

[ENGLISH TRANSLATION]

November 2, 2010

Dear Sirs:

Company name: Fuji Media Holdings, Inc.
Name of Representative: Hisashi Hieda
Chairman and Representative Director
(Code number: 4676, First Section of Tokyo Stock Exchange)
Person to contact: Shigeru Masuda
Senior Executive Managing Officer
Senior Executive Director of
Corporate Planning Department
(TEL: 03-3570-8000)

Company name: Fuji Satellite Broadcasting, Inc.
Name of Representative: Yoshitaka Kitabayashi
President and Representative Director
Person to contact: Kunio Takasaki
Senior Executive Director of General Affairs Department
(TEL: 03-5500-8859)

**Notice Regarding Execution of Share Exchange Agreement,
under which Fuji Media Holdings, Inc. will make Fuji Satellite Broadcasting, Inc.
its Wholly Owned Subsidiary**

We hereby announce that Fuji Media Holdings, Inc. (“Fuji Media Holdings”) and Fuji Satellite Broadcasting, Inc. (“BS Fuji”) have resolved at their respective board of directors’ meetings held on November 2, 2010, that the share exchange (*kabushiki koukan*), whereby Fuji Media Holdings will become a wholly owning parent company and BS Fuji will become a wholly owned subsidiary (the “Share Exchange”), be implemented, and have entered into a share exchange agreement (the “Share Exchange Agreement”).

The effective date of the Share Exchange is intended to be April 1, 2011, subject to the approval of the Share Exchange at the extraordinary shareholders’ meeting of BS Fuji scheduled to be held on February 18, 2011. On Fuji Media Holding’s side, it intends to implement the Share Exchange by way of the simplified procedures set forth in Article 796, Paragraph 3 of the Companies Act, which does not require approval of the Share Exchange Agreement at its shareholders’ meeting.

1. Purpose of Making BS Fuji a Wholly Owned Subsidiary By Way of Share Exchange

(1) Purpose of Share Exchange

With respect to its main business of television broadcasting, Fuji Media Holdings group has established its top position in the broadcasting industry with a strong network of affiliate TV stations, which it has created since its inception. Fuji Media Holdings has also actively developed various businesses surrounding the broadcasting business ahead of other broadcasting companies and endeavored to diversify the business sphere of the group.

Being an affiliated company accounted for by the equity-method of Fuji Media Holdings, BS Fuji has created its core and unique news program, Prime News, and other free-minded and diversified programs which are different from terrestrial broadcasting. In addition, to celebrate the tenth anniversary of its start in broadcasting, this year, BS Fuji has broadcasted a number of large, talked-about special programs, exploring the new possibilities of satellite broadcasting. As of August 2010, satellite broadcasting is available to 57% of the total households (30 million households), and more than 85 million receiver sets have been installed as of September 30, 2010. With the increased value of satellite broadcasting, BS Fuji has growing revenues from broadcast advertising and has achieved positive net profits for four straight years since 2006.

However, broadcasting and other media industries are experiencing a drastic change as a result of innovation of technology brought by the digitalization, deregulation, regulatory changes and other factors, and we envision that an alliance or restructuring in the media industry will rapidly occur in the future. To respond to such changes in the environment and to further increase the corporate value of Fuji Media Holdings group, Fuji Media Holdings shifted to a certified broadcast holding company structure in October 2008 and has considered various steps to concentrate on the core competence of the group's business resources, with its broadcasting at its core, and actively implement business restructuring.

Given such background, Fuji Media Holdings came to recognize the benefits of strengthening the cooperation with BS Fuji and undertake a "window" strategy where terrestrial free commercial broadcasting, which is to remain the core business, free commercial satellite broadcasting and paid-for communication satellite broadcasting be combined effectively, and the three media be operated in a unified manner. From now on, Fuji Media Holdings will utilize the terrestrial broadcasting and satellite broadcasting businesses, each of which has a different target audience, and commercial satellite broadcasting, which is unaffected by advertising boom or downturn, and develop a broadcasting business that strongly appeals to every target. In addition, Fuji Media Holdings will promote its cross-media strategy, including the Internet and mobile media.

Fuji Media Holdings and BS Fuji decided that, in order to further their corporate value by the strategies mentioned above, it is most appropriate and necessary step to make BS Fuji a wholly-owned subsidiary of Fuji Media Holdings by way of the Share Exchange.

After the privatization of BS Fuji, Fuji Media Holdings plans to cause BS Fuji to implement capital reduction without consideration and wipe out the cumulative loss of BS Fuji (23,607 million yen as of March 31, 2010).

Fuji Media Holdings continues to utilize the merits of a certified broadcast holding company and strives to improve the corporate value of the whole group in order to achieve its long-term vision of group operation, that is to become a national "media conglomerate" which enjoys a positive reputation within and outside of Japan.

2. Outline of Share Exchange

(1) Schedule for Share Exchange

Board of Directors' Meeting Concerning Resolution	Tuesday, November 2, 2010
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on Share Exchange Agreement (Fuji Media Holdings and BS Fuji)	
Execution of Share Exchange Agreement (Fuji Media Holdings and BS Fuji)	Tuesday, November 2, 2010
Date of Public notice of Record Date for Extraordinary Shareholders' Meeting (BS Fuji)	Thursday, November 4, 2010 (scheduled)
Record Date for Extraordinary Shareholders' Meeting (BS Fuji)	Tuesday, November 30, 2010 (scheduled)
Extraordinary Shareholders' Meeting Concerning Approval of Share Exchange Agreement (BS Fuji)	Friday, February 18, 2011 (scheduled)
Scheduled Date of Share Exchange (Effective date)	Friday, April 1, 2011 (scheduled)

(Note 1) Fuji Media Holdings intends to implement the Share Exchange by way of the simplified procedures set forth in Article 796, Paragraph 3 of the Companies Act, which does not require approval of the Share Exchange Agreement, at its shareholders' meeting.

(Note 2) The schedule for the Share Exchange may be changed upon consultation between the parties, if necessary, in light of the implementation of the Share Exchange, or for another reason.

(Note 3) The Share Exchange will not be consummated if, among other circumstances, one or more put claims set forth in Article 797 of the Companies Act that would result in Fuji Media Holdings falling under a joint-stock corporation as set forth in (i) or (ii) of Item 5, Paragraph 2 of Article 52-30 of the Broadcast Law of Japan have been made and outstanding as of the day immediately preceding the effective date of the Share Exchange and thereby the Share Exchange Agreement loses effect.

(2) Method of the Share Exchange

As a result of the Share Exchange, Fuji Media Holdings will become the 100% parent company of BS Fuji and BS Fuji will become a wholly-owned subsidiary of Fuji Media Holdings. This Share Exchange will be implemented, with respect to Fuji Media Holdings, by way of the simplified procedures set forth in Article 796, Paragraph 3 of the Companies Act, which does not require approval of the Share Exchange Agreement, at its shareholders' meeting, and with respect to BS Fuji, upon approval of the Share Exchange Agreement at an extraordinary shareholders' meeting of BS Fuji scheduled to take place on February 18, 2011. The Share Exchange is scheduled to take effect as of April 1, 2011.

(3) Terms of Allotment with Respect to Share Exchange

	Fuji Media Holdings (100% Parent Company upon the Share Exchange)	BS Fuji (100% Subsidiary upon the Share Exchange)
Allotment Ratio for the Share Exchange	1	0.10

Total Number of Shares Allotted upon the Share Exchange	38,850 Common Shares (as currently contemplated)
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(Note 1) Share Allotment Ratio

One-tenth of one share of common stock of Fuji Media Holdings shall be allotted to each share of common stock of BS Fuji; provided, however, that no share of Fuji Media Holdings will be allotted to the 311,500 shares of common stock of BS Fuji owned by Fuji Media Holdings. The terms of the allotment in connection with the Share Exchange may be changed upon mutual consultation between the parties, if any material change to various assumptions which formed a basis for the calculation occurs.

(Note 2) Number of Shares, etc. to be Delivered upon Share Exchange

Fuji Media Holdings will allot and deliver 38,850 shares (rounded down) of common stock upon the Share Exchange. Fuji Media Holdings will utilize its treasury shares (61,202 shares as of September 30, 2010) and does not plan to issue new shares. The number of treasury shares to be delivered upon the Share Exchange was calculated based on the total number of issued shares of BS Fuji as of September 30, 2010 (700,000 shares), and the number of shares of BS Fuji owned by Fuji Media Holdings (311,500 shares). Upon a resolution at a board of directors' meeting to be held prior to the effective date, BS Fuji plans to cancel all the treasury shares it owns (including treasury shares that would result from a purchase of shares for which a statutory put right of dissenting shareholders would be exercised in connection with the Share Exchange) as at the time immediately preceding the effectuation of the Share Exchange (the "Record Time") effective as of the Record Time.

(Note 3) Treatment of Fractional Shares

With respect to those shareholders of BS Fuji who will be allotted less than one share of common stock of Fuji Media Holdings, Fuji Media Holdings will sell the aggregate of such fractional shares (less than one share of such aggregate shares will be rounded off) and deliver the proceeds from the sale to the relevant shareholders of such fractional shares.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of BS Fuji

BS Fuji has not issued any stock acquisition rights or bonds with stock acquisition rights. Hence this section is not applicable.

3 Calculation Basis, etc. Concerning Contents of Allotment with Respect to Share Exchange

(1) Calculation Basis

With respect to the share exchange ratio of this Share Exchange, in order to ensure its fairness and appropriateness, each party has respectively requested a third party valuation firm independent from both companies to calculate the share exchange ratio. Fuji Media Holdings has selected Daiwa Securities Capital Markets Co. Ltd. ("Daiwa Securities CM") and BS Fuji has selected ABeam M&A Consulting Ltd. ("ABeam M&A Consulting"), respectively, as their third party valuation firms.

In connection with the calculation of the share exchange ratio, Daiwa Securities CM calculated the share value of Fuji Media Holdings based on the market value method, as well as the discounted cash flow method (the "DCF Method") in order to reflect the future business activities into the valuation. Daiwa Securities CM calculated the share value of BS Fuji based on the similar company comparison method, a marketable valuation method, and DCF Method.

With respect to the market value method, the shares of Fuji Media Holdings are listed on the first section of the Tokyo Stock Exchange and therefore, the average of closing stock prices during the one-month, three-months and six-months prior to the record date, which was November 1, 2010, have been adopted. On the other hand, since BS Fuji is not a listed company and the market value of its shares is not available, with respect to the market value method, the results of calculation based on the similar company comparison method, which is a marketable valuation method, have been quoted and used to calculate the valuation range. With regard to the DCF Method, which is a valuation method based on the future cash flow of a company, the share value of both companies have been evaluated to calculate the valuation range by discounting the future cash flows, calculated based on the business plans of both companies, to the present value.

The valuation range (with the share value of one common share of Fuji Media Holdings being one) shall be as follows:

Adopted Method	Valuation Range for Share Exchange Ratio
Market Value Method	0.101 ~ 0.119
DCF Method	0.081 ~ 0.101

Daiwa Securities CM has, in principle, used the information provided by both companies and information, etc. that is publicly available upon calculation of share value, has assumed such information to be true and complete and has not independently verified its accuracy, reliability, completeness and appropriateness on its own. In addition, with respect to the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of both companies and their respective affiliates, Daiwa Securities CM has not conducted its own evaluation, appraisal or assessment nor requested such appraisal or assessment by any third-party institution, including analysis of individual assets and liabilities. Further, it is assumed that business plans and fiscal forecasts were prepared in a reasonable and appropriate manner based on the best estimate and judgment of the management of both parties at present.

The calculation results of the share exchange ratio provided by Daiwa Securities CM shall not be considered as its expression of opinion on the fairness and validity of the share exchange ratio for the Share Exchange.

On the other hand, ABeam M&A Consulting has calculated the share value of the common stock of Fuji Media Holdings based on the market value and similar company comparison methods, both of which are marketable valuation methods, as well as the DCF Method which takes into account future business conditions.

Under the market value method, because Fuji Media Holdings is listed on the first section of the Tokyo Stock Exchange and market value of its shares is available, the simple average closing price for the periods of one-month, three-months and six-months prior to the record date, which was November 1, 2010, has been adopted. Because BS Fuji is not a listed company and the market value of its shares is not available, with respect to the market value method, the results of calculation based on the similar company comparison method, which is a marketable valuation method, have been quoted and

used to calculate the valuation range. With regard to the DCF Method, which is a valuation method based on the future cash flow of a company, the share value of both companies has been evaluated to calculate the valuation range by discounting the future cash flows calculated based on the business plans of both companies, to the present value.

The valuation range (with the share value of one common shares of Fuji Media Holdings being one) shall be as follows:

Adopted Method	Valuation Range for Share Exchange Ratio
Market Value Method	0.092 ~ 0.117
Similar Company Comparison Method	0.088 ~ 0.100
DCF Method	0.073 ~ 0.099

ABeam M&A Consulting has, in principle, used the information provided by both companies and information, etc. that is publicly available upon calculation of share value, has assumed such information to be true and complete and has not independently verified its accuracy and completeness. In addition, with respect to the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of both companies and their respective affiliates, ABeam M&A Consulting has not conducted its own evaluation, appraisal or assessment, nor has it requested such appraisal or assessment by any third-party institution, including analysis of individual assets and liabilities. Further, it is assumed that business plans and fiscal forecasts were prepared in a reasonable and appropriate manner based on the best estimate and judgment of the management of both parties at present. The valuation conducted by ABeam M&A Consulting reflects information up to November 1, 2010, and various economic and other conditions.

The calculation results of the share exchange ratio provided by ABeam M&A Consulting shall not be considered as its expression of opinion on fairness and validity of the share exchange ratio for the Share Exchange.

(2) Calculation Process

After continued deliberate consultation and negotiation considering financial conditions, operation of results, stock prices and other elements of both companies, taking into account the calculation results from each of the third valuation firms appointed by each party, Fuji Media Holdings and BS Fuji decided that the share exchange ratio set forth in Section 2(3) above is appropriate and will benefit the interest of both companies' shareholders and, at the board of directors meetings of both companies held on November 2, 2010, approved the share exchange ratio for the Share Exchange and entered into the share exchange agreement between the parties on the same date.

(3) Relationships with Valuation Firms

Neither Daiwa Securities CM nor ABeam M&A Consulting is a related party of Fuji Media Holdings or BS Fuji, respectively, and neither has a material conflict of interest with Fuji Media

Holdings or BS Fuji.

(4) Prospect of Delisting and Reasons Therefor

Not applicable.

(5) Measures to Secure Fairness

Concerning the amount of money to be delivered to the shareholders of BS Fuji (excluding Fuji Media Holdings) as consideration pursuant to the Share Exchange, since Fuji Media Holdings holds 44.50% of the issued shares of BS Fuji and BS Fuji is an affiliated company accounted for by the equity-method (*mochibun ho tekiyou kanren kaisha*), in order to ensure the fairness of the share exchange ratio in this Share Exchange, Fuji Media Holding has requested its third party valuation firm, Daiwa Securities CM, to calculate the share exchange ratio. With reference to the results of the calculation, Fuji Media Holdings negotiated and discussed with BS Fuji and resolved to implement the Share Exchange based on the share exchange ratio set forth in Section 2(3) above at a board of directors meeting held on November 2, 2010.

In order to ensure the fairness of the share exchange ratio in this Share Exchange, BS Fuji has requested its third party valuation firm, ABeam M&A Consulting, to calculate the share exchange ratio. With reference to the results of the calculation, BS Fuji negotiated and discussed with Fuji Media Holdings and resolved to implement the Share Exchange based on the share exchange ratio set forth in Section 2(3) above at a board of directors meeting held on November 2, 2010.

Fuji Media Holdings and BS Fuji have engaged Nagashima Ohno & Tsunematsu Oh-ebashi LPC & Partners, as their respective legal advisors, and each received legal advice on the appropriate procedures and other matters in connection with the Share Exchange.

Neither Fuji Media Holdings nor BS Fuji has obtained a fairness opinion from Daiwa Securities CM or ABeam M&A Consulting, respectively, with respect to the appropriateness of the share exchange ratio of this Share Exchange.

(6) Measures to Avoid Conflicts of Interest

At the board of directors' meeting of BS Fuji, among the directors of BS Fuji, Mr. Katsuaki Suzuki, who is also a director of Fuji Media Holdings, and Mr. Hirotoshi Otani, who is a regular employee of Fuji Television Network, Inc. ("Fuji Television"), a wholly-owned subsidiary of Fuji Media Holdings, did not participate in the negotiation or discussions of the Share Exchange between the two companies or participate in the consideration or resolutions of this Share Exchange at said meeting in order to avoid such conflicts of interest. In addition, of the outside corporate auditors of BS Fuji, Mr. Shuji Kano, who also serves as a director of Fuji Media Holdings, did not, also from the viewpoint of avoiding conflicts of interest, participate in the negotiation or discussions of the Share Exchange between the parties nor did he express his opinion with respect to the discussion at the above board of directors' meeting of BS Fuji.

4. Outline of the Parties in Share Exchange (as of September 30, 2010)

	Wholly Owning Parent Company in Share Exchange	Wholly Owned Subsidiary in Share Exchange						
(1) Name	Fuji Media Holdings, Inc.	Fuji Satellite Broadcasting, Inc.						
(2) Location	4-8, Daiba 2-Chome, Minato-ku, Tokyo, Japan	4-8, Daiba 2-Chome, Minato-ku, Tokyo, Japan						
(3) Name and Title of Representative	Hisashi Hieda, Chairman and Representative Director Kou Toyoda, President and Representative Director	Yoshitaka Kitabayashi, President and Representative Director						
(4) Description of Business	Certified broadcasting holding company	Commissioned broadcasting through broadcasting satellite						
(5) Stated Capital	146,200 million yen	31,000 million yen						
(6) Date of Incorporation	November 18, 1957	December 15, 1998						
(7) Number of Issued Shares	2,364,298 shares	700,000 shares						
(8) Fiscal Year End	March 31	March 31						
(9) Number of Employees	5,958 (on a consolidated basis)	40						
(10) Major Clients	Dentsu, Inc. Hakuhodo DY Media Partners, Inc.	Dentsu, Inc. Hakuhodo DY Media Partners, Inc. Fuji Television Network, Inc.						
(11) Main Financing Banks	Mizuho Corporate Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation	Mizuho Corporate Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation						
(12) Major Shareholders and their Shareholding Ratios	TOHO CO., LTD. 7.75% Japan Trustee Services Bank, Ltd. (Trust account) 6.09% The Master Trust Bank of Japan, Ltd. (Trust account) 5.44% CBNY-ORBIS FUNDS 4.09% Nippon Cultural Broadcasting Inc. 3.30%	Fuji Media Holdings, Inc. 44.50% Kansai Telecasting Corporation 10.00% Tokai Television Broadcasting Co, Ltd 5.00% Dentsu Inc. 5.00% Toho Co., Ltd. 3.57%						
(13) Relationship between the parties	<table border="1"> <tr> <td>Capital Relationship</td> <td>Fuji Media Holdings owns 44.50% of the issued shares of BS Fuji (311,500 shares; as of September 30, 2010). BS Fuji does not own any Fuji Media Holdings shares.</td> </tr> <tr> <td>Personal Relationship</td> <td>One director of Fuji Media Holdings and one regular employee of Fuji Television are directors of BS Fuji. In addition, one director of Fuji Media Holdings is an outside corporate auditor of BS Fuji. BS Fuji accepts secondment of 26 employees from Fuji Television, a wholly-owned subsidiary of Fuji Media Holdings.</td> </tr> <tr> <td>Business</td> <td>BS Fuji provides advertisement and programs to, and orders and receives services of program production from, Fuji Television, a wholly-owned subsidiary of Fuji</td> </tr> </table>		Capital Relationship	Fuji Media Holdings owns 44.50% of the issued shares of BS Fuji (311,500 shares; as of September 30, 2010). BS Fuji does not own any Fuji Media Holdings shares.	Personal Relationship	One director of Fuji Media Holdings and one regular employee of Fuji Television are directors of BS Fuji. In addition, one director of Fuji Media Holdings is an outside corporate auditor of BS Fuji. BS Fuji accepts secondment of 26 employees from Fuji Television, a wholly-owned subsidiary of Fuji Media Holdings.	Business	BS Fuji provides advertisement and programs to, and orders and receives services of program production from, Fuji Television, a wholly-owned subsidiary of Fuji
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Business	BS Fuji provides advertisement and programs to, and orders and receives services of program production from, Fuji Television, a wholly-owned subsidiary of Fuji							

	Relationship	Media Holdings.				
	Applicability to Related Parties	BS Fuji is an affiliated company accounted for by the equity-method and a related party of Fuji Media Holdings.				
(14) Operating Results and Financial Position Over Past Three Fiscal Years						
	Fuji Media Holdings, Inc. (Consolidated)			BS Fuji Co., Ltd. (Non-consolidated)		
Fiscal Year	Year ended March 2008	Year ended March 2009	Year ended March 2010	Year ended March 2008	Year ended March 2009	Year ended March 2010
Consolidated Net Assets	456,077	453,395	464,187	6,456	7,017	7,392
Consolidated Total Assets	677,000	683,523	753,191	11,043	7,726	8,280
Consolidated Net Assets Per Share (yen)	195,967.51	194,864.16	199,432.99	9,224.04	10,025.15	10,560.91
Consolidated Sales	575,484	563,320	583,843	4,960	5,673	6,379
Consolidated Operating Profit	24,372	19,830	9,279	367	521	352
Consolidated Ordinary Profit	27,056	22,365	12,060	399	563	366
Consolidated Current Net Profit	15,770	16,567	7,459	398	560	375
Consolidated Current Net Profit Per Share (yen)	6,847.60	7,193.40	3,238.69	569.13	801.11	535.76
Dividend Per Share (yen)	3,600	3,600	1,600	-	-	-

(Unit: million yen, unless otherwise noted)

5 Situation After the Share Exchange

(1)	Corporate Name	Fuji Media Holdings, Inc.
(2)	Location of the Head Office	4-8, Daiba 2-Chome, Minato-ku, Tokyo
(3)	Name and Title of the Representative	Hisashi Hieda, Chairman and Representative Director Kou Toyoda, President and Representative Director
(4)	Description of Business	Certified Broadcast Holding Company
(5)	Stated Capital	146,200 million yen
(6)	Fiscal Year End	March 31
(7)	Total Assets	Not yet determined at this time.
(8)	Net Assets	Not yet determined at this time.

6 Outline of Accounting Treatment

This Share Exchange is expected to fall under an acquisition (to which a purchase method applies) under the accounting standards concerning business combinations. In addition, this Share Exchange may result in goodwill; however, the amount of goodwill to result is unknown at this point.

7 Future Prospects

The impact on the business results of Fuji Media Holdings due to the Share Exchange is expected to be small for both consolidated and non-consolidated results.

[END]

(FYI) Forecasts of consolidated results for FY 2010 (as announced on November 1, 2010) and the actual results for FY 2009 of Fuji Media Holdings

	Consolidated Net Sales	Consolidated Operating Income	Consolidated Recurring Profit	Consolidated Net Profit
Forecasts of results for current fiscal year (ending in March 2011)	592,400	21,700	24,000	9,400
Results of previous fiscal year (ended in March 2010)	583,843	9,279	12,060	7,459

(Unit: million yen)