

(Translation)

Securities Code: 4676
June 12, 2023
(Start date for measures for
electronic provision: June 1, 2023)

To the Shareholders:

NOTICE OF THE 82ND ORDINARY GENERAL MEETING
OF SHAREHOLDERS

Dear Shareholders:

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

Please take notice that the 82nd Ordinary General Meeting of Shareholders of Fuji Media Holdings, Inc. (the “Company”) will be held as described below.

The Company has taken measures for electronic provision of materials for notice of this General Meeting of Shareholders, and matters regarding measures for electronic provision are posted as “Notice of the 82nd Ordinary General Meeting of Shareholders” on the website below.

Website of the Company <https://www.fujimediahd.co.jp/en/index.html>

Access the above website and click on “Investor Relations” and then “Shareholders’ Meeting.”

In addition to the above, the matters regarding measures for electronic provision are also posted on the website below.

Website of Tokyo Stock Exchange

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Access the above website, enter the company name or securities code, and perform a search. Select “Basic information” and then “Documents for public inspection/PR information” to view the materials.

In lieu of attending the meeting in person, you may exercise your voting rights in writing or via the Internet. Please go over the Reference Documents for the General Meeting of Shareholders set forth below and exercise your voting rights by 5:30 p.m. on June 27 (Tuesday), 2023, Japan time.

Yours very truly,

Masaki Miyauchi,
Chairman and Representative Director

Fuji Media Holdings, Inc.

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

Description

1. Date and hour:

June 28 (Wednesday), 2023, at 10:00 a.m. (Reception will start at 9:00 a.m.)

2. Place:

Forum on 22nd Floor of Office Tower of Fuji Media Holdings, Inc.
4-8, 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 Audit & Supervisory Committee for the 82nd fiscal year (from April 1, 2022 to March 31, 2023)
2. Report on the non-consolidated financial statements for the 82nd fiscal year (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

<Company proposals (No. 1 to No. 5)>

Proposition No. 1: Appropriation of retained earnings

Proposition No. 2: Partial amendments to the Articles of Incorporation

Proposition No. 3: Election of eleven (11) Directors (excluding Directors who are Audit & Supervisory Committee Members)

Proposition No. 4: Election of three (3) Directors who are Audit & Supervisory Committee Members

Proposition No. 5: Election of one (1) Substitute Director who is an Audit & Supervisory Committee Member

<Shareholder proposals (No. 6 and No. 7)>

Proposition No. 6: Partial amendments to the Articles of Incorporation (stipulations regarding the creation of Nomination and Compensation Committees)

Proposition No. 7: Election of one (1) Director (excluding Director who is an Audit & Supervisory Committee Member)

4. Exercise of voting rights:

The summary of the exercise of voting rights is described in the “Information on the Methods of Exercise of Voting Rights” below.

Please kindly note that no souvenir for shareholders present at this 82nd Ordinary General Meeting of Shareholders of the Company will be provided.

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## Notice

- The Reference Documents for the General Meeting of Shareholders have been sent to shareholders who have not requested the delivery of the paper-based materials.
- In accordance with applicable laws and ordinances and Article 16 of the Articles of Incorporation, the paper-based materials sent to shareholders who have requested the delivery do not include the following matters. Accordingly, these are part of the documents that have been audited by the Audit & Supervisory Committee and the account auditors in preparing their respective audit reports.
  - “Systems to Secure the Properness of Business Activities and the Status of Implementation of the Systems” of the business report
  - “Notes to Consolidated Financial Statements” of the consolidated financial statements and “Notes to Non-Consolidated Financial Statements.” of the non-consolidated financial statements
- In the event of the revision of any matter in matters regarding measures for electronic provision, the revision will be posted on each website where such information is available.
- We may ask for your cooperation in wearing a face mask or disinfecting your hands with alcohol at the venue, depending on the spread of COVID-19. If you are found to have a fever or thought to be in poor health, please refrain from attending the meeting in person.
- If there are any major changes to the holding or operation of this General Meeting of Shareholders as a result of the spread of COVID-19 or any other unforeseen circumstances such as natural disasters, notice will be posted to the Company website.

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Requesting to receive the convocation notice in printed form

If you wish to receive the notice of convocation of the General Meeting of Shareholders in printed form*, please log into the convocation notice mailing reception website by entering the login ID and password below and issue a request.

* The contents will be identical to those we will send to shareholders requesting the delivery of the paper-based materials.

1. Convocation notice mailing reception website (in Japanese): <https://d.srdb.jp/4676/2306/>
2. **Reception period: from 0 a.m. on June 1 (Thursday), 2023 to 11:59 p.m. on June 22 (Thursday), 2023**
3. How to issue a request
 - (i) Access the website above and enter your login ID and password* to log in.
 - * Login ID: Shareholder number indicated on the voting form
 - Password: Postal code (without hyphen) indicated on the voting form
 - * If you have issued a change of address notification after the end of March, please enter the postal code for the address you were registered at as of March 31.
 - (ii) After logging in, enter the address you wish the materials to be sent to, your name, and your email address, and click “Confirm.”
 - (iii) The content registered in step (ii) will be sent to the email address that you entered, so, click the confirmation URL.
 - * **The registration process will not be completed until you click the**

confirmation URL in the email, so do not forget to check for this email.

* If any of the registered information is correct, please start over again from step (i).

(iv) A rough estimate of when the documents will arrive will be shown on the reception completion screen, and a reception completion email will be sent. The documents will then be sent to the address you entered.

* If you have already issued one request, you cannot issue another request.

* If the email address is incorrect, the registration confirmation email will not arrive.

Always check that the email address you enter is correct before registering it.

* Registration confirmation emails may not arrive in some cases due to spam filters, etc. Make sure that your email account can receive emails from the “@srdb.jp” domain.

* The information you provide will not be used for any other purpose.

If you wish to receive in paper-based materials for subsequent General Meeting of Shareholders as well, have your securities company or the shareholder registry administrator carry out the “Paper-based Material Request” procedures.

Information on the Methods of Exercise of Voting Rights

Exercise of voting rights via the Internet

Deadline: Must reach us no later than 5:30 p.m., June 27 (Tuesday), 2023

Please access the website for the exercise of voting rights specified by the Company and exercise your voting rights for the approval or disapproval of the propositions by the deadline. (Please refer to page 7 for details.)

“Smart Exercise”

By scanning the “QR code to log in to the smartphone website for the exercise of voting rights” shown in the enclosed voting form, you can access the website without entering a “code for the exercise of voting rights” or “password.”

* You can only exercise your vote once through the method above.

A portion of the postage that is to be reduced by means of “Smart Exercise” will be used for cherry tree-planting activities.

In support of the aims of the “Fukushima-Hamakaido Sakura Project” that started in Fukushima Prefecture after it suffered the Great East Japan Earthquake and the ensuing tsunami as well as the effects of radiation, the Company has continued to provide support to this project since 2013.

If you use the Smart Exercise to exercise your voting rights, a portion of the reduced postage will be used for this activity.

The use of the Smart Exercise by shareholders will lead to rows of cherry trees that we all can be proud to show the world. Your use of the Smart Exercise is appreciated.

Exercise of voting rights by mail

Deadline: Must reach us no later than 5:30 p.m., June 27 (Tuesday), 2023

Please return to us by mail the enclosed voting form indicating your approval or disapproval of the propositions by the deadline.

If you exercise your voting rights by mail, please note that it may take longer than usual for the mail to arrive. We would appreciate it if you could post the mail as early as possible.

When attending the meeting

Date and hour of the general meeting of shareholders:

June 28 (Wednesday), 2023, at 10:00 a.m.
(Reception will start at 9:00 a.m.)

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

How to read a QR code with “Smart Exercise”

You can log in to the website for the exercise of voting rights without entering your code for the exercise of voting rights or password.

1. Please scan the QR code shown in the lower right of the voting form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Hereafter, please follow the instructions on the screen and enter your approval or disapproval.

If you want to vote “Yes” to all Company proposals and “No” to all shareholder proposals, click ““Yes” to all Company proposals.”

You can only exercise your vote **once** with “Smart Exercise.”

If you wish to change your vote after exercising your voting rights, please access the PC website, enter your “code for the exercise of voting rights” and “password” stated on the voting form to log in, and exercise your voting rights again.

* You can access the PC website by scanning the QR code again.

How to enter your voting exercise code and password

1. Access the website for the exercise of voting rights

Website for the exercise of voting rights: <https://soukai.mizuho-tb.co.jp/>
Click “Proceed”

2. Log in

Enter the “code for the exercise of voting rights” and click “Proceed”

Hereafter, please follow the instructions on the screen and enter an approval or disapproval.

* The “code for the exercise of voting rights” and the “password” are printed in the enclosed voting form.

To institutional investors:

The “ICJ Platform,” a platform for electronic exercise of voting rights for institutional investors operated by ICJ Inc., is also available.

If you are unsure how to operate a computer, smartphone, or mobile phone when exercising your voting rights via the Internet, please contact the following contact point.

Internet Help Line of Mizuho Trust & Banking Co., Ltd., Stock Transfer Agency Department

Tel: **0120-768-524**

Office hours: 9:00 – 21:00

Information on Exercise of Voting Rights

(1) 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 thereof if it is a Company proposal and for a disapproval thereof if it is a shareholder proposal.

(2) 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 via the Internet or otherwise or by a voting form, the latest exercise thereof shall be treated as effective.

(3) 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.

(4) 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 of this General Meeting of Shareholders.

Contact for inquires

If you have any question, please contact the administrator of shareholder registry **Mizuho Trust & Banking Co., Ltd., Stock Transfer Agency Department** (as listed below):

(1) Inquiries about operations, etc. of the website for the exercise of voting rights:

Tel: **0120-768-524** (toll-free)

Office hours: 9:00 – 21:00

(2) Inquiries about other than those in item (1) above:

Tel: **0120-288-324** (toll-free)

Office hours: 9:00 – 17:00 on weekdays

REFERENCE DOCUMENTS FOR GENERAL MEETING OF SHAREHOLDERS

Propositions and explanatory information:

<Company proposals (No. 1 to No. 5)>

Propositions No. 1 to No. 5 are Company proposals.

<Company proposals>

Proposition No. 1: Appropriation of retained earnings

The Company regards the redistribution of profits to its shareholders as one of its most important management responsibilities. The Company's basic policy, under the certified broadcast holding company structure, is to provide distributions to its shareholders commensurate with performance, while making proactive investments for the growth of the Group's businesses, and entry into new business fields, in order to enhance its corporate value.

The Company's policy regarding the distribution of retained earnings is to determine the disbursement based on a target of a payout ratio of 40% on a consolidated basis, with consideration to the stability of dividends from the standpoint of emphasizing the redistribution of profits to its shareholders. Based on this policy, the Company hereby proposes to pay a commemorative dividend to mark the 15th anniversary of the Company's conversion into a certified broadcast holding company and the 65th anniversary of Fuji Television Network, Inc. in addition to ordinary dividend and to pay the year-end dividend for the 82nd fiscal year 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:

¥30 per share of common stock of the Company (ordinary dividend of ¥20, commemorative dividend of ¥10)

Aggregate amount: ¥ 6,760,639,980

(Annual dividend: ¥50 per share, including ¥20 per share in interim dividends)

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

June 29, 2023

<Company proposals>

Proposition No. 2: Partial amendments to the Articles of Incorporation

1. Reasons for proposal

The “Act Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts” (Act No. 70 of 2021) was enforced on June 16, 2021. The Act allows listed companies, when stipulated in their Articles of Incorporation, to hold a General Meeting of Shareholders with no designated location (hereinafter the “Virtual-only Meeting of Shareholders”) under certain conditions. In response to such amendment, the Company hereby proposes to amend Article 13 of the current Articles of Incorporation. The Company believes that it is in the interest of all shareholders to increase the choices of holding a General Meeting of Shareholders since it will make it easier for many shareholders, including shareholders in remote areas, to attend the meeting, which will lead to the vitalization, efficiency improvement, and facilitation of the meeting, and the Company also keeps in mind such factors as large-scale disasters including infectious diseases and natural disasters, and the progress of digitalization of society as a whole. In making this amendment, the Company has obtained confirmation from the Minister of Economy, Trade and Industry and the Minister of Justice that the amendment meets the requirements stipulated in the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice as a case that contributes to strengthening industrial competitiveness while giving consideration to ensuring the interests of shareholders.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 - Article 12 (Omitted) (Convening of General Meeting of Shareholders) Article 13 A General Meeting of Shareholders shall be convened within three (3) months after the end of each fiscal year and an Extraordinary General Meeting of Shareholders may be convened whenever necessary. (Newly established)</p>	<p>Article 1 - Article 12 (Unchanged) (Convening of General Meeting of Shareholders) Article 13 A General Meeting of Shareholders shall be convened within three (3) months after the end of each fiscal year and an Extraordinary General Meeting of Shareholders may be convened whenever necessary. <u>2. The Company may hold a General Meeting of Shareholders with no designated location.</u></p>
<p>Article 14 - Article 37 (Omitted)</p>	<p>Article 14 - Article 37 (Unchanged)</p>

<Company proposals>

Proposition No. 3: Election of eleven (11) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all of the current ten (10) Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, it is hereby proposed that eleven (11) Directors (excluding Directors who are Audit & Supervisory Committee Members) be elected.

The candidates for Director (excluding Director who is an Audit & Supervisory Committee Member) are as set forth below:

Candidate No.	Name	Current position	Meetings of the Board of Directors attended
1	[Reelection] Masaki Miyauchi	Chairman and Representative Director	10/10
2	[Reelection] Osamu Kanemitsu	President and Representative Director	10/10
3	[Reelection] Kenji Shimizu	Executive Vice President	10/10
4	[Reelection] Ryosuke Fukami	Executive Managing Director	9/9
5	[Reelection] Tomoyuki Minagawa	Executive Managing Director	9/9
6	[Reelection] Hisashi Hieda	Executive Managing Advisor	10/10
7	[Reelection] Koichi Minato	Executive Managing Director	9/9
8	[Reelection] Yoshishige Shimatani [Outside] [Independent officer]	Executive Managing Director	10/10
9	[Reelection] Akihiro Miki [Outside] [Independent officer]	Executive Managing Director	10/10
10	[New appointment] Mina Masaya	–	–
11	[New appointment] Takamitsu Kumasaka [Outside] [Independent officer]	Executive Managing Director (Audit & Supervisory Committee Member)	6/6

(Note) Attendance numbers for Mr. Ryosuke Fukami, Mr. Tomoyuki Minagawa, and Mr. Koichi Minato are for Meetings of the Board of Directors held on or after their appointment on June 28, 2022, and the attendance number for Mr. Takamitsu Kumasaka is for Meetings of the Board of Directors held on or after his appointment on October 24, 2022.

Candidate No.	Name	Brief history and position in the Company	
1	Masaki Miyauchi [Reelection] (Date of birth) January 28, 1944 Number of shares of the Company held by Candidate 58,433 shares	April 1967	Joined the Company
		June 1999	General Manager, Programming and Production Department, Programming and Production Division of the Company
		July 2000	Executive Managing Officer and General Manager, Programming and Production Department, Programming and Production Division of the Company
		June 2001	Senior Executive Managing Director of the Company
		June 2006	Executive Vice President of the Company
		June 2007	President and Representative Director, Okayama Broadcasting Co., Ltd.
		July 2015	President and Representative Director, Fuji Satellite Broadcasting, Inc. (BS Fuji)
		June 2016	Executive Managing Director of the Company Executive Managing Director, Fuji Television Network, Inc.
		June 2017	President and Representative Director of the Company President and Representative Director, Fuji Television Network, Inc.
		June 2019	Chairman and Representative Director of the Company (to date) Chairman and Representative Director, Fuji Television Network, Inc. (to date)
		Important concurrent office	
		Chairman and Representative Director, Fuji Television Network, Inc.	
[Reason for selecting him as a candidate for Director] Currently, as the Chairman and Representative Director of the Company and its core subsidiary Fuji Television Network, Inc., he has played an appropriate role in determining important managerial matters and supervising business operations. In addition, he has engaged in the sectors of Programming, Production and General Affairs of the Company and served as the representative director of a television operating company. Thus, he has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make greater contributions in the future.			

[Note 1] Mr. Masaki Miyauchi and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Masaki Miyauchi is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company	
2	Osamu Kanemitsu [Reelection] (Date of birth) October 28, 1954 Number of shares of the Company held by Candidate 35,152 shares	April 1983	Joined the Company
		June 2009	General Manager, Management Planning Department, Fuji Television Network, Inc.
		June 2011	General Manager, Corporate Planning Department of the Company
		June 2012	Executive Managing Officer and General Manager, Corporate Planning Department of the Company;
			Executive Managing Officer and General Manager, Corporate Planning Department, Fuji Television Network, Inc.
		June 2013	Senior Executive Managing Director of the Company
		June 2015	Executive Vice President of the Company
		June 2017	Executive Vice President, Fuji Television Network, Inc.
		June 2019	President and Representative Director of the Company (to date)
		June 2021	Executive Managing Director, Fuji Television Network, Inc.
June 2022	President and Representative Director, Fuji Television Network, Inc.		
	Executive Managing Director, Fuji Television Network, Inc. (to date)		
		Important concurrent offices	
		Executive Managing Director, Fuji Television Network, Inc.	
		Audit & Supervisory Board Member, Sankei Shimbun Co., Ltd.	
	[Reason for selecting him as a candidate for Director] Currently, as the President and Representative Director of the Company, he has played an appropriate role in determining important managerial matters and supervising business operations. In addition, he has engaged in the sectors of Programming, Business Development & Enterprises, Public Relations, Corporate Planning and Finance of the Company and Fuji Television Network, Inc. and served as the representative director of a television operating company in the past. Thus, he has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make greater contributions in the future.		

- [Note 1] Mr. Osamu Kanemitsu and the Company are not special interested parties to each other.
- [Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.
- [Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Osamu Kanemitsu is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company	
3	<p>Kenji Shimizu</p> <p>[Reelection]</p> <p>(Date of birth) January 3, 1961</p> <p>Number of shares of the Company held by Candidate</p> <p>15,300 shares</p>	April 1983	Joined the Company
		June 2012	General Manager, Media Development Department, Fuji Television Network, Inc.
		June 2013	General Manager, Business Development & Enterprises Department, Fuji Television Network, Inc.
		June 2014	Executive Managing Officer and General Manager, Business Development & Enterprises Department, Fuji Television Network, Inc.
		July 2017	Senior Executive Managing Officer, in charge of Corporate Planning of the Company
			Senior Executive Managing Officer and General Manager, Corporate Planning Department, Fuji Television Network, Inc.
		June 2019	Executive Managing Director of the Company
			Executive Managing Director, Fuji Television Network, Inc.
		June 2021	Senior Executive Managing Director of the Company
			Senior Executive Managing Director, Fuji Television Network, Inc.
	June 2022	Executive Vice President of the Company (to date)	
	Business in charge in the Company		
	Corporate Planning and Public & Investor Relations		
	Important concurrent offices		
	<p>Director, Nippon Broadcasting System, Inc.</p> <p>Audit & Supervisory Board Member, Fuji Satellite Broadcasting, Inc. (BS Fuji)</p> <p>Audit & Supervisory Board Member, Pony Canyon Inc.</p> <p>Board Director, WOWOW Inc.</p> <p>Board Director, SKY Perfect JSAT Holdings Inc.</p> <p>Director, Space Shower Network Inc.</p> <p>Director, Toei Animation Co., Ltd.</p>		
	<p>[Reason for selecting him as a candidate for Director]</p> <p>Currently, he is in charge of Corporate Planning and Public & Investor Relations as the Executive Vice President of the Company and has played an appropriate role in its business operations. In addition, he has engaged in the sectors of Programming, Motion Picture, and General Development of the Company and Fuji Television Network, Inc. in the past. Thus, he has wide knowledge and special expertise in media business. The Company has determined to continue to select him as a candidate for Director as he is expected to use his wide experience and knowledge for the Company.</p>		

[Note 1] Mr. Kenji Shimizu and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Kenji Shimizu is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company	
4	Ryosuke Fukami [Reelection] (Date of birth) January 1, 1962 Number of shares of the Company held by Candidate 8,223 shares	April 1985	Joined the Company
		June 2016	General Manager, Treasury and Finance Department of the Company
		July 2017	General Manager, Corporate Planning Department of the Company
		June 2018	Executive Managing Officer and General Manager, Corporate Planning Department of the Company
		June 2020	Executive Managing Officer, Fuji Television Network, Inc.
		June 2021	Executive Managing Director, Fuji Television Network, Inc.
		June 2022	Executive Managing Director, General Manager, Treasury and Finance Department, General Manager, Corporate Planning Department of the Company (to date)
		Business in charge in the Company	
		Finance	
		Important concurrent offices	
		Director, DINOS CORPORATION	
	[Reason for selecting him as a candidate for Director] Currently, as the Executive Managing Director of the Company, he is responsible for Finance, and he is also the General Manager of the Treasury and Finance Department and the General Manager of the Corporate Planning Department. He has played an appropriate role in the Company's business operations. In addition, he has engaged in the sectors of Programming and Sales, etc. of the Company and Fuji Television Network, Inc. in the past. Thus, he has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make contributions based on his wide experience and knowledge.		

- [Note 1] Mr. Ryosuke Fukami and the Company are not special interested parties to each other.
- [Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.
- [Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Ryosuke Fukami is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company
5	Tomoyuki Minagawa	April 1988 Joined the Company July 2019 General Manager, General Affairs Department of the Company General Manager, General Affairs Department, Fuji Television Network, Inc.
	[Reelection]	June 2022 Executive Managing Director of the Company (to date)
	(Date of birth) October 28, 1964	Business in charge in the Company Sustainability Management and Promotion Office, Corporate Compliance Office, General Affairs and Human Resources
	Number of shares of the Company held by Candidate 4,804 shares	
<p>[Reason for selecting him as a candidate for Director] Currently, as the Executive Managing Director of the Company, he is responsible for the Sustainability Management and Promotion Office, the Corporate Compliance Office, General Affairs and Human Resources, and he has played an appropriate role in the Company's business operations. In addition, he has engaged in the sectors of Business, Sales, and Special Zone Planning and Development, etc. of the Company and Fuji Television Network, Inc. in the past. Thus, he has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make contributions based on his wide experience and knowledge.</p>		

[Note 1] Mr. Tomoyuki Minagawa and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Tomoyuki Minagawa is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company
6	Hisashi Hieda [Reelection] (Date of birth) December 31, 1937 Number of shares of the Company held by Candidate 229,494 shares	April 1961 Joined the Company
		May 1980 General Manager, Programming Department of the Company
		June 1983 Executive Managing Director of the Company
		June 1986 Senior Executive Managing Director of the Company
		June 1988 President and Representative Director of the Company
		June 2001 Chairman and Chief Executive Officer of the Company
		October 2008 Chairman and Chief Executive Officer, Fuji Television Network, Inc.
		June 2017 Executive Managing Advisor of the Company (to date) Executive Managing Advisor, Fuji Television Network, Inc. (to date)
		<u>Important concurrent offices</u>
		Executive Managing Advisor, Fuji Television Network, Inc. Director and Advisor, Sankei Shimbun Co., Ltd. Director, The Sankei Building Co., Ltd. Director, Kansai Telecasting Corporation Director, Tokai Television Broadcasting Co., Ltd. Director, Television Nishinippon Corporation Director, Hokkaido Cultural Broadcasting Co., Ltd.
		[Reason for selecting him as a candidate for Director] Currently, as the Executive Managing Advisor of the Company and its core subsidiary Fuji Television Network, Inc., he has played an appropriate role in offering advice on management in general, among others. In addition, he has long served as Representative Director of the Company, and materialized a shift to the first certified broadcast holding company in Japan. Thus, he has accumulated wide experience and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make greater contributions in the future.

- [Note 1] Mr. Hisashi Hieda and the Company are not special interested parties to each other.
- [Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.
- [Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Hisashi Hieda is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company	
7	Koichi Minato	April 1976	Joined the Company
	[Reelection]	June 2007	Executive Managing Officer of the Company
	(Date of birth)	June 2009	Senior Executive Managing Officer, Fuji Television Network, Inc.
	May 15, 1952	June 2010	Executive Managing Director, Fuji Television Network, Inc.
Number of shares of the Company held by Candidate	27,619 shares	June 2013	Senior Executive Managing Director, Fuji Television Network, Inc.
		June 2015	President and Representative Director, KYODO TELEVISION, LTD.
		June 2022	Executive Managing Director of the Company (to date)
			President and Representative Director, Fuji Television Network, Inc. (to date)
		Important concurrent offices	
		President and Representative Director, Fuji Television Network, Inc.	
		[Reason for selecting him as a candidate for Director] Currently, he concurrently serves as the President and Representative Director of Fuji Television Network, Inc., the Company's core subsidiary, and he has played an appropriate role as an Executive Managing Director of the Company. In addition, he has engaged in the sectors of Programming and Production, etc. of the Company and Fuji Television Network, Inc. in the past, and he has served as President and Representative Director of KYODO TELEVISION, LTD, the Company's subsidiary. Thus, he has accumulated wide knowledge and special expertise in media business. The Company has determined to continue to select him as a candidate for Director as he is expected to make contributions based on his wide experience and knowledge.	

- [Note 1] Mr. Koichi Minato and the Company are not special interested parties to each other.
- [Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.
- [Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Koichi Minato is approved, he will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company	
8	Yoshishige Shimatani [Reelection] [Outside] [Independent officer] (Date of birth) March 5, 1952	May 2001	Director, Toho Co., Ltd.
		May 2005	Managing Director, Toho Co., Ltd.
		May 2007	Senior Managing Director, Toho Co., Ltd.
		May 2011	President and Representative Director, Toho Co., Ltd.
		June 2017	Executive Managing Director of the Company (to date)
		May 2021	Executive Managing Director, Fuji Television Network, Inc. (to date)
		May 2022	President and Representative Director, President and Executive Officer, Toho Co., Ltd.
		May 2022	Chairman and Representative Director, Toho Co., Ltd. (to date)
	Number of shares of the Company held by Candidate	Important concurrent offices	
	5,490 shares	Chairman and Representative Director, Toho Co., Ltd. Executive Managing Director, Fuji Television Network, Inc. Director, Tokyo Rakutenchi Co., Ltd. Director, Hankyu Hanshin Holdings Inc. Director, Tokyo Kaikan Co., Ltd.	
	[Reason for selecting him as a candidate for outside Director and outline of expected role] As a representative director of a listed movie and drama business corporation, he has accumulated special expertise in media business. In addition, at and outside of meetings of the Board of Directors, he has presented advice and recommendations based on his wide experience and knowledge. He has exerted an appropriate supervisory function as an outside Director and made a considerable contribution to the Company. The Company has determined to continue to select him as a candidate for outside Director as he is expected to use his wide experience and knowledge for the management of the Company in the future and supervise management with an objective perspective independent from persons executing business operations.		

[Note 1] Mr. Yoshishige Shimatani and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] Mr. Yoshishige Shimatani is a candidate for outside Director.

[Note 4] Mr. Yoshishige Shimatani will have served as outside Director of the Company for six years at the close of this General Meeting of Shareholders. He is an Executive Managing Director of Fuji Television Network, Inc., which is a company having specific relationships with the Company. He had been an outside Director of Kansai Telecasting Corporation, which is a company having specific relationships with the Company, from June 2011 to June 2017.

[Note 5] The Company has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with Mr. Yoshishige Shimatani 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 and ordinances.

[Note 6] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Yoshishige Shimatani is approved, he will become one of the insured under this insurance contract.

[Note 7] The Company has registered Mr. Yoshishige Shimatani with the Tokyo Stock Exchange as an independent officer as provided for by the exchange. The Company plans to continue to appoint him as an independent officer if he is reelected.

[Note 8] Although there is a business relationship between Toho Co., Ltd., of which Mr. Yoshishige

Shimatani serves as the Representative Director, and Fuji Television Network, Inc., a core subsidiary of the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 2% of net sales of Fuji Television Network, Inc.

Candidate No.	Name	Brief history and position in the Company	
9	Akihiro Miki	June 2001	Director, Nippon Cultural Broadcasting, Inc.
	[Reelection]	June 2004	Managing Director, Nippon Cultural Broadcasting, Inc.
	[Outside]	June 2007	President and Representative Director, Nippon Cultural Broadcasting, Inc.
	[Independent officer]	June 2009	Executive Managing Director of the Company (to date); Executive Managing Director, Fuji Television Network, Inc. (to date)
	(Date of birth) July 15, 1947	June 2017	Chairman and Representative Director, Nippon Cultural Broadcasting, Inc.
	Number of shares of the Company held by Candidate	April 2019	Chairman and Director, Nippon Cultural Broadcasting, Inc.
		June 2019	Advisor, Nippon Cultural Broadcasting, Inc.
	0 shares	Important concurrent offices	
		Executive Managing Director, Fuji Television Network, Inc.	
[Reason for selecting him as a candidate for outside Director and outline of expected role] As a former representative director of a radio broadcasting business corporation, he has accumulated special expertise in media business. In addition, at and outside of meetings of the Board of Directors, he has presented advice and recommendations based on his wide experience and knowledge. He has exerted an appropriate supervisory function as an outside Director and made a considerable contribution to the Company. The Company has determined to continue to select him as a candidate for outside Director as he is expected to use his wide experience and knowledge for the management of the Company in the future and supervise management with an objective perspective independent from persons executing business operations.			

- [Note 1] Mr. Akihiro Miki and the Company are not special interested parties to each other.
- [Note 2] Mr. Akihiro Miki is a candidate for outside Director.
- [Note 3] Mr. Akihiro Miki will have served as outside Director of the Company for fourteen years at the close of this General Meeting of Shareholders. He is an Executive Managing Director of Fuji Television Network, Inc., which is a company having specific relationships with the Company.
- [Note 4] The Company has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with Mr. Akihiro Miki 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 and ordinances.
- [Note 5] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Akihiro Miki is approved, he will become one of the insured under this insurance contract.
- [Note 6] The Company has registered Mr. Akihiro Miki with the Tokyo Stock Exchange as an independent officer as provided for by the exchange. The Company plans to continue to appoint him as an independent officer if he is reelected.
- [Note 7] Although there is a business relationship between Nippon Cultural Broadcasting, Inc., of which Mr. Akihiro Miki served as the Representative Director in the past, and Fuji Television Network, Inc., a core subsidiary of the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 1% of net sales of Fuji Television Network, Inc.

Candidate No.	Name	Brief history and position in the Company	
10	Mina Masaya	April 1991	Joined the Company
	[New appointment]	March 2000	Bureau Chief, Paris Bureau, Foreign News, News Center, News Department of the Company
	(Date of birth)	July 2021	General Manager, International Department, Fuji Television Network, Inc.
	April 13, 1968	June 2022	Executive Managing Director and General Manager, International Department, Fuji Television Network, Inc. (to date)
	Number of shares of the Company held by Candidate	Important concurrent offices	
5,201 shares	Executive Managing Director, Fuji Television Network, Inc.		
<p>[Reason for selecting her as a candidate for outside Director and outline of expected role] Currently, as the Executive Managing Director of International Department of Fuji Television Network, a core subsidiary of the Company, she has played an appropriate role in its business operations. In addition, she has engaged in the sectors of News and Executive Office, etc. of the Company and Fuji Television Network, Inc. in the past. Thus, she has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to nominate her as a new candidate for Director as she is expected to make contributions based on her wide experience and knowledge.</p>			

[Note 1] Ms. Mina Masaya and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Ms. Mina Masaya is approved, she will become one of the insured under this insurance contract.

Candidate No.	Name	Brief history and position in the Company
11	Takamitsu Kumasaka	June 2006 Director, Sankei Shimbun Co., Ltd. June 2008 Managing Director, Sankei Shimbun Co., Ltd. June 2009 Senior Managing Director, Sankei Shimbun Co., Ltd. June 2011 President and Representative Director, Sankei Shimbun Co., Ltd.
	[New appointment] [Outside] [Independent officer]	June 2017 Chairman and Representative Director, Sankei Shimbun Co., Ltd. June 2019 Advisor, Sankei Shimbun Co., Ltd. (to date) October 2022 Executive Managing Director (Audit & Supervisory Committee Member) of the Company (to date)
	(Date of birth) January 10, 1949	November 2022 Audit & Supervisory Board Member, Fuji Television Network, Inc. (to date)
	Number of shares of the Company held by Candidate 176 shares	Important concurrent offices Audit & Supervisory Board Member, Fuji Television Network, Inc. Advisor, Sankei Shimbun Co., Ltd. Director, The Sankei Building Co., Ltd. Director, Kansai Telecasting Corporation
<p>[Reason for selecting him as a candidate for outside Director and outline of expected role] As a former representative director of a newspaper business corporation, he has accumulated special expertise and wide experience in media business. In addition, from his unbiased and objective viewpoints, he has presented advice and recommendations as an outside Director who is an Audit & Supervisory Committee Member of the Company at and outside of the meetings of the Board of Directors and the Audit & Supervisory Committee and made a considerable contribution to ensuring the soundness of management. The Company has determined to nominate him as a new candidate for outside Director as he is expected to use his wide experience and knowledge for the management of the Company in the future and supervise management with an objective perspective independent from persons executing business operations.</p>		

[Note 1] Mr. Takamitsu Kumasaka and the Company are not special interested parties to each other.

[Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.

[Note 3] Mr. Takamitsu Kumasaka is a candidate for outside Director.

[Note 4] Mr. Takamitsu Kumasaka will have served as outside Director of the Company for eight months at the close of this General Meeting of Shareholders. He is an Audit & Supervisory Board Member of Fuji Television Network, Inc. and a Director of The Sankei Building Co., Ltd. and Kansai Telecasting Corporation, which are companies having specific relationships with the Company. In addition, he had been a Representative Director of Sankei Shimbun Co., Ltd., which is a company having specific relationships with the Company, from 2011 to 2019.

[Note 5] Mr. Takamitsu Kumasaka is scheduled to resign as Director who is an Audit & Supervisory Committee Member of the Company and as Audit & Supervisory Board Member of Fuji Television Network, Inc. on June 28, 2023, and to be appointed as Executive Managing Director of Fuji Television Network, Inc. on the same date. He is also scheduled to resign as Director of Kansai Telecasting Corporation on June 21, 2023.

[Note 6] The Company has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with Mr. Takamitsu Kumasaka 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 and ordinances.

[Note 7] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr.

Takamitsu Kumasaka is approved, he will become one of the insured under this insurance contract.

[Note 8] The Company has registered Mr. Takamitsu Kumasaka with the Tokyo Stock Exchange as an independent officer as provided for by the exchange. The Company plans to continue to appoint him as an independent officer if his election is approved.

[Note 9] Although there is a business relationship between Sankei Shimbun Co., Ltd., of which Mr. Takamitsu Kumasaka served as the Representative Director in the past, and Fuji Television Network, Inc., a core subsidiary of the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 1% of the net sales of Fuji Television Network, Inc.

<Company proposals>

Proposition No. 4: Election of three (3) Directors who are Audit & Supervisory Committee Members

The terms of office of Takashi Wagai, a Director who is an Audit & Supervisory Committee Member, will expire at the close of this Ordinary General Meeting of Shareholders. Also, Mr. Takayasu Okushima and Mr. Takamitsu Kumasaka, Directors who are Audit & Supervisory Committee Members, will resign as of the conclusion of this General Meeting of Shareholders. Accordingly, it is hereby proposed that three (3) Directors who are Audit & Supervisory Committee Members be elected. The Audit & Supervisory Committee has consented to this proposition.

The candidate for Directors who are Audit & Supervisory Committee Members are as set forth below:

Candidate No.		Name	Current position	Meetings of the Board of Directors attended	Meetings of the Audit & Supervisory Board attended
1	[Reelection]	Takashi Wagai	Executive Managing Director (Full-time Audit & Supervisory Committee Member)	10/10	7/7
2	[New appointment] [Outside] [Independent officer]	Akira Kiyota	—	—	—
3	[New appointment] [Outside] [Independent officer]	Shinichiro Ito	—	—	—

	Name	Brief history and position in the Company
1	Takashi Wagai [Reelection] (Date of birth) October 6, 1952 Number of shares of the Company held by Candidate 37,717 shares	May 1986 Joined the Company June 2009 General Manager, Information Systems Department, Fuji Television Network, Inc. June 2011 General Manager, General Affairs Department of the Company; General Manager, General Affairs Department, Fuji Television Network, Inc. June 2012 Executive Managing Director, Fuji Television Network, Inc. June 2013 Senior Executive Managing Director of the Company June 2017 Senior Executive Managing Director, Fuji Television Network, Inc. June 2019 Executive Vice President of the Company Executive Vice President, Fuji Television Network, Inc. June 2021 Executive Managing Director (Full-time Audit & Supervisory Committee Member) of the Company (to date) Audit & Supervisory Board Member, Fuji Television Network, Inc. (to date)
	Important concurrent offices	
	Audit & Supervisory Board Member, Fuji Television Network, Inc.	
	<p>[Reason for selecting him as a candidate for Director who is an Audit & Supervisory Committee Member] Currently, as the Executive Managing Director who is a Full-time Audit & Supervisory Committee Member of the Company, he has presented advice and recommendations at and outside of the meetings of the Board of Directors and the Audit & Supervisory Committee based on his wide experience and knowledge, and played an appropriate role in ensuring the soundness of management. In addition, he has engaged in the sectors of Information Systems, General Affairs, Human Resources, Corporate Compliance Office and TV Code Affairs Office, etc. of the Company and Fuji Television Network, Inc. in the past. Thus, he has accumulated wide knowledge and special expertise in the management of media business. The Company has determined to continue to select him as a candidate for Director who is an Audit & Supervisory Committee Member as he is expected to make greater contributions in the future, including audit engagements, advice and recommendations to ensure the proper execution by the Directors of their duties, as well as supervisory work through the exercise of voting rights at the meetings of the Board of Directors.</p>	

- [Note 1] Mr. Takashi Wagai and the Company are not special interested parties to each other.
- [Note 2] The “number of shares of the Company held by Candidate” is shown by the substantial number of shares that includes the shares held by such candidate in the Officers Stock Ownership Plan.
- [Note 3] The Company has, in accordance with Article 427, paragraph 1 of the Companies Act, entered into an agreement with Mr. Takashi Wagai 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 and ordinances.
- [Note 4] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Takashi Wagai is approved, he will become one of the insured under this insurance contract.

	Name	Brief history and position in the Company	
2	<p style="text-align: center;">Akira Kiyota</p> <p>[New appointment] [Outside] [Independent officer]</p> <p>(Date of birth) May 6, 1945</p> <p>Number of shares of the Company held by Candidate</p> <p style="text-align: center;">0 shares</p>	<p>June 1994 Member of the Board, Daiwa Securities Co. Ltd. (currently Daiwa Securities Group Inc.)</p> <p>June 1997 Member of the Board, Executive Managing Director, Daiwa Securities Co. Ltd.</p> <p>October 1997 Representative Director and Deputy President, Daiwa Securities Co. Ltd.</p> <p>April 1999 President, Daiwa Securities SB Capital Markets Co. Ltd. (currently Daiwa Securities Co. Ltd.)</p> <p>June 2004 Deputy Chairman of the Board, Daiwa Securities Group Inc.</p> <p>June 2008 Chairman of the Board, Daiwa Securities Group Inc.</p> <p>June 2011 Honorary Chairman, Daiwa Securities Group Inc.</p> <p>June 2013 President & CEO, Tokyo Stock Exchange, Inc. Director, Japan Exchange Group, Inc.</p> <p>June 2015 Director & Representative Executive Officer, Group CEO, Japan Exchange Group, Inc. Director, Tokyo Stock Exchange, Inc.</p> <p>April 2023 Director, Japan Exchange Group, Inc. (to date)</p>	
		Important concurrent offices	
		Director, Japan Exchange Group, Inc.	
		<p>[Reason for selecting him as a candidate for outside Director who is an Audit & Supervisory Committee Member and outline of expected role]</p> <p>As a former representative director of a securities company and stock exchange, he has accumulated special expertise and wide experience. The Company has determined to nominate him as a new candidate for outside Director who is an Audit & Supervisory Committee Member as he is expected to use his wide experience and knowledge to perform audit engagements and present advice and recommendations to ensure the proper execution by the Directors of their duties, as well as conduct supervisory work through the exercise of voting rights at the meetings of the Board of Directors from his unbiased and objective viewpoints.</p>	

- [Note 1] Mr. Akira Kiyota and the Company are not special interested parties to each other.
- [Note 2] Mr. Akira Kiyota is a candidate for outside Director.
- [Note 3] Mr. Akira Kiyota is scheduled to resign as Director of Japan Exchange Group, Inc. on June 16, 2023. He is also scheduled to be appointed as Audit & Supervisory Board Member of Fuji Television Network, Inc., which is a company having specific relationships with the Company, on June 28, 2023.
- [Note 4] If Mr. Akira Kiyota's appointment is approved, the Company, in accordance with Article 427, paragraph 1 of the Companies Act, plans to enter into an agreement with him to limit his liability for damages as provided for in Article 423, paragraph 1 of 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 and ordinances.
- [Note 5] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Akira Kiyota is approved, he will become one of the insured under this insurance contract.
- [Note 6] Mr. Akira Kiyota satisfies the Tokyo Stock Exchange's requirements to be designated as an independent officer. If he is appointed, the Company plans to register him as an independent officer.
- [Note 7] Although there is a business relationship between the Tokyo Stock Exchange, of which Mr. Akira Kiyota served as the Representative Director in the past, and the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 1% of the selling, general and administrative expenses of the Company. Furthermore, although there is a business relationship between Daiwa Securities Co. Ltd., of which Mr. Akira Kiyota served as the Representative Director in the past, and Fuji Television Network, Inc., a core

subsidiary of the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 1% of the net sales of Fuji Television Network, Inc.

	Name	Brief history and position in the Company	
3	Shinichiro Ito [New appointment] [Outside] [Independent officer] (Date of birth) December 25, 1950 Number of shares of the Company held by Candidate 0 shares	June 2003	Member of the Board, Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.
		April 2004	Member of the Board, Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.
		April 2006	Member of the Board, Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.
		April 2007	Representative Director, Senior Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.
		April 2009	Representative Director, President and CEO, ALL NIPPON AIRWAYS CO., LTD.
		April 2013	Representative Director, President & Chief Executive Officer, ANA HOLDINGS INC. Chairman, ALL NIPPON AIRWAYS CO., LTD.
		April 2015	Representative Director, Company Chairman of the Board of Directors, ANA HOLDINGS INC.
		April 2017	Chairman of the Board, Chairman of the Board of Directors, ANA HOLDINGS INC.
		April 2022	Special Advisor, ANA HOLDINGS INC. (to date)
			Important concurrent offices
	[Reason for selecting him as a candidate for outside Director who is an Audit & Supervisory Committee Member and outline of expected role] As a former representative director of an aviation company, he has accumulated special expertise and wide experience. The Company has determined to nominate him as a new candidate for outside Director who is an Audit & Supervisory Committee Member as he is expected to use his wide experience and knowledge to perform audit engagements and present advice and recommendations to ensure the proper execution by the Directors of their duties, as well as conduct supervisory work through the exercise of voting rights at the meetings of the Board of Directors from his unbiased and objective viewpoints.		

- [Note 1] Mr. Shinichiro Ito and the Company are not special interested parties to each other.
- [Note 2] Mr. Shinichiro Ito is a candidate for outside Director.
- [Note 3] Mr. Shinichiro Ito is scheduled to be appointed as Audit & Supervisory Board Member of Fuji Television Network, Inc., which is a company having specific relationships with the Company, on June 28, 2023.
- [Note 4] If Mr. Shinichiro Ito's appointment is approved, the Company, in accordance with Article 427, paragraph 1 of the Companies Act, plans to enter into an agreement with him to limit his liability for damages as provided for in Article 423, paragraph 1 of 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 and ordinances.
- [Note 5] The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Mr. Shinichiro Ito is approved, he will become one of the insured under this insurance contract.
- [Note 6] Mr. Shinichiro Ito satisfies the Tokyo Stock Exchange's requirements to be designated as an independent officer. If he is appointed, the Company plans to register him as an independent officer.
- [Note 7] Although there is a business relationship related to advertising, etc. between ALL NIPPON AIRWAYS CO., LTD., of which Mr. Shinichiro Ito served as the Representative Director in the past, and Fuji Television Network, Inc., a core subsidiary of the Company, the amount of transactions for the fiscal year ended March 31, 2023 was less than 1% of net sales of Fuji Television Network, Inc.

<Company proposals>

Proposition No. 5: Election of one (1) Substitute Director who is an Audit & Supervisory Committee Member

In order to prepare for the case where the number of Directors who are Audit & Supervisory Committee Members falls short of the number stipulated by laws and regulations, it is hereby proposed that one (1) Substitute Director who is an Audit & Supervisory Committee Member be elected in advance.

The validity of the election of the Substitute Director who is an Audit & Supervisory Committee Member shall be limited until the appointment, and the Board of Directors shall be able to cancel the election by its resolution with the consent of the Audit & Supervisory Board.

The Audit & Supervisory Committee has consented to this proposition.

The candidate for Substitute Director who is an Audit & Supervisory Committee Member is as set forth below:

Name	Brief history and position in the Company
<p>Reiko Hayasaka</p> <p>[Outside]</p> <p>(Date of birth) October 18, 1957</p> <p>Number of shares of the Company held by Candidate</p> <p>0 shares</p>	<p>April 1980 Joined SANKEI LIVING SHIMBUN Inc.</p> <p>February 1989 Joined Sankei Shimbun Co., Ltd.</p> <p>April 1999 Visiting Scholar, Asia-Pacific Research Center, Stanford University</p> <p>October 2006 Editorial Board Member, Editorial Office, Sankei Shimbun Co., Ltd.</p> <p>December 2006 Member, Council for Construction of Arterial Motorways for National Development, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>November 2007 Planning Member, Liaison Conference for the Promotion of the Gender Equality, Cabinet Office</p> <p>June 2008 Member, Study Forum on Low-Carbon Power Supply System, Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry.</p> <p>November 2016 Part-time lecturer, College of Humanities, The National University Corporation Ibaraki University</p> <p>November 2017 Specialist, Department of Public Relations, Organization for Small & Medium Enterprises and Regional Innovation, JAPAN</p>
<p>[Reason for selecting her as a candidate for outside Substitute Director who is an Audit & Supervisory Committee Member and expected role]</p> <p>As an economic journalist, she has accumulated special expertise and wide experience. The Company has determined to select her as a candidate for outside Substitute Director who is an Audit & Supervisory Committee Member as she is expected to use her wide experience and knowledge to perform audit engagements and present advice and recommendations to ensure the proper execution by the Directors of their duties, as well as conduct supervisory work through the exercise of voting rights at the meetings of the Board of Directors from her unbiased and objective viewpoints.</p>	

- [Note 1] Ms. Reiko Hayasaka and the Company are not special interested parties to each other.
- [Note 2] Ms. Reiko Hayasaka is a candidate for outside Substitute Director.
- [Note 3] Ms. Reiko Hayasaka had been an employee of Sankei Shimbun Co., Ltd., which is a company having specific relationships with the Company, from 1989 to 2017.
- [Note 4] If Ms. Reiko Hayasaka's appointment is approved, the Company, in accordance with Article 427, paragraph 1 of the Companies Act, plans to enter into an agreement with her to limit her liability for damages as provided for in Article 423, paragraph 1 of 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 and ordinances.
- [Note 5] The Company has entered into a directors and officers liability insurance contract with an

insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance will cover litigation expenses and damages to be borne by the insured arising from lawsuits by third parties, shareholders or the Company. If the election of Ms. Reiko Hayasaka is approved, she will become one of the insured under this insurance contract.

(Reference)

If Proposition 3 and Proposition 4 are approved, the skills matrix of the Board of Directors will be as follows.

[Skills matrix]

		Corporate management/ management strategy	Group management	Industry knowledge	Legal/ risk	Finance/ accounting	Technology /IT	Sustaina- -bility/ ESG
Executive Managing Director	Masaki Miyauchi	●	●	●	●			●
	Osamu Kanemitsu	●	●	●		●		●
	Kenji Shimizu	●	●	●			●	
	Ryosuke Fukami	●	●	●		●		
	Tomoyuki Minagawa			●	●		●	●
	Hisashi Hieda	●	●	●	●			
	Koichi Minato	●		●	●			●
	Mina Masaya			●	●			●
	Yoshishige Shimatani	●		●				●
	Akihiro Miki	●		●	●			
	Takamitsu Kumasaka	●		●	●			
Executive Managing Director (Audit & Supervisory Committee Member)	Kiyoshi Onoe	●		●	●		●	
	Takashi Wagai			●	●		●	●
	Yuzaburo Mogi	●	●		●	●		●
	Akira Kiyota	●	●		●	●		
	Shinichiro Ito	●	●		●			●

<Shareholder proposals (No. 6 and No. 7)>

Propositions No. 6 and No. 7 were proposed by the same shareholder.

<Shareholder proposals>

Proposition No. 6: Partial amendments to the Articles of Incorporation (stipulations regarding the creation of Nomination and Compensation Committees)

1. Reasons for proposal

The Financial Services Agency and the Tokyo Stock Exchange's "Corporate Governance Code" have indicated that a Nomination Committee and a Compensation Committee should be established following the revision of the code in 2018. Roughly 95% of listed companies in the Prime Market have already established these committees in compliance with the code. (Ref: Mitsubishi UFJ Research and Consulting Co, Ltd. "Current Status of Voluntary Nomination Committees and Compensation Committees (2022) - (1) Committee Approaches," published February 20, 2023, etc.)

However, the Company has yet to establish said committees, instead explaining and disclosing its reasons for not establishing them. The press release issued by the Company on March 30, 2023, states that the roles of these committees are satisfied by the establishment of the "Management Advisory Committee." This proposition stipulates the establishment of these committees in the Articles of Incorporation with the aim of permanently establishing such committees, so that they will not be abolished or suspended, etc.

The approval of this proposition would not change the contents of the Company's press release.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 1 - Article 19 (Omitted) (Election)	Article 1 - Article 19 (Unchanged)
Article 20 (i)- (iii) (Omitted) (Newly established)	Article 20 (i)- (iii) (Unchanged) (iv). <u>The Company shall establish a committee to deliberate regarding matters related to the approval and dismissal of Directors, successor plans, etc., as an advisory organ to the Board of Directors. The operation of the committee shall be stipulated in separate regulations.</u>
Article 21 - Article 27 (Omitted)	Article 21 - Article 27 (Unchanged)

<Shareholder proposals>

Proposition No. 7: Election of one (1) Director (excluding Director who is an Audit & Supervisory Committee Member)

<Reasons for proposal>

In the press release issued on March 30, 2023, the Company disclosed a Board of Directors resolution that a “Management Advisory Committee” would be established on June 28, 2023. It is hereby proposed that a female Director be appointed before the establishment of the “Management Advisory Committee” to improve the effectiveness of said committee. This is something which the Company has not done since its public listing, as of April 30, 2023, immediately before the deadline for the submission of shareholder proposals for this General Meeting of Shareholders. The Company’s Articles of Incorporation stipulate that the number of officers shall not exceed 18. The Board of Directors currently consists of 15 members, so even if one or more female candidates are included in the Company proposals at the General Meeting of Shareholders, the appointment of said candidates would be possible.

Consent for the appointment has been obtained from the candidate in this proposition.

The candidate for Director (excluding Director who is an Audit & Supervisory Committee Member) is as set forth below:

[New appointment] [Outside] [Independent Officer] Megumi Sekito

<Reference Material>

Name	Brief history	
Megumi Sekito	April 1993	Joined KYODO TELEVISION, LTD.
	April 1996	Worked at Announcers’ Office, Fuji Television Network, Inc. Started working as a freelance announcer
[New appointment] [Outside] [Independent officer]		
(Date of birth) April 15, 1970		
Number of shares of the Company held by Candidate		
0 shares		
[Reason for selecting her as a candidate for Director] Ms. Megumi Sekito, upon joining KYODO TELEVISION, LTD., a subsidiary of the Company, began her career as an announcer in the Company’s Announcers’ Office and has served as a newscaster on news programs, among other positions. She then extended her reach to other key stations in the Tokyo area, NHK, CS channels, home shopping channels, and radio, and possesses wide knowledge and special expertise in the media business. It is expected that she will make major contributions through her perspectives as a woman, which are important to the Group, her worksite perspectives based on her extensive experience and knowledge, and her novel perspectives, aligned with the vantage points of the Company’s stakeholders, including many individual shareholders. For these reasons, she is nominated as a new candidate for independent outside Director.		

[Note 1] Ms. Megumi Sekito and the Company are not special interested parties to each other.

[Note 2] Ms. Megumi Sekito’s name on the family register is Megumi Kurokawa.

[Note 3] Ms. Megumi Sekito is a candidate for outside Director.

[Note 4] If Ms. Megumi Sekito’s appointment is approved, the Company, in accordance with Article 427, paragraph 1 of the Companies Act, plans to enter into an agreement with her to limit her liability for damages as provided for in Article 423, paragraph 1 of said act, similar to

that concluded with other outside Directors.

[Note 5] If Ms. Megumi Sekito's appointment is approved, she is scheduled to be included as one of the insured in the directors and officers liability insurance contract entered into by the Company as stipulated in Article 430-3, paragraph 1 of the Companies Act.

[Note 6] If Ms. Megumi Sekito's appointment is approved, the Company plans to register her with the Tokyo Stock Exchange as an independent officer.

[Note 7] Ms. Megumi Sekito's skills, according to the skill matrix (from last fiscal year), fall under the categories of "Industry knowledge" and "Sustainability/ESG."

(Company note) The above consists of the contents of the shareholder proposal submitted by the shareholder and the reasons for the proposal, reproduced as is, with the exception of the omission of the photograph of the candidate, with the consent of the proposing shareholder. It has not been confirmed or decided on by the Company.



Opinions of the Board of Directors

The Board of Directors opposes this proposition.

The candidates for Director proposed in Proposition No. 3 and Proposition No. 4 possess advanced specialized knowledge and experience in diverse operational and specialized fields among the key fields in which the Company does business.

At this General Meeting of Shareholders, a new female candidate has been proposed.

The Board of Directors, which has been appointed through propositions for the appointment of Directors of the Company proposals, is balanced to ensure that the management of the Company is sufficiently effective and appropriate. We believe that its makeup is the most appropriate and well-suited for improving the Group's corporate value over the medium and long term, for realizing a corporate governance system that ensures both objectivity and fairness, and for exercising supervisory functions and operational capabilities.

BUSINESS REPORT

(For the period from April 1, 2022 to March 31, 2023)

I. Matters concerning the current state of the Fuji Media Holdings Group (the “Group”):

1. Development and results of business activities:

The Japanese government’s Monthly Economic Report on the Japanese economy for the fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023) states, “The economy is expected to show movements of picking up, supported by the effects of the policies, under the ‘new normal.’ However, slowing down of overseas economies is downside risk of the Japanese economy, amid ongoing global monetary tightening and other factors. Also, full attention should be given to price increases, supply-side constraints and fluctuations in the financial and capital markets.” It also states that firms’ judgments on business conditions “show movements of picking up.”

Fuji Media Holdings Group (the “Group”) benefited from the full-scale resumption of events in reaction to the lifting of restraints on activities. Moreover, the recovery of travel and tourism demand, under the government’s nationwide travel support program and the relaxation of immigration restrictions, contributed to the performance. On the other hand, the Group was also affected by price increases against the backdrop of rising raw material prices, the depreciation of the yen and other factors.

Amid this economic environment, consolidated net sales of the Group increased overall during the fiscal year under review, up 2.0% year-on-year to ¥535,641 million, thanks to increases in both the Media & Content segment and Urban Development, Hotels & Resorts segment.

In terms of earnings, operating income decreased 5.8% year-on-year to ¥31,401 million, as the Media & Content segment recorded a decrease in operating income, while the Urban Development, Hotels & Resorts segment reported an increase in operating income. Recurring profit decreased 14.2% year-on-year to ¥39,053 million due to a decrease in equity in earnings of affiliates, and net income attributable to owners of the parent increased 88.3% year-on-year to ¥46,855 million due to a contribution of gain on sales of investment securities and gain on contribution of securities to retirement benefit trust under extraordinary gain.

Results by operating segment are as follows.

	Net sales			Segment operating income		
	81st fiscal year April 1, 2021 - Mar. 31, 2022 (million yen)	82nd fiscal year (Current year) April 1, 2022 - Mar. 31, 2023 (million yen)	Comparison with the previous year (%)	81st fiscal year April 1, 2021 - Mar. 31, 2022 (million yen)	82nd fiscal year (Current year) April 1, 2022 - Mar. 31, 2023 (million yen)	Comparison with the previous year (%)
Media & Content	415,036	420,836	1.4	23,072	17,484	(24.2)
Urban Development, Hotels & Resorts	105,493	108,841	3.2	11,153	15,070	35.1
Other	17,681	20,394	15.3	654	931	42.3
Eliminations	(13,124)	(14,430)	–	(1,541)	(2,086)	–
Total	525,087	535,641	2.0	33,338	31,401	(5.8)

<Media & Content>

Broadcasting and media revenue of Fuji Television Network, Inc. (“Fuji TV”), the core subsidiary of the Group, decreased 4.5% year-on-year to ¥194,279 million.

Among the mainstay broadcasting businesses, in network time advertising sales (time advertising for nationwide broadcast), regular program revenues were flat from the previous year, but one-off program revenues declined as contributions by the “FIFA World Cup Qatar 2022™,” the “2022 EAFF E-1 Football Championship,” and the “Tokyo Marathon 2023” turned out not to compare favorably with the “Tokyo 2020 Olympics” and the “Beijing 2022 Olympics” from the previous year. As a result, network time advertising sales decreased 3.6% year-on-year to ¥69,253 million.

Local time advertising sales (time advertising for the Kanto region) decreased 4.1% year-on-year to ¥10,621 million.

Spot advertising sales decreased due to the effects of lower viewer ratings and price increases against the backdrop of soaring raw material prices, the depreciation of the yen, and other factors. By industry category, 5 of the 19 industry categories, including “Travel/Leisure,” “Real Estate/Housing,” and “Apparel/Accessories,” posted a year-on-year growth. As a result, spot advertising sales decreased 9.4% year-on-year to ¥80,506 million.

Streaming advertising revenue via TVer, an ad-supported video-on-demand service established by commercial broadcasters, and other services, showed significant growth, driven by the number of views of serial dramas, including *silent* (a three-month run of a TV series starting in October). As a result, streaming advertising revenue increased 73.8% year-on-year to ¥4,866 million.

In the content business, revenue increased year-on-year in the event business, which saw a recovery in the number and scale of performances of events, including “*Daihatsu Alegria - In A New Light*,” a major production by Cirque du Soleil, the movie business, which recorded a series of smash-hits, including “*ONE PIECE FILM – RED*,” “*Chinmoku no Parade (Silent Parade)*,” and “*Dr. Coto’s Clinic*,” and the digital business, which includes FOD Premium, a video distribution service whose membership spiked thanks to smash-hit serial dramas, and

FNN Prime Online. As a result, net sales from the content business increased 24.2% year-on-year to ¥43,120 million.

As a result of the above, net sales of Fuji TV as a whole decreased 0.4% year-on-year to ¥237,400 million. Operating income decreased 31.9% year-on-year to ¥7,677 million.

Fuji Satellite Broadcasting, Inc. recorded increases in both revenue and earnings due to strong performances of the broadcasting business and other businesses.

Nippon Broadcasting System, Inc. recorded a decrease in net sales overall due to a decrease in broadcasting revenue. Meanwhile, earnings increased due to improvement in the cost ratio in the event business and an increase in revenue in the digital domain including streaming.

Pony Canyon Inc. recorded an increase in net sales due to a contribution of revenue by an animation film “*Go-Tobun no Hanayome (The Quintessential Quintuplets)*,” an animation series “*TOKYO REVENGERS*,” and a song by Official Hige Dandism and a recovery in revenue from events and concerts. Meanwhile, earnings decreased due to a decrease in revenue from music and video packages and a rise in their cost ratio.

Fujipacific Music Inc. recorded increases in both revenue and earnings due to continuous strong revenues from royalties, as well as a contribution of revenue from video production related to music programs and concerts.

DINOS CORPORATION saw a recovery trend in the fashion category, as well as strong sales of food, bedding, and other products. Meanwhile, sales of television shopping and catalog shopping for the living, and beauty and health categories were not as satisfactory as in the previous year, and the company split of the *imini* business caused a loss. As a result, the company as a whole recorded lower net sales year-on-year, and operating income also decreased due to increases in expenses primarily attributable to aggressive sales promotions.

Quaras Inc. recorded increases in both revenue and earnings thanks to an increase in advertising revenue, mainly in television and web advertising, as well as strong revenue related to events following the resumption of economic activities.

grape Co., Ltd. experienced strong growth in the page views on “grape” and other online media operated by the company and benefitted from revenue from a new affiliate business, which contributed to net sales and operating income for the fiscal year under review.

As a result of the above, in the Media & Content segment overall, net sales increased 1.4% year-on-year to ¥420,836 million, and segment operating income decreased 24.2% year-on-year to ¥17,484 million.

<Urban Development, Hotels & Resorts>

THE SANKEI BUILDING CO., LTD. recorded decreases in both revenue and earnings as the scale of sale of owned properties came up smaller than in the previous fiscal year, although revenue from leasing of both offices and houses remained strong and the sale of condominium units and owned properties and other businesses outperformed plans.

GRANVISTA Hotels & Resorts Co., Ltd. recorded an increase in revenue as occupancy rates improved significantly, mainly thanks to the recovery of inbound tourism demand as a result of the government's nationwide travel support program and the relaxation of immigration restrictions, recording positive operating income for the first time in four years.

As a result of the above, the Urban Development, Hotels & Resorts segment overall recorded net sales of ¥108,841 million, up 3.2% year-on-year, with segment operating income up 35.1% year-on-year to ¥15,070 million.

<Other>

Net sales in the Other segment overall increased 15.3% year-on-year to ¥20,394 million, and segment operating income increased 42.3% year-on-year to ¥931 million.

Affiliates accounted for using the equity method, such as ITOCHU Fuji Partners, Inc., Fuji TV network affiliates, SANKEI SHIMBUN CO., LTD. and WOWOW Inc., contributed to equity in earnings of affiliates.

2. Capital investment:

Capital investment during the fiscal year under review totaled ¥53,363 million, which was spent principally on broadcasting-related equipment in the Media & Content segment, and resort redevelopment, real estate for lease, and others in the Urban Development, Hotels & Resorts segment.

3. Issues to be addressed:

While recognizing the public duty and social responsibility of broadcasting at all times, the Group's fundamental management policy is to contribute to the people realizing an enriched life through a wide range of business activities centered on media & content and urban development and hotels & resorts.

The business environment surrounding the Group is characterized by an increasing diversity of lifestyles due to advances in communications and device technologies, and these changes are accelerating following the COVID-19 pandemic. The Group will further enrich its content lineup while expanding the domains in which the Group offers content and services by using various media and sales channels to meet more highly subdivided needs of individuals. Through this, the Group is striving to expand its business scope.

The Company announced " 'Grow and Evolve' Fuji Media Holdings Medium-Term Group Vision 2023" in May 2023. The Group doesn't see content as consisting only of hit content such as television programs and entertainment, but instead of all that warms people's hearts

and enriches their lives, including products, services, information, and living spaces that people can encounter in their own lives, together with extraordinary experiences. In addition to increasing sales through the use of diverse content, the Group will also aim to further grow the Group's business by creating and enriching points of contact with consumers through its reinforcement of various media and sales channel, while at the same time increasing the Group's corporate value.

(1) Media & Content segment growth strategy

In the Media & Content segment, the Group will strengthen its framework for creating hit content, such as by nurturing creators and forming creator communities. It will secure rights and develop IP (intellectual property rights) for dramas, anime, music, and comics. In addition, it will increase its investment in efforts to strengthen content, such as by developing business with an eye toward leveraging next-generation technologies. The Group will also work to increase the value of terrestrial broadcast and BS advertising by raising viewer ratings, increasing product value, and developing new advertising products. Fuji Television Network, Inc. will continue to strive to grow its streaming business, such as through AVOD (free advertising-based video on demand) including TVer, which claimed the top position for total views, UBs (number of unique browsers), and viewing time in the fiscal year ended March 31, 2023, and through its paid streaming service, FOD, which has over one million paying subscribers. Furthermore, the Group will use abundant content that contributes to differentiation, such as content from Nippon Broadcasting System, Inc. and Pony Canyon Inc., to further expand its streaming and net business on a group-wide basis. It will develop, acquire, and leverage new web media as it accelerates moves into overseas markets, thereby expanding its consumer contact points and creating new consumer contact points.

(2) Urban Development, Hotels & Resorts segment growth strategy

In the Urban Development, Hotels & Resorts segment, we increased the capitalization of The Sankei Building Co., Ltd. by ¥20.0 billion in March 2023. Based on this increase in capitalization, we will expand investment while maintaining financial discipline, exploring large-scale development projects in the urban development field, expanding the range of asset types beyond logistics facilities and data centers, and accelerating the use of funds in growth investment in order to drive the Group's business results. In the hotels & resorts field, GRANVISTA Hotels & Resorts Co., Ltd., which had been posting losses during the COVID-19 pandemic, continued its business recovery, becoming profitable for the first time in four years in the fiscal year ended March 31, 2023. Furthermore, with the reclassification of COVID-19 as a Class 5 disease under the Infectious Diseases Act, domestic and inbound tourist demand is expected to continue to rise, and we will aim to capture this demand to achieve further growth. We will continue with our redevelopment of Suma Aqualife Park and Seaside Park Kobe (the Kobe Suma Sea World project) in preparation for their opening in 2024, and will engage in hotel development in line with the recovery of demand.

(3) Growth investment and capital profitability improvement initiatives

The Group will invest in growth based on the generation of cash through the capture of profit, outside borrowings, reviewing and revising owned assets, and the like. At the same time, it will focus on shareholder returns, maintaining stable dividends and striving to improve capital efficiency.

In the fiscal year ended March 31, 2023, the Group used the cash generated to increase the capitalization of The Sankei Building Co., Ltd., etc., and to invest in growth, while also

deciding to issue commemorative dividends from the perspective of focusing on shareholder returns. Furthermore, it has been resolved in May 2023 that stock repurchase up to ¥10.0 billion yen will be conducted.

We will increase our profits and improve our capital efficiency through growth investment and structural reforms. Through this, we will seek to raise our return on capital and our price book-value ratio (PBR).

(4) Promoting ESG and sustainability

The Group is actively pursuing sustainability initiatives as a media group with a high public profile. In June 2022, we established a group-wide “Sustainability Committee” and formulated the “Sustainability Declaration,” which serves as a guideline for promoting group-wide efforts to realize a sustainable society.

Furthermore, in the information we disclosed in May 2023 based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we set forth our targets of cutting greenhouse gas emissions by Fuji Television Network, Inc., The Sankei Building Co., Ltd., and DINOS CORPORATION by 50% by the fiscal year ending March 31, 2031 and to achieve carbon neutrality by the fiscal year ending March 31, 2051.

In February 2023, our subsidiary FUJI CREATIVE CORPORATION Co., Ltd. and its Executive Vice President were indicted for violations of the Antimonopoly Act in their bidding for service contracts for test event plan proposals and the like in relation to the Tokyo 2020 Olympic and Paralympic Games. The Group recognizes the gravity of this situation and will strive to thoroughly comply with all laws and regulations.

In 2020, the Company transformed into a Company with an Audit and Supervisory Committee and improved its governance system, such as by having one-third or more of its Executive Managing Directors be Independent Outside Executive Managing Directors. In June 2023, the Company plans to create a Management Advisory Committee, over half of whose members will be Independent Outside Executive Managing Directors. We will reinforce the independence and objectivity of the Board of Directors’ functions with respect to the nomination and compensation, etc. of management and candidates for Executive Managing Director positions, and we will further enrich our corporate governance structure.

4. Changes in property and income and loss:

Item	79th fiscal year April 1, 2019 - Mar. 31, 2020	80th fiscal year April 1, 2020 - Mar. 31, 2021	81st fiscal year April 1, 2021 - Mar. 31, 2022	82nd fiscal year (current year) April 1, 2022 - Mar. 31, 2023
Net sales (million yen)	631,482	519,941	525,087	535,641
Operating income (million yen)	26,341	16,274	33,338	31,401
Recurring profit (million yen)	34,854	22,295	45,534	39,053
Net income attributable to owners of the parent (million yen)	41,307	10,112	24,879	46,855
Basic earnings per share (yen)	178.44	44.31	111.86	210.69
Total assets (million yen)	1,254,613	1,336,042	1,335,991	1,382,646
Net assets (million yen)	745,574	784,429	808,788	848,769
Net assets per share (yen)	3,179.13	3,479.47	3,588.35	3,766.83

(Note) 79th fiscal year:

Revenues in the Media & Content and Urban Development, Hotels & Resorts segments declined, resulting in a decline in net sales on a consolidated basis. As for earnings, due mainly to decreases in earnings in the Media & Content and Urban Development, Hotels & Resorts segments, operating income and recurring profit decreased. Net income attributable to owners of the parent increased, due to the recording of a gain on return of substitutional portion of employees' pension fund as an extraordinary gain.

80th fiscal year:

Revenues in the Media & Content and Urban Development, Hotels & Resorts segments declined, resulting in a decline in net sales on a consolidated basis. As for earnings, due mainly to decreases in earnings in the Media & Content and Urban Development, Hotels & Resorts segments, operating income and recurring profit decreased. In addition, net income attributable to owners of the parent also decreased due to a reactionary decrease as a result of posting a gain on return of substitutional portion of employees' pension fund under extraordinary gain in the previous fiscal year.

81st fiscal year:

Consolidated net sales increased overall thanks to an increase in the Urban Development, Hotels & Resorts segment, despite a decrease in the Media & Content segment due to the application of the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29 of March 31, 2020), etc. and the transfer of the Cecile business. As for earnings, due mainly to increases in earnings in the Media & Content and Urban Development, Hotels & Resorts segments, operating income and recurring profit both increased. In addition, net income attributable to owners of the parent also increased, despite the posting of extra retirement payments under extraordinary loss.

82nd fiscal year (current year):

As described in “1. Development and results of business activities.”

Effective from the 81st fiscal year, the Company has adopted the Accounting Standard for Revenue Recognition, etc. and the figures for the changes in property and income and loss for the 81st fiscal year onward are those after the application of these accounting standards.

5. State of major subsidiaries:

(1) State of major subsidiaries:

Name	Capital stock (million yen)	Ratio of equity participation (%)	Principal business
Fuji Television Network, Inc.	8,800	100.0	TV broadcasting business
Nippon Broadcasting System, Inc.	100	100.0	Radio broadcasting business
Pony Canyon Inc.	100	100.0	Sale, etc. of video /music software
DINOS CORPORATION	100	100.0	Direct marketing business
The Sankei Building Co., Ltd.	38,120	100.0	Building leasing and real estate transactions

(2) Development and results of business combinations:

grape Co., Ltd. and imini immunity Co., Ltd. have grown in importance, so the Company converted them into consolidated subsidiaries starting from the fiscal year under review.

Pony Canyon Inc. sold all of its shares of Ponycanyon Planning Inc. in August 2022, so Ponycanyon Planning Inc. was excluded from the scope of subsidiaries accounted for by the equity method.

As a result, the Company had 37 consolidated subsidiaries, including the above five major subsidiaries and 29 equity-method companies for the fiscal year under review.

6. Major businesses:

The Group, with Fuji Media Holdings (the Company) as a certified broadcast holding company, engages mainly in operations of mainstay business of broadcasting as prescribed by Japan's Broadcast Act; distribution; production for TV programming, movies, animations, and events; sale of videos and music software; music publication; advertisement; and direct marketing, etc. through the Media & Content business, and building leasing; real estate transactions; hotels and resorts operation, etc. through the Urban Development, Hotels & Resorts business.

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

Segment name	Business
Media & Content	TV broadcasting; radio broadcasting; distribution; production for TV programming, movies, animations, events, etc.; sale of videos and music software; music publication; advertisement; and direct marketing, etc.
Urban Development, Hotels & Resorts	Building leasing, real estate transactions, hotels and resorts operation, etc.
Other	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 CORPORATION	Nakano-ku, Tokyo
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
Media & Content	4,205	- 92
Urban Development, Hotels & Resorts	1,748	- 94
Other	326	- 13
All-company	48	+ 34
Total	6,327	- 165

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

9. Principal lenders:

Lender	Balance of borrowings (million yen)
Sumitomo Mitsui Banking Corporation	30,100
Development Bank of Japan Inc.	20,760
Mizuho Bank, Ltd.	20,500
MUFG Bank, Ltd.	12,215
SBI Shinsei Bank, Limited	10,750
Shinkin Central Bank	10,250

II. Matters concerning the shares of the Company

- Total number of issued shares:** 234,194,500 shares
(including 8,839,834 shares of treasury stock)
- Number of shareholders:** 46,620 persons
- Principal shareholders:**

Name of shareholder	Number of shares (shares)	Ratio of equity participation (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	25,166,700	11.17
Toho Co., Ltd.	18,572,100	8.24
Nippon Cultural Broadcasting, Inc.	7,792,000	3.46
NTT DOCOMO Co., Ltd.	7,700,000	3.42
Custody Bank of Japan, Ltd. (Trust Account)	7,248,200	3.22
Kansai Telecasting Corporation	6,146,100	2.73
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	5,606,300	2.49
State Street Bank and Trust Company 505001	5,329,265	2.36
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account for Dentsu Inc.)	4,650,000	2.06
Yakult Honsha Co., Ltd.	3,969,000	1.76

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.

(For reference) Distribution of shares by owner:

Individual and other	31.3%	(73,322 thousand shares)	45,819 shareholders
Financial institution	18.1%	(42,467 thousand shares)	40 shareholders
Other corporation	30.5%	(71,327 thousand shares)	357 shareholders
Foreigner	16.0%	(37,449 thousand shares)	369 shareholders
Financial instrument service operator	4.1%	(9,626 thousand shares)	35 shareholders

- Notes: 1. Shares held by "Individual and other" include 8,839 thousand shares of treasury stock and 38,102 thousand shares in respect of which the registration for transfer of shares has been denied pursuant to the Broadcast Act of Japan (adjusted shares held by foreigners).
2. The ratio of the number of voting rights held by foreigners, etc. as provided for in the Broadcast Act to the total number of voting rights of the Company is 19.99%.

III. Matters concerning the officers of the Company

1. Names of Directors, etc.:

(As of March 31, 2023)

Position	Business in charge	Name	Important concurrent office
Chairman and Representative Director		Masaki Miyauchi	Chairman and Representative Director, Fuji TV
President and Representative Director		Osamu Kanemitsu	Executive Managing Director, Fuji TV Audit & Supervisory Board Member, Sankei Shimbun Co., Ltd.
Executive Vice President	Corporate Planning and Public & Investor Relations	Kenji Shimizu	Director, Nippon Broadcasting System, Inc. Audit & Supervisory Board Member, Fuji Satellite Broadcasting, Inc. (BS Fuji) Audit & Supervisory Board Member, Pony Canyon Inc. Board Director, WOWOW Inc. Board Director, SKY Perfect JSAT Holdings Inc. Director, Space Shower Network Inc. Director, Toei Animation Co., Ltd.
Executive Managing Director	Finance General Manager, Treasury and Finance Department General Manager, Corporate Planning Department	Ryosuke Fukami	Director, DINOS CORPORATION
Executive Managing Director	Sustainability Management and Promotion Office, Corporate Compliance Office, General Affairs and Human Resources	Tomoyuki Minagawa	
Executive Managing Advisor		Hisashi Hieda	Executive Managing Advisor, Fuji TV Director and Advisor, Sankei Shimbun Co., Ltd. Director, The Sankei Building Co., Ltd. Director, Kansai Telecasting Corporation Director, Tokai Television Broadcasting Co., Ltd. Director, Television Nishinippon Corporation Director, Hokkaido Cultural Broadcasting Co., Ltd.
Executive Managing Director		Koichi Minato	President and Representative Director, Fuji TV
Executive Managing Director		Takehiko Kiyohara	Special Advisor, Sankei Shimbun Co., Ltd. Executive Managing Director, Fuji TV
Executive Managing Director		Yoshishige Shimatani	Chairman and Representative Director, Toho Co., Ltd. Executive Managing Director, Fuji TV Director, Tokyo Rakutenchi Co., Ltd. Director, Hankyu Hanshin Holdings Inc. Director, Tokyo Kaikan Co., Ltd.
Executive Managing Director		Akihiro Miki	Executive Managing Director, Fuji TV

Position	Business in charge	Name	Important concurrent office
Executive Managing Director (Full-time Audit & Supervisory Committee Member)		Kiyoshi Onoe	Audit & Supervisory Board Member, Fuji TV
Executive Managing Director (Full-time Audit & Supervisory Committee Member)		Takashi Wagai	Audit & Supervisory Board Member, Fuji TV
Executive Managing Director (Audit & Supervisory Committee Member)		Yuzaburo Mogi	Honorary Chairman and Director, and Chairman of the Board of Directors, Kikkoman Corporation Audit & Supervisory Board Member, Fuji TV Director, Calbee, Inc. Director, Oriental Land Co., Ltd. Audit & Supervisory Board Member, Tobu Railway Co., Ltd.
Executive Managing Director (Audit & Supervisory Committee Member)		Takayasu Okushima	Audit & Supervisory Board Member, Fuji TV
Executive Managing Director (Audit & Supervisory Committee Member)		Takamitsu Kumasaka	Advisor, Sankei Shimbun Co., Ltd. Audit & Supervisory Board Member, Fuji TV Director, The Sankei Building Co., Ltd. Director, Kansai Telecasting Corporation

- Notes:
1. Executive Managing Directors Messrs. Yoshishige Shimatani, Akihiro Miki, Yuzaburo Mogi, Takayasu Okushima and Takamitsu Kumasaka are outside directors as provided for in Article 2, item 15 of the Companies Act.
 2. Executive Managing Directors Messrs. Yoshishige Shimatani, Akihiro Miki, Yuzaburo Mogi, Takayasu Okushima and Takamitsu Kumasaka have been registered with the Tokyo Stock Exchange as independent officers.
 3. The Audit & Supervisory Committee of the Company elected Messrs. Kiyoshi Onoe and Takashi Wagai as full-time Audit & Supervisory Committee Members in order to improve the environment for auditing, etc., collect internal information, and monitor and verify the status of formulation and operation of internal control systems on a daily basis.
 4. Audit & Supervisory Committee Member Mr. Yuzaburo Mogi, who has built up his experience in accounting at Kikkoman Corporation, has considerable knowledge of financing and accounting.
 5. Audit & Supervisory Committee Member Mr. Nobuya Minami passed away on October 24, 2022, and is thus no longer with the Company. On the same date, the Substitute Executive Managing Director who is an Audit & Supervisory Committee Member, Mr. Takamitsu Kumasaka assumed the position of Executive Managing Director who is an Audit & Supervisory Committee Member.

6. Fuji TV and The Sankei Building Co., Ltd. are consolidated subsidiaries of the Company.
7. Sankei Shimbun Co., Ltd. and Kansai Telecasting Corporation are affiliates accounted for by the equity method.
8. There are no conflicts of interest between the Company and any of companies of which the Outside Directors hold positions other than those stated above.

2. Director who retired during the fiscal year under review:

Name	Date of retirement	Reason of retirement	Position, business in charge, and important concurrent office at the time of retirement
Nobuya Minami	October 24, 2022	Deceased	Executive Managing Director (Audit & Supervisory Committee Member) Audit & Supervisory Board Member, Fuji TV

Note: Fuji TV is a consolidated subsidiary of the Company.

3. 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 non-executive Directors Messrs. Takehiko Kiyohara, Yoshishige Shimatani, Akihiro Miki and all Executive Managing Directors who are Audit & Supervisory Committee Members 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 and ordinances.

An agreement with the same contents was concluded with Mr. Nobuya Minami, Executive Managing Director who is an Audit & Supervisory Committee Member, who is no longer with the Company after having passed away on October 24, 2022.

4. Outline of the content of directors and officers liability insurance contract:

The Company has entered into a directors and officers liability insurance contract, as stipulated in Article 430-3, paragraph 1 of the Companies Act, to cover legal damages and litigation expenses arising from a claim made against the insured (including the case of a shareholder lawsuit) during the insurance period due to an act committed by the insured in his/her position. Provided, however, that there are certain exemptions in order not to impair the appropriateness of duties of the insured; for example, the act of obtaining illegal gains or benefits, criminal acts, wrongful acts, fraudulent acts, or acts committed while knowing that the conduct is in violation of laws, regulations, or regulatory laws shall not be covered under the insurance contract. In addition, provisions for deductible amounts and reduced payout ratios are stipulated thereunder.

This insurance contract shall insure Executive Managing Directors of the Company and Executive Managing Directors and Audit & Supervisory Board Members of Fuji Television Network, Inc., the Company's subsidiary. The Company shall bear the entire premium for all the insured.

5. Amount of remuneration, etc. of Executive Managing Directors and Audit & Supervisory Board Members:

(1) Amount of remuneration, etc. of Executive Managing Directors and Audit & Supervisory Board Members for the fiscal year under review

Officers by category	Total amount of remuneration, etc. (Million yen)	Total amount of remuneration, etc. by type (Million yen)			Number of eligible officers
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Executive Managing Directors (excluding Executive Managing Directors who are Audit & Supervisory Committee Members) (of which, Outside Executive Managing Directors)	310 (10)	310 (10)	– (–)	– (–)	13 (2)
Executive Managing Directors who are Audit & Supervisory Committee Members (of which, Outside Executive Managing Directors)	55 (18)	55 (18)	– (–)	– (–)	6 (4)

Note: In addition to the above amount of remuneration, etc., the amount of remuneration, etc. the outside officers received from the Company's subsidiaries in their capacity as officers for the fiscal year under review was ¥31 million.

(2) Officer remuneration policy, etc.

The maximum amount of remuneration for officers (per annum) were resolved at the 79th Ordinary General Meeting of Shareholders held on June 25, 2020 to be ¥960 million for Executive Managing Directors (excluding Executive Managing Directors who are Audit & Supervisory Committee Members) (of which, ¥200 million are for Outside Executive Managing Directors), and ¥180 million for Executive Managing Directors who are Audit & Supervisory Committee Members. At the time of the resolution, the Company had 10 Executive Managing Directors (excluding Executive Managing Directors who are Audit & Supervisory Committee Members) (of which, 2 were Outside Executive Managing Directors), and 5 Executive Managing Directors who are Audit & Supervisory Committee Members.

The Company resolved a policy on the determination of the amount of remuneration, etc. for Executive Managing Directors at its Board of Directors meetings, as follows. The amount of remuneration, etc. for Executive Managing Directors who are Audit & Supervisory Committee Members shall be determined through discussion among Executive Managing Directors who are Audit & Supervisory Committee Members.

1. Policy on determination of amount or calculation method of fixed remuneration

The amount of fixed remuneration for Executive Managing Directors (excluding Executive Managing Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter) shall be determined based on the “fixed amount portion” set for each position, within the range of the total amount of remuneration approved at the General Meeting of Shareholders, and by adding to it the “evaluation portion,” which is determined according to whether the person has a representative right or not, term of office, degree of contribution, etc.

For Executive Managing Directors excluding Outside Executive Managing Directors, stock price-linked remuneration (remuneration for the purpose of acquiring treasury stock) shall be adopted as part of the remuneration plan. Each of the eligible Executive Managing Directors shall acquire shares of treasury stock by contributing an amount within a certain range every month from the monthly remuneration paid as fixed remuneration to the Officers Stock Ownership Plan.

2. Policy on determination of amount or calculation method of performance-linked remuneration

Executive Managing Directors excluding Outside Executive Managing Directors shall be eligible to receive performance-linked remuneration (bonus).

Payment of performance-linked remuneration (bonus) shall be determined by a Representative Director, who has been delegated by the Board of Directors. The Representative Director shall comprehensively consider the profitability management indicators such as operating income and net income for each fiscal year, and other performance results, etc. within the range of total remuneration resolved at the General Meeting of Shareholders, and submit the content of bonus payment to the Board of Directors for approval.

3. Policy on determination of the ratio of fixed remuneration, performance-linked remuneration, etc. to the amount of individual remuneration, etc. of Executive Managing Directors

When making payments of performance-linked remuneration, the Representative Director, who has been delegated by the Board of Directors, shall determine the details of individual remuneration, etc. by taking into consideration profitability management indicators and other performance results, etc. for the relevant fiscal year, so that the performance-linked portion constitutes a larger proportion for officers in higher positions.

4. Policy on determination of timing or condition of paying remuneration, etc.

Fixed remuneration shall be paid monthly, and bonus as performance-linked remuneration shall be paid annually. When making payments of bonus, the Representative Director shall comprehensively take into consideration profitability management indicators and other performance results, etc. for each fiscal year, and prepare a draft for the total amount of bonus to be paid for the relevant fiscal year. The draft shall be deliberated at the Board of Directors meeting, and prior approval of the Board of Directors shall be obtained before payment of bonus is made.

5. Policy on determination of the details of individual remuneration, etc. of Executive Managing Directors

The determination of the amount of individual fixed remuneration, etc. and the amount of payment relating to the performance-linked remuneration for each Executive Managing Director shall be left to the discretion of a Representative Director by resolution of the Board of Directors.

In order to ensure that such authority is properly exercised by the Representative Director, the advice of Independent Outside Executive Managing Directors shall be obtained as appropriate when considering important matters concerning remuneration. In addition, a system shall be established to obtain appropriate involvement of, and advice from Independent Outside Executive Managing Directors through the Audit & Supervisory Committee, the majority of which consists of Independent Outside Executive Managing Directors, in the way of exchange of opinions with the Representative Director.

In the fiscal year under review, Chairman and Representative Director Masaki Miyauchi determined the specific details of the amount of individual remuneration of Executive Managing Directors, based on the delegated resolution of the Board of Directors. The details of this authority include the amount of fixed remuneration for each Executive Managing Director, as well as the payment of bonus based on the performance of the fiscal year under review and the evaluation portion thereof. This authority was delegated to Chairman and Representative Director due to his accurate understanding of the management situation of the Company and since he is deemed to be the most suitable person to evaluate each Executive Managing Director's performance and duties.

In order to ensure that such authority is properly exercised by Chairman and Representative Director, the Company has taken measures such as obtaining appropriate involvement and advice from Independent Outside Executive Managing Directors. Since the amount of individual remuneration of Executive Managing Directors is determined through these procedures, the Board of Directors believes that the details of the remuneration are in line with the decision-making policy.

6. Matters concerning outside officers:

(1) State of important concurrent offices

As stated in “1. Names of Directors, etc.”

(2) Major activities during the fiscal year under review:

Name	Meetings of the Board of Directors attended	Speeches and outline of duties, etc.
Executive Managing Director Yoshishige Shimatani	10/10	At the meetings of the Board of Directors, Mr. Shimatani spoke whenever necessary and at and outside of such meetings, supervised management and presented advice and recommendations based on his wide experience and expertise as representative director of a listed movie and drama business corporation, from an objective perspective independent from persons executing business operations.
Executive Managing Director Akihiro Miki	10/10	At the meetings of the Board of Directors, Mr. Miki spoke whenever necessary and at and outside of such meetings, supervised management and presented advice and recommendations based on his wide experience and expertise as a former representative director of a radio broadcasting business corporation, from an objective perspective independent from persons executing business operations.

Name	Meetings of the Board of Directors attended	Meetings of the Audit & Supervisory Committee attended	Speeches and outline of duties, etc.
Executive Managing Director (Audit & Supervisory Committee Member) Yuzaburo Mogi	10/10	7/7	At the meetings of the Board of Directors and the Audit & Supervisory Committee, Mr. Mogi spoke whenever necessary and at and outside of the Board of Directors and the Audit & Supervisory Committee, supervised management, 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, from an objective perspective independent from persons executing business operations.
Executive Managing Director (Audit & Supervisory Committee Member) Nobuya Minami	0/4	0/4	Although Mr. Minami did not attend meetings of the Board of Directors, he supervised management, conducted audits to secure the appropriateness of the execution by the Directors of their duties, and presented advice and recommendations outside of the Board of Directors based on his wide experience and expertise as a former representative director of a listed corporation, from an objective perspective independent from persons executing business operations.
Executive Managing Director (Audit & Supervisory Committee Member) Takayasu Okushima	4/10	3/7	At the meetings of the Board of Directors and the Audit & Supervisory Committee, Mr. Okushima spoke whenever necessary and at and outside of the Board of Directors and the Audit & Supervisory Committee, supervised management, 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, from an objective perspective independent from persons executing business operations.
Executive Managing Director (Audit & Supervisory Committee Member) Takamitsu Kumasaka	6/6	3/3	At the meetings of the Board of Directors and the Audit & Supervisory Committee, Mr. Kumasaka spoke whenever necessary and at and outside of the Board of Directors and the Audit & Supervisory Committee, supervised management, 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 newspaper business corporation, from an objective perspective independent from persons executing business operations.

- Notes: 1. As for Audit & Supervisory Committee Member Mr. Nobuya Minami, the activities indicated are those conducted before his vacating his position due to passing away on October 24, 2022.
2. The numbers of Board of Directors meetings and Audit & Supervisory Committee meetings attended by Audit & Supervisory Committee Member Mr. Takamitsu Kumasaka indicate those meetings held after his assumption of his position on October 24, 2022.

IV. Account auditors

1. Name of the account auditors:

Ernst & Young ShinNihon LLC

2. Amount of remuneration, etc.:

- (1) Amount of remuneration, etc. for the fiscal year under review: ¥39 million
- (2) Total of cash and other property benefits payable by the Company and its subsidiaries to the account auditors: ¥166 million

- Notes:
- 1. In its audit contract with its accounting auditors, the Company has not established separate categories for audit fees for audits in accordance with the Companies Act and audits in accordance 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. The Audit & Supervisory Committee of the Company obtained necessary materials and received reports on the remuneration, etc. for the account auditors from Executive Managing Directors, internal related departments and the account auditors. Then it confirmed the previous activity and remuneration records of the account auditors, and made necessary verification and deliberation on the activity plan, and the appropriateness and other matters of the basis for calculating the remuneration estimate of the account auditors for the fiscal year under review. As a result, it has determined that such are appropriate, and consented to the remuneration, etc. for the account auditors pursuant to Article 399, paragraph 1 of the Companies Act.
 - 3. Subsidiaries of the Company have paid the account auditors remuneration for advisory services on accounting matters, other than the services set forth in Article 2, paragraph 1 of the Certified Public Accountant Act of Japan.

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

In the event that the account auditors are found to fall under any event under the items of Article 340, paragraph 1 of the Companies Act, the Audit & Supervisory Committee shall, upon unanimous consent of the Audit & Supervisory Committee Members, dismiss the account auditors. In addition, the Audit & Supervisory Committee will evaluate the account auditors comprehensively from the perspective of their eligibility, expertise, independence from the Company, and other evaluation standards, and in the event that it deems necessary to change the account auditors, such as in cases where it judges that there is a difficulty in the execution by the account auditors of their duties, it shall determine the content of a proposition for the dismissal or non-reappointment of the account auditors to be submitted to a General Meeting of Shareholders.

V. Systems to Secure the Properness of Business Activities and the Status of Implementation of the Systems

[1] 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 and 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 Company and its subsidiaries (the “Group”) of becoming Japan’s representative “Media Conglomerate” requires the Company 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 effectiveness of compliance with laws and ordinances and the Articles of Incorporation and risk management, the Company shall build up required systems.

(1) Organization system

The Company shall, pursuant to the “Regulations Concerning Compliance and Risk Management of the Group” (the “Group Compliance Regulations”), exercise general control over, and promote, the relevant operations of the Group. The Company shall also institute a “Committee for Compliance and Risk Management of the Group” (the “Group Compliance Committee”) comprised of the Group’s presidents/representative directors to respond to compliance issues and risks that may have a material effect on group management.

(2) Education and training

The Company shall hold explanatory meetings related to compliance of the Group on a timely basis and convey related materials to inform the directors and employees of the Group of the importance of compliance and risk management and promote the understanding thereof.

(3) Credibility of financial reporting

The Group shall exert efforts to build up a system to strengthen compliance and risk management while giving full consideration to individual 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.

(4) Internal audits

The Company shall, pursuant to the “Internal Audit Regulations,” monitor the status of internal audits by, and internal control systems of, the Group on a regular basis to confirm that the whole operations of the Group are conducted properly and validly in terms of laws and ordinances, the Articles of Incorporation and the internal rules, as well as the management policy.

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 study 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 of the Group or otherwise.

4. Systems to secure the properness of business activities of the corporate group comprised of the Group

To secure the properness of business activities of the corporate group comprised of the Group, the Company shall, in respect of the group's compliance and risk management, as well as its business management, institute specialized departments and divisions respectively and promote the building up of the systems.

- (1) To accurately grasp the situations of management of its subsidiaries and help the healthy development of their business activities, the Company shall take steps to strengthen information sharing within the corporate group by receiving reports from the subsidiaries on a regular and continuous basis or otherwise.
 - (2) The Company shall promote the building up of a system under which each subsidiary of the Company shall autonomously make effective compliance and risk management according to its type of operation and scale of the business and also establish a system under which for the purpose of responding to any risk that may have a material effect on group management, the Company shall accurately grasp the situation.
 - (3) To ensure the effective execution of business by its subsidiaries, the Company shall promote group-wide management pursuant to the "Regulations of Management of Associated Companies."
 - (4) The Company shall institute specialized departments and divisions to promote group compliance and through the "Group Compliance Regulations," promote the establishment of corporate ethics and the building up of a group compliance system and a risk management system. The Company shall also establish a whistleblower system available to the Directors and employees of the Company, as well as the directors, audit & supervisory board members, executive employees, executive officers and employees of its subsidiaries (the "directors and employees of the Group"), with the aim of further ensuring the effectiveness of group compliance.
5. Matters concerning the Directors and employees to assist the Audit & Supervisory Committee to execute their duties, and the matters concerning the independence of

such Directors and employees from other Directors (excluding Directors who are Audit & Supervisory Committee Members) and the effectiveness of directions to such Directors and employees

The Company shall organize the Audit & Supervisory Committee's staff to assist the execution of duties by the Audit & Supervisory Committee. The Audit & Supervisory Board Committee's staff shall conduct business concerning the convocation of meetings of the Audit & Supervisory Committee, the preparation of minutes and other administrative work concerning the committee, as well as to assist the Audit & Supervisory Committee to execute their duties. Such business shall be assigned to specific department officially as part of the normal job allocation, whereby the Audit & Supervisory Committee's staff shall, as employees of the Company, follow the employment regulation, be supervised by the Audit & Supervisory Committee in principle, outside the command of Directors (excluding Directors who are Audit & Supervisory Committee Members). Furthermore, decisions on personal evaluation, personnel change and disciplinary action concerning the Audit & Supervisory Committee's staff shall be made following consultation with the Audit & Supervisory Committee.

6. System for Directors and employees of the Group to make report to the Audit & Supervisory Committee of the Company, matters relating to the expenses accompanied by the execution of duties by the Audit & Supervisory Committee Members (strictly to the duties of the committee alone) and the system for securing effective execution of audit by the Audit & Supervisory Committee

System for Directors and employees of the Group to make report to the Audit & Supervisory Committee of the Company, matters relating to the expenses accompanied by the execution of duties by the Audit & Supervisory Committee Members (strictly to the duties of the committee alone) and the system for securing effective execution of audit by the Audit & Supervisory Committee, shall be established, operated and implemented follows.

- (1) The directors and employees of the Group shall report the following matters on a timely basis:
 - (i) When they became aware of a fact that may have a material impact on the business or finance of the Group.
 - (ii) When they became aware of the fact that certain execution of duties involved wrongdoing, violation of laws, regulations, the Articles of Incorporation or internal rules or of the potential or actual act against the generally accepted standard of decency, where such fact or act is of significant magnitude.
 - (iii) Any other urgent or emergent event is found.
- (2) Directors and employees of the Group shall report to the Audit & Supervisory Committee of the Company on the following matters on a regular basis or as appropriate:
 - (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;
 - (viii) Summaries of activities of the audit & supervisory board members; and
 - (ix) Other important matters.
- (3) In the event that the directors and employees of the Group are requested by the Audit & Supervisory Committee of the Company to report the execution of their duties, they shall do so promptly.
- (4) The Company shall provide for internal regulations to ensure that any directors and employees of the Group who have given a report falling under any of paragraphs (1), (2) and (3) above to the Audit & Supervisory Committee of the Company will not suffer unfavorable treatment because of giving such report.
- (5) The Company shall bear expenses to be incurred on the performance by the Audit & Supervisory Committee Members of their duties in general.

[2] Overview of the status of implementation of the systems to secure the properness of business activities

The overview of the status of implementation of the systems during the fiscal year under review are described below:

1. Execution by the Directors of their duties

During the fiscal year under review, the Board of Directors held ten meetings to deliberate on and determine important matters including management policies and receive reports on the execution by the Directors of their duties. The outside Directors including Directors who are Audit & Supervisory Committee Members of the Company attended all meetings of the Board of Directors. With regard to the execution of business, the executive Directors, with the President and Representative Director acting as the central role, made decisions in an efficient and speedy manner.

2. Measures for group compliance

The Company convened a session of the “Group Compliance Committee” comprised of the presidents/representative directors of the Group to raise awareness of compliance and

risk management within the whole Group. In addition, the Company held two sessions for officers of the Group responsible for compliance, as well as two sessions for relevant personnel in charge of compliance at the Group, respectively to share information on compliance and risk management of the Group. Furthermore, the Company confers rewards to companies in the Group that have proactively engaged in activities for compliance for each fiscal year, in an effort to develop awareness of compliance within the entire Group.

3. Implementation of internal audits

In accordance with the “Internal Audit Regulations,” the internal control division prepared an “Internal Audit Plan” and audited the Group. The results of the audits were reported to the President and Representative Director of the Company, and the summaries thereof were fed back to each of the audited Group.

4. Execution by the Audit & Supervisory Committee of their duties

During the fiscal year under review, the Company held seven Audit & Supervisory Committee meetings to deliberate and decide on the audit policy and audit plan. The Audit & Supervisory Committee carried out audits according to the audit plan formulated by Audit & Supervisory Committee, while having interview with Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company and the presidents/representative directors of its subsidiaries, receiving reports on their execution of duties and exchanging opinions and information with full-time audit & supervisory board members of the subsidiaries of the Company on a regular basis. The Audit & Supervisory Committee of the Company also exchanged opinions and information with the account auditor and the internal audit sections of the Company individually on a regular basis. The Audit & Supervisory Committee’s staff selected by the committee on its own pursuant to the Regulations of the Audit & Supervisory Committee, are engaged in the affairs related to the administration of the committee, including convocation of the committee meetings and preparation of minutes, while supporting the execution of duties of the committee.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(As of March 31, 2023)

(million yen)

ASSETS

Current assets:	414,797
Cash on hand and in banks.....	109,669
Notes and accounts receivable-trade, and contract assets.....	95,844
Marketable securities	100,044
Inventories.....	72,436
Other current assets	37,269
Allowance for doubtful accounts	(467)
Fixed assets	967,849
Tangible fixed assets:	488,334
Buildings and structures.....	167,117
Machinery, equipment and vehicles	13,679
Land	287,002
Construction in progress	8,350
Other tangible fixed assets	12,184
Intangible fixed assets:	17,800
Goodwill	499
Leasehold rights	4,847
Software	7,695
Other intangible fixed assets	4,759
Investments and other assets:	461,714
Investment securities.....	418,155
Net defined benefit asset.....	2,792
Deferred tax assets	9,507
Other investments and other assets	32,736
Allowance for doubtful accounts	(1,477)
TOTAL ASSETS	1,382,646

(million yen)

LIABILITIES

Current liabilities:	174,898
Trade notes and trade accounts payable	39,040
Electronically recorded obligations - operating	5,492
Short-term borrowings	42,702
Accrued corporate income taxes, etc.....	9,998
Allowance for bonuses for officers	402
Other current liabilities	77,262
Long-term liabilities:	358,978
Long-term borrowings	220,424
Deferred tax liabilities	85,364
Deferred tax liabilities upon revaluation	11,745
Reserve for officers' retirement gratuities	2,438
Net defined benefit liability	15,874
Negative goodwill	1,185
Other long-term liabilities	21,945
TOTAL LIABILITIES	533,877
<u>NET ASSETS</u>	
Shareholders' equity:	707,469
Paid-in capital	146,200
Capital surplus	173,797
Retained earnings	401,585
Treasury stock	(14,113)
Accumulated other comprehensive income:	130,210
Valuation difference on available-for-sale securities	120,667
Deferred gains or losses on hedges	(183)
Revaluation differences of land	1,533
Translation adjustment	4,170
Remeasurements of defined benefit plans	4,023
Non-controlling interests:	11,089
TOTAL NET ASSETS	848,769
TOTAL LIABILITIES AND NET ASSETS	1,382,646

CONSOLIDATED STATEMENT OF INCOME

(April 1, 2022 to March 31, 2023)

		(million yen)
Net sales		535,641
Cost of sales		376,901
Gross profit		158,739
Selling, general and administrative expenses		127,338
Operating income		31,401
Non-operating income		
Interest income and dividend income	3,952	
Equity in earnings of affiliates	3,510	
Gain on investment associations	460	
Other income	1,836	9,760
Non-operating expenses		
Interest expenses	1,478	
Loss on investment associations	224	
Others	405	2,107
Recurring profit		39,053
Extraordinary gain		
Gain on sales of investment securities	16,337	
Gain on contribution of securities to retirement benefit trust	10,079	
Others	86	26,503
Extraordinary loss		
Impairment loss	135	
Loss on retirement of non-current assets	181	
Loss on sales of investment securities	239	
Loss on valuation of investment securities	221	
Others	37	815
Income before income taxes		64,742
Income and enterprise taxes	15,264	
Adjustment for income taxes	2,242	17,506
Net income		47,235
Net income attributable to non-controlling interests		380
Net income attributable to owners of the parent		46,855

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, ETC.
(April 1, 2022 to March 31, 2023)

(million yen)

	Shareholders' equity					Accumulated other comprehensive income
	Paid-in capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities
Balance at April 1, 2022	146,200	173,797	363,223	(14,088)	669,133	124,746
Changes during the year						
Distribution of retained earnings			(9,014)		(9,014)	
Net income attributable to owners of the parent			46,855		46,855	
Change of treasury stock due to change in equity in affiliates accounted for by equity method				(24)	(24)	
Reversal of revaluation differences of land			(0)		(0)	
Change in scope of consolidation			521		521	
Net change of items other than shareholders' equity						(4,079)
Total changes	-	-	38,361	(24)	38,336	(4,079)
Balance at March 31, 2023	146,200	173,797	401,585	(14,113)	707,469	120,667

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Deferred gains or losses on hedges	Revaluation differences of land	Translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at April 1, 2022	(168)	1,532	(144)	2,969	128,935	10,719	808,788
Changes during the year							
Distribution of retained earnings							(9,014)
Net income attributable to owners of the parent							46,855
Change of treasury stock due to change in equity in affiliates accounted for by equity method							(24)
Reversal of revaluation differences of land							(0)
Change in scope of consolidation							521
Net change of items other than shareholders' equity	(15)	0	4,314	1,053	1,274	369	1,644
Total changes	(15)	0	4,314	1,053	1,274	369	39,981
Balance at March 31, 2023	(183)	1,533	4,170	4,023	130,210	11,089	848,769

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: 37 companies

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

The Company converted grape Co., Ltd. and imini immunity Co., Ltd. to its consolidated subsidiaries due to their increased significance.

- (2) 50 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 the scope of consolidation.

2. Matters concerning the application of the equity method

- (1) Non-consolidated subsidiaries to which the equity method is applied: 2 companies

Names of major non-consolidated subsidiaries to which the equity method is applied: FCG Research Institute, Inc. and Fujisankei Agency, Inc.

Pony Canyon Inc. sold all of its shares in Ponycanyon Planning Inc. in August 2022, whereby the latter has been excluded from the former's subsidiaries to which the equity method is applied.

- (2) Number of affiliates to which the equity method is applied: 27 companies

Names of major affiliates to which the equity method is applied: Kansai Telecasting Corporation and WOWOW Inc.

- (3) Other subsidiaries and affiliates including Tokyo Film Mate, Inc. and Ponycanyon Music Publishing Inc. are excluded from the scope of the equity method as they have no significant impact on consolidated net income/loss or retained earnings and are of little importance as a whole.

3. Matters 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 other than shares, etc. without market value:

Stated at market value (Revaluation differences are all transferred directly to net assets. Selling costs are determined principally by the moving average method.)

Shares, etc. without market value:

Stated 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 limited partnerships and other similar partnerships (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 straight-line method. With regard to their useful lives, the same policy as in the method under the Corporation Tax Act is applicable.

However, the useful life of certain broadcast equipment held by certain consolidated subsidiaries is ten years.

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 Corporation 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 Group 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 Group sets aside an estimated amount of bonuses to be paid for the fiscal year under review.

Reserve for officers' retirement gratuities:

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

(4) Accounting method relating to employee retirement benefits:

(i) Method of attributing expected retirement benefits to periods:

To calculate retirement benefit obligations, the Group employs a benefit formula standard as the method of attributing expected retirement benefits to periods up to the close of the fiscal year under review.

(ii) Methods of treating actuarial differences and past service costs as expenses:

Past service costs are treated as expenses, based on a straight-line basis for a specific period of years (principally, 13 years) not exceeding the average remaining years of service of employees when such past service costs occur.

Actuarial differences are treated principally as expenses, *pro rata* based on the straight-line method for a specific period of years (principally, 13 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.

(5) Accounting for revenues and expenses:

(i) Revenue from contracts with customers:

- Revenue recognition

The Group recognizes revenue based on the following five steps, excluding revenues related to transactions concerning financial instruments covered under the scope of application of the accounting standards for financial instruments, as well as revenues related to the lease transactions covered under the scope of application of the accounting standards for lease transactions, at an amount of consideration it expects to be entitled to in exchange for transferring goods or services to a customer when it satisfies its performance obligations to transfer the goods or services to the customer as promised under the contract with the customer.

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize the revenue when (or as) a performance obligation is satisfied

- Revenue in gross amount and net amount

When another party is involved in providing goods or services to the customer, if the Company, based on the promise with the customer, is supposed to satisfy performance obligations to provide these goods or services itself, the Company as principal defines the revenue in the form of gross amount of consideration as transaction price, while if the Company is supposed to satisfy performance obligations to arrange a third party to provide goods or services to the customer, the Company as agent defines the revenue in the form of compensation or fees, or net amount of consideration as transaction price.

Whether the Company is acting as principal or agent is determined based on whether the Company is in control of the promised goods or services before providing it to the customer, in consideration of the following criteria for each individual contract.

- the Company is primarily responsible for fulfilling the promise to provide goods or services
- the Company has inventory risk before goods or services have been transferred to a customer or after transfer of control over goods or services to the customer
- the Company has discretion in establishing the price for goods or services

Under the Company that is a certified broadcast holding company, the Group engage mainly in operations of mainstay business of broadcasting as prescribed by the Broadcast Act, as well as the Media & Content business and the Urban Development, Hotels & Resorts business.

1. Media & Content business

The “Media & Content” business engages in “broadcasting and broadcasting-related business” including primarily operations of mainstay business of broadcasting as prescribed under the Broadcast Act, production of TV programs, movies, animations and events, sale of videos and music software, and music publication as well as “direct marketing business” engaging in running television shopping, catalog shopping, e-commerce sites and “other businesses” including advertising.

i) Broadcasting and broadcasting-related business

In the broadcasting business consisting primarily of Terrestrial TV, revenues are recognized at a point in time when control of the broadcasting services is transferred to customers when the program and commercial are aired and reached viewers (or listeners) (“on-air basis”), whereby performance obligations are considered to be satisfied.

In the broadcasting-related business engaging in licensing and sales of contents such as broadcast programs, movies, animations and music, revenues are recognized at a point in time when licensing starts if involving the rights to use intellectual property, or over time during the license period if involving the rights to access intellectual property, depending primarily on the type of license granted to customers. Of the licensing revenue, royalty income receivable commensurate with the net sales or usage determined based on the sales revenue, etc. at the counterparty is recognized as revenue at an amount estimated to be gained based on the contractual royalty rate, at the time when revenue, etc. is generated at the counterparty or when performance obligations are satisfied, whichever later.

ii) Direct marketing business

In the direct marketing business comprising television shopping, catalog shopping, e-commerce sites and others, where performance obligations are considered to be satisfied at the point of delivery of goods when the customer gains control thereof, revenue is recognized at the amount of consideration promised under the contract with the customer less discount and return of goods and other adjustments, at the time of shipment since the period of time from the shipment to the transfer of the control of goods to the customer is normally short enough to warrant this approach.

iii) Other businesses

In the advertising business handling advertising placement, since performance obligations are considered to have been satisfied at the point of placing advertisement in a medium, when the customer gains control

of this service, revenue is recognized at such point of placement. As the Company considers itself acting largely as agent in advertising business, revenue is recognized on a net basis at an amount of gross consideration received from the customer in return for the services provided less the relevant costs.

The transaction price is determined based on the terms of contract, without involving significant financing component. Transaction price is typically invoiced to the customer at the time of satisfying performance obligations, and the payment is received generally within six months based on the payment terms separately prescribed.

2. Urban Development, Hotels & Resorts business

The “Urban Development, Hotels & Resorts” business engages in “urban development business” engaging in building leasing and real estate transactions and others, as well as “hotels & resorts business” engaged in running hotels and resorts and others.

i) Urban development business

In the sales of the condominiums and real estate products for investors, since control of the assets is transferred to the customer at the time of delivering the asset, when performance obligations are deemed to have been satisfied, revenue is recognized at such time of delivery.

Leasing of properties such as office building and others, revenue is recognized over the contract term in accordance with the accounting standard for lease transactions and others.

ii) Hotels & Resorts business

In hotels & resorts business engaging in running hotel resorts and others, as performance obligations are deemed to have been satisfied when a customer used hotel and ocean leisure facilities and provision of services is completed, revenue is recognized at the time of such completion.

Transaction price is determined based on terms of contract, general terms & conditions for accommodation contract and others, which do not involve significant financing component. In the sales of real estate, part of the sales value is received as deposit at the time of concluding sales contract, and the rest of the payment is made at the time of delivery. In property leasing, rent for the next month is received typically at the end of each month. In hotels & resorts business, customers are charged and the payment is received typically at the customer’s departure from the hotel or at the entry to the ocean leisure facilities.

(ii) Basis of accounting for revenues related to finance lease transactions:

Net sales and cost of sales are recognized upon the receipt of lease payments.

(6) 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.

(7) 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.

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

(Changes in accounting policies)

The Company has applied the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021; hereinafter the “Fair Value Measurement Guidance”), effective from the beginning of the fiscal year under review, and in accordance with the transitional treatment provided for in paragraph 27-2 of the Fair Value Measurement Guidance, the Company will apply the new accounting policy prescribed by the Fair Value Measurement Guidance into the future. This has no impact on the consolidated financial statements.

(Changes in the method of presentation)

Consolidated statement of income

“Gain on sales of non-current assets” (¥1 million for the fiscal year under review) which was separately stated under “Extraordinary gain” in the previous fiscal year, is included in “Others” from the fiscal year under review due to its decreased significance.

“Loss on retirement of non-current assets” (¥150 million for the previous fiscal year), “Loss on sales of investment securities” (¥43 million for the previous fiscal year), and “Loss on valuation of investment securities” (¥835 million for the previous fiscal year), which were included in “Others” under “Extraordinary loss” in the previous fiscal year, are separately stated from the fiscal year under review due to its increased significance.

“Extra retirement payments” (¥29 million for the fiscal year under review) which was separately stated under “Extraordinary loss” in the previous fiscal year, is included in “Others” from the fiscal year under review due to its decreased significance.

(Notes on Accounting Estimates)

1. Loss on valuation of inventories (Urban Development, Hotels & Resorts)

(1) The amount recorded in the consolidated financial statements for the fiscal year under review: ¥— million

(2) Information related to the detail of the significant accounting estimates concerning the items identified

(i) Method of calculation

Balance sheet amount of inventories is represented by its acquisition cost. If, however, net sale price at year-end falls short of acquisition cost equivalent, such net sale price shall be deemed as balance sheet amount on account of likely reduction of profitability, and the difference between the acquisition cost equivalent and such net sale price shall be recognized as expenses for the fiscal year. Net sale price for condominiums shall be determined by the estimated sales amount based on the sales plan less estimated sales expenses, while net sales price for real estate products for investors shall be determined by the result of dividing NOI (Net Operating Income, i.e., operating income before depreciation and amortization) during the stably operating period based on the business plan, discounted by capitalization rate, as well as in consideration of the appraised valuation amount by real-estate appraisers as appropriate.

(ii) Main assumptions

Main considerations for the assumptions for calculating the net sale price of condominiums are the estimated sales amount and the estimated sales expenses, where certain assumptions are made, for the former, based on the trend of sales in the neighboring areas, while for the latter based on the latest trend by the expense to sale ratio.

Main considerations for the assumptions for calculating the net sale price of real estate products for investors are rent standards and occupancy rate for determining NOI as well as capitalization rate during the stably operating period, where certain assumptions are made, for the former two, based on the trend of rent and occupancy rate in the neighboring areas of the asset, while for the latter based on the latest market trend for the group of properties of the similar type and size.

(iii) Impact on the consolidated financial statements for the next fiscal year

As these assumptions are exposed to the impact of uncertainties in economic condition and the Company's business conditions for a period to come, in the event of decline in the levels of rent and occupancy rate, rise in capitalization rate or greater-than-expected changes in conditions of sales market, valuation loss may be recorded from the next fiscal year onward.

2. Impairment loss of fixed assets (Urban Development, Hotels & Resorts)
 - (1) The amount recorded in the consolidated financial statements for the fiscal year under review: ¥135 million
 - (2) Information related to the detail of the significant accounting estimates concerning the items identified
 - (i) Method of calculation

Fixed assets used for the hotel business, etc., as well as intangible fixed assets including leasehold rights, are tested for impairment when there appears a sign which indicates impairment test is inevitable, such as falling market value due to declining profitability, significant deterioration of business environment, and a change in the intended use.

As for the asset which has undergone deterioration of profitability or business environment without involving a change in its intended use, the amount of undiscounted future cash flows during the remaining economic life of the asset or 20 years, whichever shorter, is estimated, and impairment loss shall be recognized if the amount of such estimation falls short of the book value equivalent of the asset. The estimation of the undiscounted future cash flows shall be calculated by adding up NOI based on the reasonable business plan for the asset, future capital expenditure and the estimate of the final disposal value. For the asset determined to be in need of recognizing impairment loss, its book value shall be reduced to the recoverable amount, and such reduction shall be recognized as impairment loss. The recoverable amount shall be determined as the greater of the net sale price and the present value of future cash flows. Net sale price shall be the estimated sale price appraised by real-estate appraisers, less estimated sale expenses.

As for the asset which has undergone a change in the intended use, the recoverable amount by the change shall be calculated. Impairment loss will be recognized if such recoverable amount falls short of its book value. For the asset has been reclassified into inventories for sale, recoverable amount shall be calculated by subtracting estimated sale expenses from the estimated sale price appraised by real-estate appraisers; while for the asset which has undergone a change in its intended use by conversion or redevelopment, for example, from hotel to rental office or vice versa, recoverable amount shall be calculated by estimating future cash flows based on the renewed business plan.

Even prior to the completion of the project, if significant deterioration is found in the business environment, the impairment test shall be applied to determine whether impairment loss ought to be recognized by reexamining the rationality of the business plan.

(ii) Main assumptions

Main considerations for the assumptions for calculating the future cash flows of the assets used in the hotel business are the average daily rate (ADR) and occupancy rate for determining NOI, and for calculating the net sale price, in addition to these two elements, capitalization rate is the main assumption. Certain assumptions are made, for the former two, based on the market trend of ADR and occupancy rate at similar type of hotels in the neighboring areas of the assets, along with forecast on the trend in the tourism industry, while for the latter based on the latest market trend for the group of properties of similar type and size.

The business plan subject to review as part of the impairment test has taken into consideration the continuous impact of COVID-19 on the hotel business for certain period to come.

In reference to the external data such as the demand forecast by an industry association, domestic demand for hotel accommodation is expected to be subdued during the “with corona” period until the fiscal year ending March 31, 2024, and to gradually recover thereafter to the level of demand prior to the outbreak of COVID-19. Inbound business including the tourism by visitors from overseas, demand is expected to recover by the fiscal year ending March 31, 2026.

(iii) Impact on the consolidated financial statements for the next fiscal year

These assumptions will be affected by the uncertainties in the economic condition as well as in the business condition of the Company in the period to come, and in the event of evident decline in the level of rent, ADR or occupancy rate, or worse than expected deterioration of the forecast on the trend in the tourism industry, impairment loss may be recorded for the next fiscal year or later.

(Notes to consolidated balance sheet)

1. Accumulated depreciation of tangible fixed assets: ¥276,839 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 ¥254 million in buildings and structures, ¥317 million in machinery, equipment and vehicles, ¥100 million in other tangible fixed assets and ¥8 million in software. The amount thereof in the consolidated balance sheet is shown by deducting such amount of advanced depreciation.

3. Assets pledged:

Consolidated subsidiaries have provided ¥6,100 million of investment securities and ¥127 million of time deposits to financial institutions as collateral for borrowings by their investees, etc.

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

1. Total number of issued shares as of March 31, 2023

Shares of common stock: 234,194,500 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, 2022	Shares of common stock	4,507	20	March 31, 2022	June 29, 2022
Meeting of the Board of Directors held on November 2, 2022	Shares of common stock	4,507	20	September 30, 2022	December 7, 2022

- (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 28, 2023:

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 28, 2023	Shares of common stock	Retained earnings	6,760	30	March 31, 2023	June 29, 2023

(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 mainly, and has a policy not to conduct speculative trading.

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

Trade receivables – notes and accounts receivable-trade, and contract assets – 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 – and electronically recorded obligations - operating have payment due dates within one year. In addition, 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 12 years maximum after the close of the fiscal year.

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, some consolidated subsidiaries use interest rate swaps to hedge risks relating to fluctuations of interest rates on borrowings. Contracts on 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 other organs 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 “(6) Method of important hedge accounting” described in “3. Matters concerning accounting standards” under “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, 2023 (the consolidated settlement date for the fiscal year under review), along with their fair values and the differences:

(million yen)

	Balance sheet amount	Fair value	Difference
(1) Marketable securities and investment securities:			
Held-to-maturity bonds	1,962	1,787	(174)
Investment in shares of affiliates	13,155	8,159	(4,996)
Other marketable securities	339,267	339,267	–
Total assets	354,385	349,214	(5,170)
(2) Bonds	10,000	10,000	–
(3) Long-term borrowings	260,051	260,956	905
Total liabilities	270,051	270,956	905

(*1) “Cash on hand and in banks,” “notes and accounts receivable-trade, and contract assets,” “trade notes and trade accounts payable,” “electronically recorded obligations - operating,” and “short-term borrowings” are omitted, because they comprise cash and short-term instruments whose carrying amount approximates their fair value.

(*2) Shares without market value, and investments in partnerships and other similar entities for which equity interests are recorded on a net basis on the consolidated balance sheet, are not included in “(1) Marketable securities and investment securities,” pursuant to Paragraph 5 of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19, March 31, 2020), and to Paragraph 24-16 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021), respectively. The amounts of these investments recorded on the consolidated balance sheet are as follows:

(million yen)

Item	Balance sheet amount
Unlisted shares	133,300
Investment in partnerships	30,514

Note 1: Redemption schedule for monetary receivables and marketable securities with maturity date after the consolidated settlement date

(million yen)

	Within 1 year	1 year to 5 years	5 years to 10 years	More than 10 years
Cash on hand and in banks	109,669	–	–	–
Notes and accounts receivable-trade, and contract assets	95,844	–	–	–
Marketable securities and investment securities				
Held-to-maturity bonds (public and corporate bonds)	19	40	46	1,858
Other marketable securities with maturity date (debentures)	66,700	6,510	3	1,000
Other marketable securities with maturity date (others)	36,500	–	–	–
Total	308,732	6,550	49	2,858

Note 2: Repayment schedule for corporate bonds, long-term borrowings, and other interest-bearing debt after the consolidated settlement date

(million yen)

Item	Within 1 year	1 year to 2 years	2 years to 3 years	3 year to 4 years	4 year to 5 years	More than 5 years
Short-term borrowings	3,075	–	–	–	–	–
Bonds	10,000	–	–	–	–	–
Long-term borrowings	39,627	24,684	60,370	28,844	26,509	80,017
Total	52,702	24,684	60,370	28,844	26,509	80,017

3. Fair value information by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Level 1 fair value: Fair value measured using observable inputs, i.e. quoted prices in active markets for assets or liabilities that are the subject of the measurement.

Level 2 fair value: Fair value measured using observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value measured using unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

(1) Financial assets that are measured at fair value

Item	Fair value (million yen)			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Other marketable securities				
Shares	224,199	–	–	224,199
Government and local government bonds, etc.	904	–	–	904
Bonds	–	47,719	–	47,719
Debentures and others	–	25,341	–	25,341
Other marketable securities	2,476	38,626	–	41,102
Total assets	227,580	111,687	–	339,267

(2) Financial assets and financial liabilities that are not measured at fair value

Item	Fair value (million yen)			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Held-to-maturity bonds				
Government and local government bonds, etc.	106	–	–	106
Bonds	–	1,680	–	1,680
Investment in shares of affiliates	8,159	–	–	8,159
Total assets	8,266	1,690	–	9,946
Bonds	–	10,000	–	10,000
Long-term borrowings	–	260,956	–	260,956
Total liabilities	–	270,956	–	270,956

(Note) Description of valuation techniques and inputs in the fair value measurement

Marketable securities and investment securities:

Listed shares, government bonds, and bonds are valued using quoted prices obtained from financial institutions, etc. Since listed shares and government bonds are traded in active markets, their fair value is classified as Level 1. On the other hand, since bonds and others held by the Company are not traded frequently in the public market and not considered to have quoted prices in active markets, their fair value is classified as Level 2.

Bonds (including current portion payable):

The fair value of bonds issued by the Company are measured based on market prices obtained from financial institutions. While market prices are available, their fair value is classified as Level 2 because they are not traded frequently in active markets.

Long-term borrowings (including current portion):

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, while that of long-term borrowings to which the exceptional accrual method with regard to interest rate swaps is applicable 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, and is classified as Level 2.

(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 (including land) for lease, including office buildings and commercial facilities, in Tokyo, Osaka, etc.

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

Balance sheet amount	Fair value
272,944	341,747

Notes: 1. The consolidated balance sheet amount is the acquisition amount less accumulated depreciation.

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: | ¥3,766.83 |
| 2. Net income per share: | ¥210.69 |

(Notes on Revenue recognition)

1. Disaggregation of revenue from contracts with customers

(million yen)

	Operating segment			Other (Note)	Total
	Media & Content	Urban Development, Hotels & Resorts	Total		
Broadcasting and broadcasting-related	327,457	–	327,457	–	327,457
Direct marketing	59,057	–	59,057	–	59,057
Urban development	–	64,941	64,941	–	64,941
Hotels & Resorts	–	24,714	24,714	–	24,714
Other	33,774	–	33,774	5,052	38,827
Revenue from contracts with customers	420,289	89,656	509,945	5,052	514,998
Other revenue	53	18,619	18,672	1,970	20,643
Net sales to third parties	420,342	108,275	528,618	7,023	535,641

(Note) The “Other” category is a business segment not included in operating segments. It includes such operations as temporary agency services, leasing of movables and software development.

2. Basic information in understanding revenue from contracts with customers

Basic information in understanding revenue is as described in “(5) Accounting for revenues and expenses” in “3. Matters concerning accounting standards” under “Notes to important matters forming the basis of preparation of consolidated financial statements.”

3. Information on (a) relationship between the satisfaction of performance obligations based on contracts with customers and cash flows from such contracts and (b) amounts of revenue expected to be recognized in the following fiscal year or later from contracts with customers which have been existing at the end of the fiscal year under review and the timing of such revenue's recognition

- (1) Balance of contract assets and contract liabilities, etc.

(million yen)

	Fiscal year under review	
	Beginning balance	Ending balance
Receivables from contracts with customers		
Trade notes receivable	435	53
Electronically recorded monetary claims - operating	764	773
Trade accounts receivable	90,053	91,293
	91,253	92,120
Contract assets	1,970	3,366
Contract liabilities	7,218	8,782

Contract liabilities are mainly related to advances received from customers before the fulfillment of contracts and reversed upon recognition of revenue. The amount of revenue recognized in the fiscal under review that was included in the beginning balance of contract liabilities was ¥4,837 million.

- (2) Transaction price allocated to remaining performance obligations

The performance obligation of contracts with an original expected duration of one year or less are not included in the scope of disclosure as the Company and its subsidiaries apply a practical expedient in providing notes on transaction price allocated to remaining performance obligations. The performance obligations that were unsatisfied (or partially unsatisfied) amounted to ¥9,983 million as of March 31, 2023. Such performance obligations relate mainly to real estate transfer contracts and construction contracts in the urban development business. The Company expects to recognize approximately 90% of this revenue within one year from the end of the fiscal year, remaining 10% within four years thereafter.

(Notes on other matters)

Impairment loss

The Group recorded impairment loss on the assets below:

Location	Use	Type	Amount (million yen)
GRANVISTA Hotels & Resorts Co., Ltd. Sapporo-shi, Hokkaido and others	Business property	Buildings and structures, machinery equipment and vehicles, etc.	106

Note: In addition to the above, the Urban Development, Hotels & Resorts recorded ¥28 million of impairment loss. The disclosure is omitted due to its insignificance.

GRANVISTA Hotels & Resorts Co., Ltd. in the Urban Development, Hotels & Resorts reviews impairment loss on business properties sorted by the groups of assets based on business office categorized under managerial accounting treatment. The Company reduced the carrying amount of less profitable business properties to their recoverable amounts and recorded the reduced amounts thereof as impairment loss under extraordinary loss in the fiscal year under review; the breakdowns thereof are ¥59 million of buildings and structures, ¥7 million of machinery, equipment and vehicles, ¥3 million of construction in progress, ¥34 million of “Other tangible fixed assets” under tangible fixed assets and ¥1 million of software. The recoverable amount of the group of assets thereof is measured at value in use, which is assessed to be zero as no future cash flow is expected.

NON-CONSOLIDATED FINANCIAL STATEMENTS

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2023)

(million yen)

ASSETS

Current assets:	145,688
Cash on hand and in banks	43,040
Marketable securities	100,044
Prepaid expenses	124
Other current assets	2,478
Fixed assets:	694,609
Tangible fixed assets:	66,748
Buildings	35,443
Structures.....	73
Machinery and equipment.....	0
Motor vehicles.....	12
Tools, furniture and fixtures.....	2,328
Land.....	28,847
Construction in progress	41
Intangible fixed assets:	16
Software	16
Other intangible fixed assets	0
Investments and other assets:	627,844
Investment securities	239,404
Investment in shares of affiliates.....	378,269
Investment in other associated companies' securities.....	6,614
Long-term loans receivable.....	2,466
Long-term prepaid expenses	93
Prepaid pension costs	20
Other investments and other assets	1,023
Allowance for doubtful accounts	(48)
TOTAL ASSETS	840,298

(million yen)

LIABILITIES

Current liabilities:	182,381
Current portion of bonds payable	10,000
Trade accounts payable	376
Accrued expenses	208
Accrued income taxes.....	2,493
Advance received	508
Deposit received	168,752
Other current liabilities	41
Long-term liabilities:	63,650
Deferred tax liabilities	57,369
Reserve for employee retirement benefits	22
Negative goodwill.....	711
Guarantee deposit	4,811
Other long-term liabilities	735
TOTAL LIABILITIES	246,031

NET ASSETS

Shareholders' equity:	477,868
Paid-in capital	146,200
Capital surplus	173,664
Capital reserve	173,664
Retained earnings	168,003
Earned surplus reserve.....	4,385
Other retained earnings.....	163,618
Reserve for open innovation promotion	37
General reserve.....	98,300
Retained earnings carried forward	65,280
Treasury stock	(9,999)
Valuation and translation adjustments:	116,397
Valuation difference on available-for-sale securities	116,397
TOTAL NET ASSETS	594,266
TOTAL LIABILITIES AND NET ASSETS	840,298

NON-CONSOLIDATED STATEMENT OF INCOME

(April 1, 2022 to March 31, 2023)

(million yen)

Operating revenue		15,790
Operating expenses		6,931
Operating income		8,859
Non-operating income		
Interest income and dividend income	3,254	
Gain on investment associations	669	
Write-off of negative goodwill	355	
Other income	13	4,294
Non-operating expenses		
Interest expenses	107	
Loss on investment associations	123	
Sundry loss	6	236
Recurring profit		12,916
Extraordinary gain		
Gain on sales of investment securities	25,736	25,736
Extraordinary loss		
Loss on retirement of non-current assets	7	
Loss on valuation of investment securities	89	97
Income before income taxes		38,555
Income and enterprise taxes	4,540	
Adjustment for income taxes	2,569	7,109
Net income		31,446

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

(April 1, 2022 to March 31, 2023)

(million yen)

	Shareholders' equity					
	Paid-in capital	Capital surplus		Retained earnings		
		Capital reserve	Earned surplus reserve	Other retained earnings		
				Reserve for open innovation promotion	General reserve	Retained earnings carried forward
Balance at April 1, 2022	146,200	173,664	4,385	37	98,300	42,849
Changes during the year						
Distribution of retained earnings						(9,014)
Net income						31,446
Net change of items other than shareholders' equity						
Total changes	-	-	-	-	-	22,431
Balance at March 31, 2023	146,200	173,664	4,385	37	98,300	65,280

	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, 2022	(9,999)	455,436	120,656	576,092
Changes during the year				
Distribution of retained earnings		(9,014)		(9,014)
Net income		31,446		31,446
Net change of items other than shareholders' equity			(4,258)	(4,258)
Total changes	-	22,431	(4,258)	18,173
Balance at March 31, 2023	(9,999)	477,868	116,397	594,266

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 other than shares, etc. without 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.)

Shares, etc. 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 straight-line method.

With regard to their useful lives, the same policy as in the method under the Corporation Tax Act is applicable.

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 Corporation Tax Act 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.

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 under review, based on the estimated retirement benefit obligations and pension plan assets as of the close of the fiscal year under review.

The accounting method for reserve for employee retirement benefits and employee retirement benefit costs is as described below:

(i) Method of attributing expected retirement benefits to periods:

To calculate retirement benefit obligations, the Company employs a benefit formula standard as the method of attributing expected retirement benefits to periods up to the close of the fiscal year under review.

(ii) Methods of treating actuarial differences and past service costs as expenses:

Past service costs are 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 costs occur.

Actuarial differences are treated as expenses, *pro rata* 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.

The treatment of unrecognized actuarial differences and unrecognized past service costs on the balance sheet differs from the treatment thereof in the consolidated financial statements.

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

(Notes to non-consolidated balance sheet)

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

Short-term money debts due from associated companies:	¥2,442 million
Long-term money debts due from associated companies:	¥2,466 million
Short-term money debts payable to associated companies:	¥168,796 million
Long-term money debts payable to associated companies:	¥4,719 million

2. Accumulated depreciation of tangible fixed assets: ¥91,284 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 and ¥99 million in tools, furniture and fixtures. 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:	¥15,790 million
Operating expenses:	¥716 million
Transactions other than ordinary business:	¥10,088 million

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

Total number of shares of treasury stock as of March 31, 2023:

Shares of common stock:	8,839,834 shares
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(Notes on tax effect accounting)

1. Principal components of deferred tax assets and deferred tax liabilities:

(Deferred tax assets)	(million yen)
Accrued enterprise taxes	392
Accrued officers' retirement gratuities	223
Valuation losses on investment securities	6,261
Shares of associated affiliates associated with reorganization	11,640
Others	332
Subtotal of deferred tax assets	18,850
Valuation reserve for total of deductible temporary differences and others	(18,202)
Total deferred tax assets	648
 (Deferred tax liabilities)	
Shares of associated affiliates associated with reorganization	4,193
Valuation difference on available-for-sale securities	50,760
Adjustment of gains or losses on transfer	2,934
Others	129
Total deferred tax liabilities	58,017
Net deferred tax liabilities	57,369

(Notes on transactions with related parties)

Subsidiaries, etc.

Category	Trade name	Location	Capital stock (million yen)	Principal business	Ratio of voting rights owned by the Company (owned in the Company)	Relation	Transaction	Transaction amount (million yen)	Account item	End-of-year balance (million yen)
Subsidiary	Fuji Television Network, Inc.	Minato-ku, Tokyo	8,800	Television broadcasting business	Direct 100.0%	Lease of building	Receipt of rents	4,864	Advance received	449
							Sale of investment securities	Sale price: 9,960 Gain on sale: 9,583	Guarantee deposit	4,096
Subsidiary	The Sankei Building Co., Ltd.	Chiyoda-ku, Tokyo	38,120	Building leasing and real estate transactions	Direct 100.0%	Interlocking directorates	Underwriting of new issue for a capital increase	20,000	—	—

Notes:

Business conditions and policy on deciding business conditions:

1. 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.
2. Transaction price in the sale of investment securities was based on the closing price on the Tokyo Stock Exchange on March 16, 2023 when the sale was executed.
3. Underwriting of new issue for a capital increase refers to the underwriting of new issue by The Sankei Building Co., Ltd. at ¥20,000 million per share.

(Notes on the information per share)

1.	Net assets per share:	¥2,637.03
2.	Net income per share:	¥139.54

AUDIT REPORTS

Account Auditors' Audit Report on the Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

May 15, 2023

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

Ernst & Young ShinNihon LLC
Tokyo Office

By Mineo Kanbayashi (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

By Hideyuki Fujita (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

By Yoshio Honma (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Fuji Media Holdings, Inc. (the "Company") for the fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Fuji Media Holdings, Inc., which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and the accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit & Supervisory Committee is also responsible for monitoring the execution of duties by Directors in the development and operation of the reporting process for the other statements.

Our audit opinion on the consolidated financial statements does not include the other

statements, and we express no opinion on the other statements.

Our responsibility in the audit of the consolidated financial statements is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the consolidated financial statements or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements besides such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report in respect to the other statements.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a

significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

- END -

Account Auditors' Audit Report

INDEPENDENT AUDITORS' REPORT

May 15, 2023

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

Ernst & Young ShinNihon LLC
Tokyo Office

By Mineo Kanbayashi (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

By Hideyuki Fujita (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

By Yoshio Honma (seal)
Designated and Limited Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules of Fuji Media Holdings, Inc. (the "Company") for the 82nd fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and the accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit & Supervisory Committee is also responsible for monitoring the execution of duties

by Directors in the development and operation of the reporting process for the other statements.

Our audit opinion on the financial statements does not include the other statements, and we express no opinion on the other statements.

Our responsibility in the audit of the financial statements is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the financial statements or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements besides such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report in respect to the other statements.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances,

although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.

- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

- END -

The Audit & Supervisory Committee's Audit Report

AUDITORS' REPORT

We, the Audit & Supervisory Committee of the Company, audited the execution by the Directors of their duties during the 82nd fiscal year from April 1, 2022 to March 31, 2023. The methods and results of the audit are hereby reported as follows. Audit & Supervisory Committee Member, Mr. Nobuya Minami, retired from the Company as of October 24, 2022. Audit & Supervisory Committee Member, Mr. Takamitsu Kumasaka, assumed the office on October 24, 2022. With respect to audit matters during the period prior to his assumption of office, he heard explanations from the incumbent Audit & Supervisory Committee Members, reviewed important approval documents, and received reports from the Directors and the account auditors.

1. Method of audit and the particulars thereof:
 - (1) With regard to the details of the resolutions of the Board of Directors regarding matters provided for in Article 399-13, paragraph 1, item 1 (b) and (c) of the Companies Act of Japan, as well as the systems to secure the properness of business activities (internal control systems), which was established pursuant to such resolutions, the Audit & Supervisory Committee periodically received from the Directors and employees, etc. reports, requested explanations whenever necessary and expressed its opinions on the state of formulation and operation thereof, as well as conducted audits in accordance with the following methods.
 - (i) Pursuant to the rules of audits by the Audit & Supervisory Committee determined by the Audit & Supervisory Committee, and in accordance with the audit policy, allocation of duties, etc., we attended important meetings in cooperation with the internal control sections of the Company, received from the Directors and employees, etc., reports on matters concerning the execution of their duties, requested explanations whenever necessary, inspected important decision documents, etc., and made investigation into the state of activities and property. With regard to the subsidiaries, we maintained constant communication and exchanged information with the directors, audit & supervisory board members, etc. thereof, and required the subsidiaries to render reports on their business operations whenever necessary.
 - (ii) We 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 requested explanations whenever necessary. In addition, we received from the account auditors a notice that the “systems to secure adequate execution of duties” (matters listed in each item of Article 131 of the Ordinance on Company Accounting) had been established in accordance with the “Standard for Quality Control Concerning Audits” (Business Accounting Council on October 28, 2005) and requested explanations whenever necessary. In addition, we discussed major audit considerations with the account auditors, received reports on the status of their audits, and requested explanations as necessary.

In accordance with such methods, we investigated the business report and its supplementary schedules, the non-consolidated financial statements (the balance sheet, the statement of income, the statement of changes in net assets and the related notes) and their accompanying supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements), for the fiscal year under review.

2. Results of audit:

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

We are of the opinion:

- (i) that the business report and its supplementary schedules present fairly the state of the Company in accordance with laws and 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 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 16, 2023

The Audit & Supervisory Committee
Fuji Media Holdings, Inc.

Kiyoshi Onoe (seal)
Full-time Audit & Supervisory Committee Member

Takashi Wagai (seal)
Full-time Audit & Supervisory Committee Member

Yuzaburo Mogi (seal)
Audit & Supervisory Committee Member

Takayasu Okushima (seal)
Audit & Supervisory Committee Member

Takamitsu Kumasaka (seal)
Audit & Supervisory Committee Member

Note: Audit & Supervisory Committee Members Messrs. Yuzaburo Mogi, Takayasu Okushima and Takamitsu Kumasaka are Outside Directors as provided for in Article 2, item 15 and Article 331, paragraph 6 of the Companies Act of Japan.

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