of property to be distributed and the aggregate amount thereof:

¥2,200 per share of common stock of the Company

Aggregate amount: ¥5,152,281,200

(Annual dividend: ¥4,400 per share, including ¥2,200 per share in interim dividends)

- (3) Effective date of the distribution of retained earnings:

June 28, 2013

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

1. Reasons for the amendment:

- (1) In view of the purport of the "Action Plan for the Aggregation of Trading Units" (dated November 27, 2007) and the "Decision on Timeline for Transitioning to Trading Units of 100 and 1,000 Shares" (dated January 19, 2012) published by the Japanese stock exchanges with the aim of aggregating the number of a unit of shares (trading unit) into 100 shares, the Company, at the meeting of its Board of Directors held on May 15, 2013, decided, effective October 1, 2013, to implement a share split at the ratio of 100 shares to each share and adopt a unit-of-share system with 100

shares per unit. The Company further decided on an amendment to Article 6 (Total number of issuable shares) of the existing Articles of Incorporation and the addition of Article 7 (Number of shares constituting one unit), based on the provisions of Article 184, paragraph 2 and Article 191 of the Companies Act. (There is no substantive change in the investment unit as a result of this share split and the adoption of a unit-of-share system.)

In accordance with the above amendment, Article 8 (Rights in respect of less-than-one-unit shares) will be newly added to prescribe the rights of shareholders with less-than-one-unit shares who do not have voting rights.

- (2) Further, Article 1 of the Supplementary Provisions will be amended to prescribe the effective date for the addition of Article 8 and the corresponding carrying-down of Article numbers.

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                     |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Articles 1 to 5 (Descriptions omitted)<br>(Total number of issuable shares)                                       | Articles 1 to 5 (Same as existing)<br>(Total number of issuable shares) |
| Article 6. The total number of issuable shares of the Company shall be nine hundred million (900,000,000) shares. | Article 6. (Same as existing)                                           |
| (Number of shares constituting one unit)                                                                          | (Number of shares constituting one unit)                                |
| Article 7. The number of shares constituting one unit of shares of the Company shall be one hundred (100) shares. | Article 7. (Same as existing)                                           |



| Existing Articles of Incorporation                                                                                                                                                                      | Proposed amendment to the Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (Newly established)                                                                                                                                                                                     | <p><u>(Rights in respect of less-than-one-unit shares)</u></p> <p><u>Article 8. Shareholders of the Company can not exercise rights other than those listed below, in respect of their less-than-one-unit shares:</u></p> <p><u>(1) Rights set forth in each item of Article 189, paragraph 2 of the Companies Act;</u></p> <p><u>(2) Rights to make requests pursuant to the provision of Article 166, paragraph 1 of the Companies Act; and</u></p> <p><u>(3) Rights to the allocation of shares offered for subscription and the allocation of stock acquisition rights offered for subscription, in proportion to the numbers of their respective shares.</u></p> |
| Articles <u>8</u> to <u>40</u> (Descriptions omitted)                                                                                                                                                   | Articles <u>9</u> to <u>41</u> (Same as existing)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Supplementary Provisions                                                                                                                                                                                | Supplementary Provisions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Article 1. The amendment to Article 6 <u>and</u> the establishment of Article 7 and the carrying down of the numbers of the Articles associated therewith shall become effective as of October 1, 2013. | Article 1. The amendment to Article 6, the establishment of Article 7 <u>and Article 8</u> and the carrying down of the numbers of the Articles associated therewith shall become effective as of October 1, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Article 2. The preceding Article and this Article shall be deleted as of October 1, 2013.                                                                                                               | Article 2. (Same as existing)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

### Proposition No. 3: Election of 16 Directors

The term of office of all of the (15) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that 16 Directors be elected.

The candidates for Director are as set forth below:

| Candidate No. | Name<br>(Date of birth)                          | Brief history, important concurrent office, position 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] | <p>April 1961      Joined the Company</p> <p>May 1980      General Manager, Programming Department of the Company</p> <p>June 1983      Executive Managing Director and General Manager, Programming Department of the Company</p> <p>June 1986      Senior Executive Managing Director, in charge of Corporate Development Office of the Company</p> <p>June 1988      President and Representative Director of the Company</p> <p>June 1989      Director, The Sankei Building Co., Ltd. (to date)</p> <p>June 1991      Director, Hokkaido Cultural Broadcasting Co., Ltd. (to date)</p> <p>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)</p> <p>June 1994      Director, Kansai Telecasting Corporation (to date)</p> <p>June 2001      Chairman and Representative Director (CEO) of the Company (to date)</p> <p>October 2008   Chairman and Representative Director, Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>Chairman and Representative Director, Fuji Television Network, Inc.<br/>Director and Adviser, Sankei Shimbun Co., Ltd.<br/>Director, The Sankei Building Co., Ltd.<br/>Director, Kansai Telecasting Corporation<br/>Director, Tokai Television Broadcasting Co., Ltd.<br/>Director, Television Nishinippon Corporation<br/>Director, Hokkaido Cultural Broadcasting Co., Ltd.</p> | 1,861 shares                                      |
| 2             | Kou Toyoda<br>(April 28, 1946)<br>[Notes 1, 2]   | <p>April 1971      Joined the Company</p> <p>June 1997      General Manager, Sales Department, Sales Division of the Company</p> <p>June 2001      Executive Managing Director, in charge of Sales of the Company</p> <p>June 2005      Senior Executive Managing Director, in charge of Sales, Network, Business and Intellectual Properties of the Company</p> <p>June 2007      President and Representative Director (COO) of the Company (to date)</p> <p>October 2008   President and Representative Director, Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>President and Representative Director, Fuji Television Network, Inc.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 496 shares                                        |

| Candidate No. | Name<br>(Date of birth)                        | Brief history, important concurrent office, position and business in charge in the Company                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 3             | Hideaki Ota<br>(December 22, 1946)<br>[Note 1] | <p>April 1969<br/>June 1997</p> <p>June 2001</p> <p>June 2003</p> <p>June 2005</p> <p>June 2006</p> <p>June 2007</p> <p>October 2008</p> <p>June 2009</p> <p>October 2009</p> <p>June 2010</p> <p>March 2012</p> | <p>Joined the Company<br/>General Manager, Information Planning Department, Content Creation Division of the Company</p> <p>Executive Officer and General Manager, Information Planning Department of the Company</p> <p>Senior Executive Officer and General Manager, Information Planning Department of the Company</p> <p>Executive Managing Director, in charge of Infotainment and Documentary and Sports; General Manager, Infotainment and Documentary Department of the Company; Director, Hokkaido Cultural Broadcasting Co., Ltd. (to date)</p> <p>Senior Executive Managing Director, in charge of General Affairs, Human Resources, Information System, TV Code Affairs and Corporate Social Responsibility Office of the Company; Director, Sankei Shimbun Co., Ltd. (to date)</p> <p>Executive Vice President, 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; Director, Sankei Living Shimbun Inc. (to date)</p> <p>Executive Vice President, in charge of Corporate Social Responsibility Office, Corporate Compliance Office and Group Corporate of the Company; Executive Vice President, in charge of General Affairs, Human Resources, TV Code Affairs, Corporate Social Responsibility Office and Corporate Compliance Office of Fuji Television Network, Inc.</p> <p>Executive Vice President, in charge of General Affairs, Human Resources, TV Code Affairs, Secretary's Office, Corporate Social Responsibility Office and Corporate Compliance Office of Fuji Television Network, Inc.</p> <p>Executive Vice President, in charge of Secretary's Office, Corporate Social Responsibility Office, Corporate Compliance Office, General Affairs and Human Resources of the Company</p> <p>Executive Vice President in chief, in charge of Secretary's Office, Corporate Social Responsibility Office, Corporate Compliance Office of the Company</p> <p>Executive Vice President in chief, in charge of TV Code Affairs, Secretary's Office, Corporate Social Responsibility Office and Corporate Compliance Office of Fuji Television Network, Inc.</p> <p>Executive Vice President in chief, in charge of TV Code Affairs, Secretary's Office, Corporate Social Responsibility Office, Corporate Compliance Office and Specified Area Business Preparation Office of Fuji Television Network, Inc.</p> | 420 shares                                        |

| Candidate No. | Name<br>(Date of birth)                            | Brief history, important concurrent office, position and business in charge in the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of shares of the Company held by Candidate |
|---------------|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
|               |                                                    | <p>June 2012 Senior Executive Vice President in chief, in charge of Secretary's Office of the Company (to date)<br/>Senior Executive Vice President in chief, in charge of Secretary's Office and Specified Area Business Preparation Office of Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>Senior Executive Vice President , Fuji Television Network, Inc.<br/>Director, Sankei Shimbun Co., Ltd<br/>Director, Sankei Living Shimbun Inc.<br/>Director, Hokkaido Cultural Broadcasting Co., Ltd.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                   |
| 4             | Shuji Kanoh<br>(February 22, 1950)<br>[Notes 1, 3] | <p>April 1972 Joined the Company</p> <p>June 1999 General Manager, Finance Department, Budget Management Division of the Company</p> <p>June 2001 Executive Managing Director, in charge of Finance of the Company;<br/>Corporate Auditor, TSS-TV Co., Ltd. (to date)</p> <p>June 2002 Corporate Auditor, Sankei Shimbun Co., Ltd. (to date)</p> <p>April 2006 Director, Nippon Broadcasting System, Inc. (to date)</p> <p>June 2006 Senior Executive Managing Director, in charge of Finance and Budget Management of the Company</p> <p>June 2007 Corporate Auditor, The Sankei Building Co., Ltd. (to date)</p> <p>June 2008 Director, Kansai Telecasting Corporation (to date)</p> <p>October 2008 Senior Executive Managing Director, in charge of Group Finance of the Company;<br/>Senior Executive Managing Director, in charge of Finance of Fuji Television Network, Inc.</p> <p>June 2009 Senior Executive Managing Director, in charge of Finance and Budget Management of Fuji Television Network, Inc.</p> <p>October 2009 Senior Executive Managing Director, in charge of Finance of the Company</p> <p>June 2011 Executive Vice President, in charge of Finance of the Company (to date);<br/>Executive Vice President, in charge of Finance and Budget Management of Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>Executive Vice President, Fuji Television Network, Inc.<br/>Director, Nippon Broadcasting System, Inc.<br/>Corporate Auditor, Sankei Shimbun Co., Ltd.<br/>Corporate Auditor, The Sankei Building Co., Ltd.<br/>Director, Kansai Telecasting Corporation<br/>Corporate Auditor, TSS-TV Co., Ltd.</p> | 433 shares                                        |

| Candidate No. | Name<br>(Date of birth)                      | Brief history, important concurrent office, position and business in charge in the Company         |                                                                                                                                                                                                                                                                                                                                                                                                                                 | Number of shares of the Company held by Candidate |
|---------------|----------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 5             | Ryunosuke Endo<br>(June 3, 1956)<br>[Note 1] | April 1981                                                                                         | Joined the Company                                                                                                                                                                                                                                                                                                                                                                                                              | 320 shares                                        |
|               |                                              | June 2006                                                                                          | General Manager, Public Relations Department of the Company                                                                                                                                                                                                                                                                                                                                                                     |                                                   |
|               |                                              | June 2007                                                                                          | Executive Managing Director, in charge of Public Relations and General Manager, Public Relations Department of the Company                                                                                                                                                                                                                                                                                                      |                                                   |
|               |                                              | October 2008                                                                                       | Executive Managing Director, in charge of Public Relations Office of the Company;<br>Executive Managing Director, in charge of Public Relations and General Manager, Public Relations Department of Fuji Television Network, Inc.;                                                                                                                                                                                              |                                                   |
|               |                                              | June 2010                                                                                          | Executive Managing Director, in charge of General Affairs, Human Resources and Public Relations Office of the Company (to date);<br>Senior Executive Managing Director, in charge of General Affairs, Human Resources and Public Relations and General Manager, Public Relations Department of Fuji Television Network, Inc.                                                                                                    |                                                   |
|               |                                              | June 2011                                                                                          | Senior Executive Managing Director, in charge of General Affairs, Human Resources and Public Relations of Fuji Television Network, Inc.                                                                                                                                                                                                                                                                                         |                                                   |
|               |                                              | June 2012                                                                                          | Executive Managing Director, in charge of Public Relations Office, Corporate Social Responsibility Office, Corporate Compliance Office, General Affairs and Human Resources of the Company (to date);<br>Senior Executive Managing Director, in charge of TV Code Affairs, Corporate Social Responsibility Office, Corporate Compliance Office, Human Resources and Public Relations of Fuji Television Network, Inc. (to date) |                                                   |
|               |                                              | (Important concurrent office)<br>Senior Executive Managing Director, Fuji Television Network, Inc. |                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                   |

| Candidate No. | Name<br>(Date of birth)                        | Brief history, important concurrent office, position and business in charge in the Company                                                 |                                                                                                                                                                                                                                                                     | Number of shares of the Company held by Candidate |
|---------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 6             | Katsuaki Suzuki<br>(July 30, 1958)<br>[Note 1] | April 1981                                                                                                                                 | Joined the Company                                                                                                                                                                                                                                                  | 341 shares                                        |
|               |                                                | June 2005                                                                                                                                  | General Manager, Programming and Production Department of the Company                                                                                                                                                                                               |                                                   |
|               |                                                | June 2007                                                                                                                                  | Executive Managing Director, in charge of Programming and Production and General Manager, Programming and Production Department of the Company;                                                                                                                     |                                                   |
|               |                                                |                                                                                                                                            | Director, Sankei Living Shimbun Inc. (to date)                                                                                                                                                                                                                      |                                                   |
|               |                                                | October 2008                                                                                                                               | Executive Managing Director of the Company (to date); Executive Managing Director, in charge of Programming and Production, Intellectual Properties and Digital Content and General Manager, Programming and Production Department of Fuji Television Network, Inc. |                                                   |
|               |                                                | June 2009                                                                                                                                  | Executive Managing Director, in charge of Programming and Production and Set Design and Production and General Manager, Programming and Production Department of Fuji Television Network, Inc.                                                                      |                                                   |
|               |                                                | June 2010                                                                                                                                  | Senior Executive Managing Director, in charge of Programming and Production and Set Design of Fuji Television Network, Inc.                                                                                                                                         |                                                   |
|               |                                                | June 2011                                                                                                                                  | Senior Executive Managing Director, in charge of Programming and Production and Set Design of Fuji Television Network, Inc.                                                                                                                                         |                                                   |
|               |                                                | June 2012                                                                                                                                  | Senior Executive Managing Director, in charge of Sales and Affiliate Relations of Fuji Television Network, Inc. (to date)                                                                                                                                           |                                                   |
|               |                                                | (Important concurrent office)<br>Senior Executive Managing Director, Fuji Television Network, Inc.<br>Director, Sankei Living Shimbun Inc. |                                                                                                                                                                                                                                                                     |                                                   |

| Candidate No. | Name<br>(Date of birth)                             | Brief history, important concurrent office, position and business in charge in the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Number of shares of the Company held by Candidate |
|---------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 7             | Chihiro Kameyama<br>(June 15, 1956)<br>[Notes 1, 4] | <p>April 1980      Joined the Company</p> <p>June 2001      General Manager, Programming and Production Department of the Company</p> <p>June 2003      General Manager, Motion Picture Department of the Company</p> <p>June 2005      Director, Pony Canyon Inc. (to date)</p> <p>June 2006      Executive Managing Officer and General Manager, Motion Picture Department of the Company</p> <p>June 2007      Senior Executive Managing Officer and General Manager, Motion Picture Department of the Company</p> <p>October 2008   Senior Executive Managing Officer and General Manager, Motion Picture Department of Fuji Television Network, Inc.</p> <p>June 2010      Executive Managing Director and General Manager, Motion Picture Department of Fuji Television Network, Inc.</p> <p>June 2012      Executive Managing Director of the Company (to date);<br/>Senior Executive Managing Director, in charge of Motion Picture, Business Development &amp; Administration, Content Creation and Distribution of Premium Content Business Group, and General Manager, Motion Picture Department of Fuji Television Network, Inc. (to date);<br/>Director, Dinos Inc. (to date);<br/>Director, Toei Animation Co., Ltd. (to date)</p> <p>(Important concurrent office)<br/>Senior Executive Managing Director, Fuji Television Network, Inc.<br/>Director, Pony Canyon Inc.<br/>Director, Dinos Inc.<br/>Director, Toei Animation Co., Ltd.</p> | 118 shares                                        |
| 8             | Toru Ota<br>(November 3, 1958)<br>[Note 1]          | <p>April 1981      Joined the Company</p> <p>June 2007      Executive Managing Officer and General Manager in charge of Drama Programming Department, Programming and Production Department of the Company</p> <p>October 2008   Executive Managing Officer and General Manager in charge of Drama Programming Department, Programming and Production Department of Fuji Television Network, Inc.</p> <p>June 2009      Executive Managing Officer and General Manager, Digital Contents Department of Fuji Television Network, Inc.</p> <p>June 2010      Executive Managing Officer and General Manager, Creative Business Department of Fuji Television Network, Inc.</p> <p>June 2011      Director, Pony Canyon Inc. (to date)</p> <p>June 2012      Executive Managing Director of the Company (to date);<br/>Senior Executive Managing Director, in charge of Programming and Production and Art Design of Fuji Television Network, Inc. (to date);<br/>Director, Dinos Inc. (to date)</p> <p>(Important concurrent office)<br/>Senior Executive Managing Director, Fuji Television Network, Inc.<br/>Director, Pony Canyon Inc.<br/>Director, Dinos Inc.</p>                                                                                                                                                                                                                                                                                       | 29 shares                                         |

| Candidate No. | Name<br>(Date of birth)                                         | Brief history, important concurrent office, position and business in charge in the Company                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Number of shares of the Company held by Candidate |
|---------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 9             | Isao Matsuoka<br>(December 18, 1934)<br>[Notes 1, 5, 6, 12, 13] | March 1970<br>August 1974<br>May 1976<br><br>May 1977<br><br>December 1988<br>May 1995<br><br>October 2008<br><br>May 2009<br>(Important concurrent office)<br>Honorary Chairman, Toho Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc.                                                                       | 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>Executive Managing Director of the Company (to date)<br>Chairman and Representative Director, Toho Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc. (to date)<br>Honorary Chairman, Toho Co., Ltd. (to date)<br>(Important concurrent office)<br>Honorary Chairman, Toho Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc.                                                                                                                                                                                                                                                                        | 600 shares                                        |
| 10            | Akihiro Miki<br>(July 15, 1947)<br>[Notes 1, 5, 7, 12, 13]      | June 2001<br><br>June 2004<br><br>June 2007<br><br>June 2009<br><br>(Important concurrent office)<br>President and Representative Director, Nippon Cultural Broadcasting Inc.<br>Executive Managing Director, Fuji Television Network, Inc.                                                                                          | Director and General Manager, Programming Department of Nippon Cultural Broadcasting Inc.<br>Managing Director and General Manager, Sales Department of Nippon Cultural Broadcasting Inc.<br>President and Representative Director, Nippon Cultural Broadcasting Inc. (to date)<br>Executive Managing Director of the Company (to date);<br>Executive Managing Director, Fuji Television Network, Inc. (to date)<br>(Important concurrent office)<br>President and Representative Director, Nippon Cultural Broadcasting Inc.<br>Executive Managing Director, Fuji Television Network, Inc.                                                                                                                                                                                                                                                      | 0 share                                           |
| 11            | Taizan Ishiguro<br>(May 19, 1932)<br>[Notes 1,5, 8, 12]         | June 1985<br>July 1989<br><br>June 1995<br><br>June 1997<br><br>June 1999<br><br>June 2001<br><br>June 2006<br><br>June 2007<br><br>October 2008<br><br>(Important concurrent office)<br>Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc. | Director, Tokai Television Broadcasting Co., Ltd.<br>Managing Director, Tokai Television Broadcasting Co., Ltd.<br>Senior Managing Director, Tokai Television Broadcasting Co., Ltd.<br>Vice President and Director, Tokai Television Broadcasting Co., Ltd.<br>Vice President and Representative Director, Tokai Television Broadcasting Co., Ltd.<br>President and Representative Director, Tokai Television Broadcasting Co., Ltd.<br>Executive Managing Director of the Company (to date)<br>Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd. (to date)<br>Executive Managing Director, Fuji Television Network, Inc. (to date)<br>(Important concurrent office)<br>Chairman and Representative Director, Tokai Television Broadcasting Co., Ltd.<br>Executive Managing Director, Fuji Television Network, Inc. | 75 shares                                         |



| Candidate No. | Name<br>(Date of birth)                                         | Brief history, important concurrent office, position and business in charge in the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Number of shares of the Company held by Candidate |
|---------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 12            | Masafumi Yokota<br>(March 18, 1936)<br>[Notes 1, 5, 9, 12]      | <p>June 1994 Director and General Manager, General Affairs Department of Kansai Telecasting Corporation</p> <p>June 1996 Managing Director, Kansai Telecasting Corporation</p> <p>June 1998 Senior Managing Director, Kansai Telecasting Corporation</p> <p>June 2000 Full-time Corporate Auditor, Kansai Telecasting Corporation</p> <p>June 2008 Chairman and Representative Director, Kansai Telecasting Corporation (to date)</p> <p>June 2009 Executive Managing Director of the Company (to date);<br/>Executive Managing Director, Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>Chairman and Representative Director, Kansai Telecasting Corporation<br/>Executive Managing Director, Fuji Television Network, Inc.</p>                                                                                                                                                                                                                                                                                            | 35 shares                                         |
| 13            | Kazuo Terasaki<br>(August 8, 1940)<br>[Notes 1, 5, 10, 12]      | <p>June 1997 Director, Television Nishinippon Corporation</p> <p>June 1999 Managing Director, Television Nishinippon Corporation</p> <p>June 2003 Senior Managing Director, Television Nishinippon Corporation</p> <p>June 2005 President and Representative Director, Television Nishinippon Corporation (to date)</p> <p>June 2010 Executive Managing Director of the Company (to date);<br/>Executive Managing Director, Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>President and Representative Director, Television Nishinippon Corporation<br/>Executive Managing Director, Fuji Television Network, Inc.</p>                                                                                                                                                                                                                                                                                                                                                                                                     | 0 share                                           |
| 14            | Takehiko Kiyohara<br>(October 31, 1937)<br>[Notes 1, 5, 11, 12] | <p>June 1990 Director, in charge of Editorial and Chief Editorial Writer, Sankei Shimbun Co., Ltd.</p> <p>June 1992 Managing Director, in charge of Editing and Editorial and General Manager, Tokyo Editorial Office, Sankei Shimbun Co., Ltd.</p> <p>June 1994 Senior Managing Director, in charge of Editing, Editorial and Just Arguments, Sankei Shimbun Co., Ltd.</p> <p>June 1997 President and Representative Director, Sankei Shimbun Co., Ltd.</p> <p>June 1998 Director, The Sankei Building Co., Ltd. (to date)</p> <p>June 2004 Chairman and Representative Director, Sankei Shimbun Co., Ltd.</p> <p>June 2005 Executive Managing Director of the Company (to date)</p> <p>October 2008 Executive Managing Director, Fuji Television Network, Inc. (to date)</p> <p>June 2011 Chairman and Director, Sankei Shimbun Co., Ltd. (to date)</p> <p>(Important concurrent office)<br/>Chairman and Director, Sankei Shimbun Co., Ltd.<br/>Executive Managing Director, Fuji Television Network, Inc.<br/>Director, The Sankei Building Co., Ltd.</p> | 111 shares                                        |

| Candidate No. | Name<br>(Date of birth)                             | Brief history, important concurrent office, position and business in charge in the Company |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Number of shares of the Company held by Candidate |
|---------------|-----------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 15            | Takashi Wagai<br>(October 6, 1952)<br>[Notes 1, 14] | May 1986<br>June 2009<br>June 2011<br>June 2012                                            | Joined the Company<br>General Manager, Information System Department of Fuji Television Network, Inc.<br>General Manager, General Affairs Department of the Company (to date);<br>General Manager, General Affairs Department of Fuji Television Network, Inc.<br>Executive Managing Director, in charge of General Affairs of Fuji Television Network, Inc. and General Manager, General Affairs Department of the Company (to date)<br>(Important concurrent office)<br>Executive Managing Director, Fuji Television Network, Inc. | 21 shares                                         |
| 16            | Osamu Kanemitsu<br>(October 28, 1954)<br>[Note 1]   | April 1983<br>June 2009<br>June 2011<br>June 2012                                          | Joined the Company<br>General Manager, Management Planning Department of Fuji Television Network, Inc.<br>General Manager, Corporate Planning Department of the Company<br>Executive Managing Officer and General Manager, Corporate Planning Department of the Company (to date);<br>Executive Managing Officer and General Manager, Corporate Planning Department of Fuji Television Network, Inc. (to date)                                                                                                                       | 22 shares                                         |

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

[Note 2] Mr. Kou Toyoda will retire from the office of President and Representative Director of Fuji Television Network, Inc. and assume the office of Vice Chairman and Director of Fuji Television Network, Inc. as of June 27, 2013.

[Note 3] Mr. Shuji Kanoh will retire from the office of Executive Vice President of Fuji Television Network, Inc. as of June 27, 2013.

[Note 4] Mr. Chihiro Kameyama will retire from the office of Senior Executive Managing Director of Fuji Television Network, Inc. and assume the office of President and Representative Director of Fuji Television Network, Inc. as of June 27, 2013.

[Note 5] Messrs. Isao Matsuoka, Akihiro Miki, Taizan Ishiguro, Masafumi Yokota, Kazuo Terasaki and Takehiko Kiyohara are candidates for outside Director.

[Note 6] Management expects Mr. Isao Matsuoka to use his wide experience and expertise as a former representative director 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 24 years and six months at the close of this General Meeting of Shareholders.

[Note 7] Management expects 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. He will have served as

outside Director of the Company for four years at the close of this General Meeting of Shareholders.

- [Note 8] Management expects Mr. Taizan Ishiguro 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. He will have served as outside Director of the Company for seven years at the close of this General Meeting of Shareholders.
- [Note 9] Management expects Mr. Masafumi 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. 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 Kansai Telecasting Corporation, which is a company having specific relationships with the Company.
- [Note 10] Management expects Mr. Kazuo Terasaki 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. He will have served as outside Director of the Company for three years at the close of this General Meeting of Shareholders. He will retire from the office of President and Representative Director of Television Nishinippon Corporation and assume the office of Chairman and Representative Director of Television Nishinippon Corporation as of June 25, 2013.
- [Note 11] Management expects Mr. Takehiko Kiyohara to use his wide experience and expertise as a former 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 eight 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 12] Each of outside Directors of the Company Messrs. Isao Matsuoka, Akihiro Miki, Taizan Ishiguro, Masafumi Yokota, Kazuo Terasaki and Takehiko Kiyohara has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with the Company to limit the liability for damages as provided for in Article 423, paragraph 1 of the said act. 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 13] Messrs. Isao Matsuoka and Akihiro Miki have met the requirements for independent officers obligated by the Tokyo Stock Exchange to be designated.
- [Note 14] Mr. Takashi Wagai will retire from the office of Executive Managing Director of Fuji Television Network, Inc. as of June 27, 2013.

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

The term of office of Corporate Auditors Messrs. Kiyoshi Onoe, Hiroshi Seta and Takayasu Okushima will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that three Corporate Auditors be elected.

The Board of Corporate Auditors has consented to this proposition.

The candidates for Corporate Auditor are as set forth below:

| Candidate No. | Name<br>(Date of birth)                      | Brief history, important concurrent office and position 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                                                                                                                         | 627 shares                                        |
|               |                                              | June 1987                                                                         | General Manager, Technical Department of the Company                                                                                       |                                                   |
|               |                                              | June 1989                                                                         | Executive Managing Director, in charge of Technical and System Development Office and General Manager, Technical Department of the Company |                                                   |
|               |                                              | June 1992                                                                         | Senior Executive Managing Director, in charge of Executive Offices, General Affairs, Human Resources and Technical of the Company          |                                                   |
|               |                                              | June 1997                                                                         | Executive Vice President, in charge of President Office and General Manager, Administration Division of the Company                        |                                                   |
|               |                                              | June 1999                                                                         | Senior Executive Vice President and Representative Director of the Company                                                                 |                                                   |
|               |                                              | June 2001                                                                         | Adviser and Executive Managing Director of the Company                                                                                     |                                                   |
|               |                                              | June 2003                                                                         | Vice Chairman and Executive Managing Director of the Company                                                                               |                                                   |
|               |                                              | June 2005                                                                         | Full-time Corporate Auditors of the Company (to date)                                                                                      |                                                   |
|               |                                              | October 2008                                                                      | Corporate Auditor of Fuji Television Network, Inc. (to date)                                                                               |                                                   |
|               |                                              | (Important concurrent office)<br>Corporate Auditor, Fuji Television Network, Inc. |                                                                                                                                            |                                                   |

| 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]         | <p>April 1969      Joined the Company</p> <p>June 2003      Executive Managing Officer and General Manager, Executive Offices of the Company</p> <p>June 2005      Deputy Senior Executive Managing Officer and General Manager, Executive Offices of the Company</p> <p>June 2006      Senior Executive Managing Officer and General Manager, Executive Offices of the Company</p> <p>June 2007      Managing Director, in charge of Executive Offices and International of the Company</p> <p>October 2008    Executive Managing Director, in charge of Executive Offices of the Company;<br/>Senior Executive Managing Director, in charge of Executive Offices and International Department of Fuji Television Network, Inc.</p> <p>June 2009      Full-time Corporate Auditor of the Company (to date);<br/>Corporate Auditor of Fuji Television Network, Inc. (to date)</p> <p>(Important concurrent office)<br/>Corporate Auditor, Fuji Television Network, Inc.</p> | 297 shares                                        |
| 3             | Takayasu Okushima<br>(April 16, 1939)<br>[Notes 1,2, 3] | <p>April 1976      Professor, Faculty of Law, Waseda University</p> <p>September 1990    Dean of Faculty of Law, Waseda University</p> <p>November 1994    President, Waseda University</p> <p>November 2002    Scholarly Adviser, Waseda University</p> <p>April 2004      Professor, Department of Legal Studies, Graduate School, Waseda University</p> <p>November 2008    Chairman, Japan High School Baseball Federation (to date)</p> <p>June 2009      Corporate Auditor of the Company (to date);<br/>Corporate Auditor of Fuji Television Network, Inc. (to date);</p> <p>November 2010    Honorary Adviser, Waseda University (to date)</p> <p>(Important concurrent office)<br/>Chairman, Japan High School Baseball Federation<br/>Corporate Auditor, Fuji Television Network, Inc.</p>                                                                                                                                                                        | 7 share                                           |

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

[Note 2] Mr. Takayasu Okushima is a candidate for outside Corporate Auditor. Management

expects him to use his wide experience and expertise as a president of a university and a doctor of jurisprudence for the audit system of the Company and proposes to elect him as outside Corporate 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 Corporate Auditor. He will have served as outside Corporate Auditor of the Company for four years at the close of this General Meeting of Shareholders. He has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with the Company to limit the liability for damages as provided for in Article 423, paragraph 1 of the said act. 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 3] Mr. Takayasu Okushima has met the requirements for independent officers obligated by the Tokyo Stock Exchange to be designated.

#### **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 ¥21,137,000 (¥17,337,000 for Directors (including ¥3,000,000 for outside Directors) and ¥3,800,000 for Corporate Auditors) be paid to 15 Directors (including six outside Directors) and five Corporate Auditors in office as of March 31, 2013.

- 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) 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.
- (3) Any exercise of voting rights via the Internet will be acceptable no later than 5:30 p.m., Wednesday, June 26, 2013. However, for the expedient counting of the voting rights exercised, it would be appreciated if you could exercise your voting rights early.
- (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:

- ◎ PC: Windows<sup>®</sup>-based  
(Not accessible via PDAs, mobile phones or gaming machines)
- ◎ Browser: Microsoft<sup>®</sup> Internet Explorer ver.5.5 or above
- ◎ Internet environment: Internet-capable environment through contracts with Internet service providers
- ◎ 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 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 inquiries:

- (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)