**[Translation for Reference and Convenience Purposes Only]**

(Securities Code: 9404)
May 31, 2019

To Those Shareholders with Voting Rights

Yoshio Okubo
Representative Director
Nippon Television Holdings, Inc.
6-1, Higashi Shimbashi 1-chome,
Minato-ku, Tokyo

# NOTICE OF CONVOCATION OF THE 86TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 86th Ordinary General Meeting of Shareholders of Nippon Television Holdings, Inc. ("the Company"). The Meeting will be held as described below.

If you are unable to attend on the day of the Meeting, you may exercise your voting rights in writing or via the Internet. You are therefore requested to review the following Reference Documents for the General Meeting of Shareholders and cast your vote according to Information on Exercising Voting Rights on pages 3 to 5 below by 6 p.m. on Wednesday, June 26, 2019.

**1. Date and Time** 10 a.m., Thursday, June 27, 2019

**2. Place** KEIO PLAZA HOTEL TOKYO 5F Concord Ballroom
2-2-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo
*Please refer to the map at the end of this notice.

**3. Agendas of the Meeting**

**Matters to be Reported:**

1. Business Report and Consolidated Financial Statements for the 86th Fiscal Term (from April 1, 2018 to March 31, 2019) and Reports of Audit on the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 86th Fiscal Term (from April 1, 2018 to March 31, 2019)

**Items of Business:**

**First Item of Business:** Appropriation of Surpluses

**Second Item of Business:** Election of Thirteen (13) Board Directors

**Third Item of Business:** Election of Three (3) Audit & Supervisory Board Members

**Fourth Item of Business:** Election of One (1) Alternate Audit & Supervisory Board Member

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## Matters Disclosed on the Internet

- The attached documents to this notice of convocation are part of the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements that were audited by Audit & Supervisory Board Members, as well as Consolidated Financial Statements and Non-Consolidated Financial Statements that were audited by the Independent Auditor, upon preparation of the audit report.
  Pursuant to laws and provisions of Article 18 of the Company's Articles of Incorporation, the following matters are published on the Company's website (http://www.ntvhd.co.jp/english/ir/stock/index.html).
  - Business Report
    3. A System to Ensure Appropriateness of Business Operations and its Operating Situation
    4. Basic Policy Regarding Control of the Company
  - Notes to the Consolidated Financial Statements
  - Notes to the Non-Consolidated Financial Statements
- Whenever amendments occur to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements, they will be published on the Company's website (http://www.ntvhd.co.jp/english/ir/stock/index.html).

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## Information on Exercising Voting Rights

Votes can be cast using one of the following three methods.

### Shareholders who are able to attend the General Meeting of Shareholders

Please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting.
Also, please bring these materials with you as these are the agenda materials for the Meeting.

Note: You can only designate one (1) shareholder with voting rights to act as your representative and vote on your behalf. Note that, anyone who acts as a representative of another shareholder, must submit documents verifying that they have been delegated the right to act on the other party's behalf.

Date of General Meeting of Shareholders: 10 a.m. on Thursday, June 27, 2019

### Shareholders who are unable to attend the General Meeting of Shareholders

#### Exercising voting rights in writing by mail

Please cast your vote on the items of business using the enclosed Voting Rights Exercise Form and return it by mail so that it arrives by the deadline below.

Deadline for exercising voting rights: Arrive by 6 p.m. on Wednesday, June 26, 2019

#### Exercising voting rights via the Internet

Please access the website for exercising voting rights, and then cast your vote on the items of business by the deadline below.

URL for exercising voting rights: https://www.web54.net

Note: The site is not accessible on some Internet browsers or some models of mobile phones.
‣Please see the next page for details for exercising voting rights via the Internet.

Deadline for exercising voting rights: Cast by 6 p.m. on Wednesday, June 26, 2019

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## Guidance for the Exercise of Voting Rights via the Internet

### Handling of the exercise of voting rights via the Internet

1. You can exercise your voting rights via the Internet only by accessing the dedicated website designated by the Company:

   https://www.web54.net

2. You need the "Exercise of Voting Rights Code" and "Password," both of which are printed on the enclosed Voting Rights Exercise Form.
3. Shareholders exercising their voting rights via a smartphone may do so from the dedicated website for exercising voting rights via smartphones without the need to enter the Exercise of Voting Rights Code and Password by scanning the login QR code for the website, which is printed on the enclosed Voting Rights Exercise Form.
   When changing your vote after exercising your voting rights, you must scan the QR code again and enter the Exercise of Voting Rights Code and Password, which are printed on the Voting Rights Exercise Form.
   (The QR code is a registered trademark of DENSO WAVE INCORPORATED.)
4. If you have exercised your voting rights several times via the Internet, or exercised your voting rights via a personal computer as well as a smartphone, only the final execution shall be deemed as your effective exercise of voting rights.
5. If you have exercised your voting rights both by sending the Voting Rights Exercise Form and via the Internet, the latest one that arrives shall be deemed as your effective exercise of voting rights. If they arrive at the Company on the same day, only the one via the Internet shall be deemed and handled as your effective exercise of voting rights.
6. Please complete procedures for exercising voting rights via the Internet before 6 p.m. on Wednesday, June 26, 2019.

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**Handling of your Password and Exercise of Voting Rights Code**

1. The Password is the vital means to identify each person as a qualified shareholder with voting rights for voting at the Ordinary General Meeting of Shareholders. Therefore, please carefully secure your password at all times.
2. The Company will not reissue a Password even if you lose it. We will not accept inquiries about passwords over the phone.
3. The Password will become unavailable by locking the voting procedure on the screen if you input the wrong data a certain fixed number of times. In this case, follow the instructions on the screen.
4. Please note that these Password and Exercise of Voting Rights Code are applicable only for this Ordinary General Meeting of Shareholders.

**Inquiries on the operating method of your PC and other matters**

1. If you have any inquiries about the operation of your personal computer regarding the exercise of voting rights via the website, contact the following:

**Securities Agency Web Support (Dedicated dial-in)**
**Sumitomo Mitsui Trust Bank, Limited**
**Phone: 0120-652-031 (Business hours: 9 a.m.–9 p.m.)**

2. If you have any inquiries (e.g., registered address, number of shares held) other than 1. above, please contact the following:
   (1) Shareholders with Accounts at Securities Companies

**Please contact your securities company.**

   (2) Shareholders without Accounts at Securities Companies (Shareholders with Special Accounts)

**Stock Transfer Agency Business Planning Dept.**
**Sumitomo Mitsui Trust Bank, Limited**
**Phone: 0120-782-031 (Business hours: 9 a.m.–5 p.m. except for Saturdays, Sundays and national holidays)**

**For Institutional Investors:**

**Voting Right Electronic Exercise Platform**

Institutional investors may exercise their voting rights by way of an electromagnetic method from the "Voting Right Electronic Exercise Platform," which is operated by ICJ, Inc.

**[Translation for Reference and Convenience Purposes Only]**

## Reference Documents for the General Meeting of Shareholders

### Proposals and Information

**First Item of Business:** Appropriation of Surpluses

The Company regards the return of profit to shareholders as an important management issue, and has a basic policy of providing a consistent and stable return to shareholders while taking into account the need to maintain sufficient internal reserves to be able to flexibly respond to changes in the operating environment, to strengthen the earnings base, and to carry out proactive business development.

Based on this policy, we propose to pay a year-end dividend of ¥25 per share for the fiscal year under review, an increase of ¥1 per share from the previous fiscal year.

Payment of year-end dividends

Type of Dividend:

Cash

Amount of Dividend:

¥25 per share of the Company's common stock. The total dividend will be ¥6,299,879,150.

Effective Date:

June 28, 2019

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**Second Item of Business:** Election of Thirteen (13) Board Directors

Of the current ten (10) Board Directors, Mr. Kimio Maruyama will resign as of June 17, 2019, while the term of office of all of the remaining nine (9) Board Directors will expire upon the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes that three (3) more Directors be added and the total number of Directors be set at thirteen (13), including four (4) new Directors, for the purpose of reinforcing the management structure.

The nominees for Board Directors are as follows:

| No. | Name | Position/Responsibilities in the Company | |
|---|---|---|---|
| 1 | Yoshio Okubo | Representative Director, President, Chairman of Business Audit Committee | Reappointment |
| 2 | Yoshinobu Kosugi | Board Director, Executive Vice President<br>In charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations | Reappointment |
| 3 | Akira Ishizawa | Senior Executive Board Director<br>In charge of Financial Management, Executive Manager of Information Assets Security Management | Reappointment |
| 4 | Hajime Ichimoto | Executive Board Director, Head of Business Audit Department, Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management | Reappointment |
| 5 | Tadayuki Tamai | Board Director, Operating Officer, NTV Network Corporation | New Appointment |
| 6 | Kazuya Sakamaki | Board Director, Operating Officer, NTV Network Corporation | New Appointment |
| 7 | Tsuneo Watanabe | Board Director | Reappointment<br>Outside Board Director |
| 8 | Takashi Imai | Board Director | Reappointment<br>Outside Board Director<br>Independent Officer |
| 9 | Ken Sato | Board Director | Reappointment |
| 10 | Tadao Kakizoe | Board Director | Reappointment<br>Outside Board Director<br>Independent Officer |
| 11 | Yasushi Manago | Board Director | Reappointment<br>Outside Board Director<br>Independent Officer |
| 12 | Toshikazu Yamaguchi | | New appointment<br>Outside Board Director |
| 13 | Yoshikuni Sugiyama | | New appointment<br>Outside Board Director |

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 1 | Reappointment<br><br>Yoshio Okubo (July 8, 1950) | June 2003 General Manager, Political News Department, The Yomiuri Shimbun Tokyo Head Office<br>June 2007 Senior Deputy Managing Editor, The Yomiuri Shimbun<br>June 2008 Corporate Officer, Director General, Media Strategies, The Yomiuri Shimbun<br>June 2009 Director, Director General, Media Strategies, The Yomiuri Shimbun<br>June 2010 NTV Board Director, Operating Officer<br>June 2011 NTV Representative Director, President, Operating Officer<br>April 2012 Representative Director, NTV Network Preparatory Corporation (now NTV Network Corporation)<br>October 2012 NTV Representative Director, President<br>October 2012 Representative Director, President, Operating Officer, NTV Network Corporation (current)<br>June 2018 President, The Japan Commercial Broadcasters Association (current)<br>June 2018 NTV Representative Director, President, Chairman of Business Audit Committee (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, Chairman, Operating Officer, NTV Network Corporation (appointment scheduled in June 2019)<br>Director, The Yomiuri Shimbun Holdings<br>Auditor, The Yomiuri Shimbun Tokyo Head Office<br>Director, Yomiuri Giants<br>Outside Director, Yomiuri Land Co., Ltd.<br>President, The Japan Commercial Broadcasters Association | 65,741 |
| | <Reason for election as nominee for Board Director><br>Mr. Yoshio Okubo was nominated as Board Director because he has considerable experience in the areas of newspapers and TV, advanced professional knowledge in media and related businesses overall, as well as deep insight and oversight capability regarding corporate management. | | |

Note: Mr. Yoshio Okubo concurrently serves as President of The Japan Commercial Broadcasters Association, with which a subsidiary of the Company has business transactions concerning relay premium, etc.

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<table>
<tr><th>No.</th><th>Name<br>(Date of Birth)</th><th>Brief Personal History and Position/Responsibilities in the Company</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">2</td><td>Reappointment<br><br>Yoshinobu Kosugi<br>(February 8, 1954)</td><td>April 1976 Joined NTV<br>June 2004 NTV Director General, Sales<br>March 2007 NTV Director General, Programming<br>June 2008 NTV Operating Officer, Director General, Programming<br>June 2009 Representative Director, President, AX-ON Inc.<br>June 2011 NTV Board Director, Operating Officer<br>June 2012 NTV Board Director, Managing Officer<br>October 2012 NTV Executive Board Director<br>June 2013 NTV Senior Executive Board Director<br>October 2014 NTV Senior Executive Board Director in charge of Multi-Platform Convergence Strategy<br>June 2016 Chairman, HJ Holdings, LLC (now HJ Holdings, Inc.)<br>April 2017 Representative Director, Chairman, HJ Holdings, Inc. (current)<br>June 2017 Board Director, SKY Perfect JSAT Holdings Inc. (current)<br>June 2017 NTV Senior Executive Board Director in charge of Programming Strategy<br>June 2018 NTV Board Director, Executive Vice President in charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations (current)<br>June 2018 Board Director, Executive Vice President, Operating Officer, NTV Network Corporation (current)<br><br>(Significant Position Concurrently Held)<br>Representative Director, President, Operating Officer, NTV Network Corporation (appointment scheduled in June 2019)<br>Outside Board Director, SKY Perfect JSAT Holdings Inc.<br>Auditor, The Yomiuri Shimbun Holdings</td><td>41,334</td></tr>
<tr><td colspan="3"><Reason for election as nominee for Board Director><br>Mr. Yoshinobu Kosugi was nominated as Board Director because he has considerable experience in program production, programming and sales divisions, advanced professional knowledge in media and related businesses overall, as well as deep insight and oversight capability regarding corporate management.</td></tr>
</table>

Note: Mr. Yoshinobu Kosugi concurrently serves as Representative Director, Chairman of HJ Holdings, Inc., with which a subsidiary of the Company has business transactions concerning the sales of content, etc. Effective June 2019, he is to assume the office as a Director of HJ Holdings, Inc. by resigning as the Chairman of the Board and Representative Director of the same company.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 3 | Reappointment<br><br>Akira Ishizawa<br>(October 14, 1956) | April 1980 Joined NTV<br>July 2008 NTV General Manager, Executive Administration<br>July 2009 NTV Director General, Corporate Administration<br>December 2009 NTV Director General, Programming<br>July 2011 NTV Operating Officer, General Manager, President's Office<br>June 2012 NTV Senior Operating Officer, General Manager, President's Office<br>October 2012 NTV Director General, Corporate Strategy<br>June 2013 NTV Board Director<br>June 2013 Board Director, Operating Officer, NTV Network Corporation<br>June 2015 NTV Executive Board Director in charge of Financial Management, Executive Auditor of Information Assets Security Management<br>June 2016 NTV Executive Board Director, Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management assistant in charge of Corporate Strategy<br>June 2017 NTV Executive Board Director, Acting Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management<br>June 2018 NTV Senior Executive Board Director in charge of Financial Management, Executive Manager of Information Assets Security Management (current)<br>June 2018 Board Director, Senior Executive Operating Officer, NTV Network Corporation (current)<br>June 2018 Representative Director, Chairman, PRESENTCAST INC. (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, Chairman, PRESENTCAST INC. | 29,154 |
| | <Reason for election as nominee for Board Director><br>Mr. Akira Ishizawa was nominated as Board Director because he has considerable experience in news, programming, and business planning, advanced professional knowledge in media and related businesses overall, as well as deep insight and oversight capability regarding corporate management. | | |

Note: Mr. Akira Ishizawa concurrently serves as Representative Director, Chairman of PRESENTCAST INC., with which a subsidiary of the Company has business transactions concerning website operation costs, etc.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 4 | Reappointment<br><br>Hajime Ichimoto<br>(April 8, 1958) | April 1981 Joined NTV<br>June 2005 NTV General Manager, Facility Planning & Development, Corporate Administration<br>July 2007 NTV General Manager, Group Strategy Center, Human Resources<br>June 2010 NTV Deputy Director General, Engineering & Technology and General Manager of Broadcast Engineering<br>June 2012 NTV Director General, Engineering & Technology<br>June 2013 Operating Officer, Divisional President, Engineering & Technology, NTV Network Corporation<br>June 2014 Board Director, Operating Officer, Divisional President, Engineering & Technology, NTV Network Corporation<br>June 2018 NTV Executive Board Director, Head of Business Audit Department, Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management (current)<br>June 2018 Board Director, Executive Operating Officer, Head of Business Audit Department, Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management in charge of technology, NTV Network Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>None | 18,377 |
| | <Reason for election as nominee for Board Director><br>Mr. Hajime Ichimoto was nominated as Board Director because he has considerable experience in broadcasting technology and IT divisions, advanced professional knowledge in media and related businesses overall, as well as deep insight and oversight capability regarding corporate management. | | |

Note: There are no special conflicts of interest between Mr. Hajime Ichimoto and the Company.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 5 | New Appointment<br><br>Tadayuki Tamai<br>(September 7, 1960) | June 2000 Assistant Manager, Political News Department, The Yomiuri Shimbun<br>June 2007 General Manager, Opinion Poll Department, The Yomiuri Shimbun Tokyo Head Office<br>June 2009 General Manager, Human Resources Department, The Yomiuri Shimbun<br>April 2010 General Manager, Secretary Department, The Yomiuri Shimbun<br>June 2011 General Manager, Political News Department, The Yomiuri Shimbun<br>June 2012 Assistant Managing Editor, The Yomiuri Shimbun<br>September 2013 Assistant Managing Editor and Staff Writer, The Yomiuri Shimbun Tokyo<br>June 2016 Director, Director General, Media Bureau The Yomiuri Shimbun<br>June 2018 Board Director, Operating Officer, in charge of Media Strategy, NTV Network Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>None | 1,321 |
| | <Reason for election as nominee for Board Director><br>Mr. Tadayuki Tamai was newly nominated as Board Director because he has considerable experience in a newspaper company, advanced professional knowledge in media and related businesses overall, and deep insight and oversight capability regarding corporate management. | | |

Note: There are no special conflicts of interest between Mr. Tadayuki Tamai and the Company.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 6 | New Appointment<br><br>Kazuya Sakamaki<br>(July 8, 1959) | April 1984 Joined NTV<br>July 2006 NTV General Manager, Labor Relations Department, Human Resources<br>July 2007 NTV General Manager, Human Resources Department, Human Resources<br>July 2009 NTV Deputy Director General, Broadcasting<br>October 2012 Deputy Director General, Broadcasting, NTV Network Corporation<br>December 2012 Deputy Director General, President's Office, NTV Network Corporation<br>June 2013 General Manager, President's Office, NTV Network Corporation<br>June 2014 General Manager, President's Office and Head of the Secretariat of Kojimachi Redevelopment, NTV Network Corporation<br>June 2015 Operating Officer, General Manager, President's Office, NTV Network Corporation<br>June 2016 Board Director, Operating Officer, General Manager, Administration and General Manager, Human Resources, in charge of Labor Affairs, NTV Network Corporation<br>June 2018 Board Director, Operating Officer, in charge of Administration and Sales, assistant in charge of Human Resources and Labor Affairs, NTV Network Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>None | 18,341 |
| | <Reason for election as nominee for Board Director><br>Mr. Kazuya Sakamaki was newly nominated as Board Director because he has considerable experience in labor affairs, broadcasting, and corporate planning; advanced professional knowledge in media and related businesses overall; and deep insight and oversight capability regarding corporate management. | | |

Note: There are no special conflicts of interest between Mr. Kazuya Sakamaki and the Company.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 7 | Reappointment<br>Outside Board Director<br><br>Tsuneo Watanabe<br>(May 30, 1926) | May 1991 Representative Director, President, Editor-in-Chief, The Yomiuri Shimbun<br>June 1991 NTV Board Director (current)<br>January 2004 Representative Director, Chairman, Editor-in-Chief, The Yomiuri Shimbun Holdings<br>October 2012 Board Director, NTV Network Corporation (current)<br>June 2016 Representative Director, Editor-in-Chief, The Yomiuri Shimbun Holdings (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, Editor-in-Chief, The Yomiuri Shimbun Holdings | 0 |
| | <Reason for election as nominee for Outside Board Director><br>Mr. Tsuneo Watanabe was nominated for Outside Board Director because it was desired that his advanced professional knowledge in media and related businesses overall in addition to considerable experience as manager of the newspaper company and as an influential figure in the press would be reflected in the management of the Company.<br>Although Mr. Watanabe concurrently serves as a Representative Director of The Yomiuri Shimbun Holdings, which is the Company's largest shareholder, the Company and The Yomiuri Shimbun Holdings conduct mutually independent decision making with regard to financial and business policies. Mr. Watanabe has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings and has fully performed a supervisory function over the Company's management. | | |

Notes: 1. Mr. Tsuneo Watanabe concurrently serves as Representative Director, Editor-in-Chief of The Yomiuri Shimbun Holdings. The Yomiuri Shimbun Tokyo Head Office, a wholly owned subsidiary of that company, and subsidiaries of the Company engage in transactions concerning the purchase, etc. of television broadcasting rights for professional baseball games. Furthermore, the Company has an equity relationship with The Yomiuri Shimbun Holdings and The Yomiuri Shimbun Tokyo Head Office.

2. Mr. Watanabe's period of service as an Outside Board Director of the Company will be twenty-eight years upon the closing of the Meeting.
3. Mr. Watanabe is a non-executive director of NTV Network Corporation, a subsidiary of the Company.
4. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Non-Executive Director Mr. Watanabe. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 8 | Reappointment<br>Outside Board Director<br>Independent Officer<br><br>Takashi Imai<br>(December 23, 1929) | June 1993 Representative Director, President, Nippon Steel Corporation<br>July 1995 Audit and Supervisory Board Member, Nippon Life Insurance Company (current)<br>April 1998 Representative Director, Chairman, Nippon Steel Corporation<br>May 1998 Chairman, Japan Federation of Economic Organizations (now Keidanren)<br>June 2002 Director, Japan Securities Finance Co., Ltd. (current)<br>June 2007 NTV Board Director (current)<br>June 2008 Honorary Chairman, Colleague, Nippon Steel Corporation (current)<br>October 2012 Board Director, NTV Network Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>Honorary Chairman, Colleague, Nippon Steel Corporation<br>Outside Audit and Supervisory Board Member, Nippon Life Insurance Company<br>Outside Director, Japan Securities Finance Co., Ltd. | 0 |
| | <Reason for election as nominee for Outside Board Director><br>Mr. Takashi Imai was nominated for Outside Board Director because it was desired that his advanced professional knowledge and insightful opinions as well as considerable experience as a corporate executive and a business leader would be reflected in the management of the Company.<br>Mr. Imai has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings and has fully performed a supervisory function over the Company's management as an Outside Board Director. | | |

Notes: 1. There are no special conflicts of interest between Mr. Takashi Imai and the Company.
2. Mr. Imai's period of service as an Outside Board Director of the Company will be twelve years upon the closing of the Meeting.
3. Mr. Imai is a non-executive director of NTV Network Corporation, a subsidiary of the Company.
4. The Company notified the Tokyo Stock Exchange that Mr. Imai would serve as an independent officer under the rules of the Tokyo Stock Exchange. In the event that Mr. Imai is reappointed, he will continue as an independent officer.
5. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Non-Executive Director Mr. Imai. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 9 | Reappointment<br><br>Ken Sato<br>(November 17, 1943) | June 1985 Budget Examiner, Budget Bureau, Ministry of Finance<br>July 1997 Director General, Bureau of Defense Policy, Japan Defense Agency<br>January 2000 Administrative Vice Minister, Japan Defense Agency<br>July 2004 Vice Chairman, Institute for International Policy Studies (now Nakasone Yasuhiro Peace Institute)<br>December 2009 President, Nakasone Yasuhiro Peace Institute<br>June 2011 NTV Board Director (current)<br>October 2012 Board Director, NTV Network Corporation (current)<br>July 2018 Advisor, Nakasone Yasuhiro Peace Institute (current)<br><br>(Significant Positions Concurrently Held)<br>Advisor, Nakasone Yasuhiro Peace Institute | 47,200 |
| | <Reason for election as nominee for Board Director><br>Mr. Ken Sato was nominated as Board Director because it was desired that his advanced professional knowledge and insightful opinions on financial and monetary affairs, the economy and politics overall based on his considerable experience at government organizations would be reflected in the management of the Company.<br>Mr. Sato has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings given his experience and knowledge as Administrative Vice Minister of Defense. He has also fully performed a supervisory function over the Company's management as an Outside Board Director. | | |

Notes: 1. Mr. Ken Sato is Advisor of Nakasone Yasuhiro Peace Institute, with which a subsidiary of the Company has business transactions such as the payment of membership fees, etc.

2. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Non-Executive Director Mr. Sato. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 10 | Reappointment<br>Outside Board Director<br>Independent Officer<br><br>Tadao Kakizoe<br>(April 10, 1941) | January 1992 Director, National Cancer Center<br>April 2002 Chief Director, National Cancer Center<br>March 2007 President, Japan Cancer Society (current)<br>April 2007 President Emeritus, National Cancer Center<br>June 2011 NTV Board Director (current)<br>October 2012 Board Director, NTV Network Corporation (current)<br>February 2014 Board Director, Kanamic Network Co., LTD (current)<br>June 2014 Director, Association for Nuclear Technology in Medicine (current)<br><br>(Significant Position Concurrently Held)<br>President, Japan Cancer Society<br>Director, Association for Nuclear Technology in Medicine<br>Outside Board Director, Kanamic Network Co., LTD | 0 |
| | <Reason for election as nominee for Outside Board Director><br>Mr. Tadao Kakizoe was nominated for Outside Board Director because it was desired that his insightful opinions and advanced professional knowledge, which is not limited to the medical community, would be reflected in the management of the Company.<br>Mr. Kakizoe has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings given his many years of experience and knowledge in serving as Chief Director of the National Cancer Center. He has also fully performed a supervisory function over the Company's management as an Outside Board Director. | | |

Notes: 1. There are no special conflicts of interest between Mr. Tadao Kakizoe and the Company.
2. Mr. Kakizoe's period of service as an Outside Board Director of the Company will be eight years upon the closing of the Meeting.
3. Mr. Kakizoe is a non-executive director of NTV Network Corporation, a subsidiary of the Company.
4. The Company notified the Tokyo Stock Exchange that Mr. Kakizoe would serve as an independent officer under the rules of the Tokyo Stock Exchange. In the event that Mr. Kakizoe is reappointed, he will continue as an independent officer.
5. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Non-Executive Director Mr. Kakizoe. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

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| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 11 | Reappointment<br>Outside Board Director<br>Independent Officer<br><br>Yasushi Manago<br>(May 11, 1954) | July 2001 Budget Examiner, Budget Bureau, Ministry of Finance<br>July 2009 Director General, Minister's Secretariat, Ministry of Finance<br>July 2010 Director-General of the Budget Bureau, Ministry of Finance<br>August 2012 Administrative Vice Minister, Ministry of Finance<br>February 2014 Registered as a lawyer (current)<br>February 2014 Of Counsel, Nishimura & Asahi LPC (current)<br>June 2014 NTV Board Director (current)<br>June 2014 Board Director, NTV Network Corporation (current)<br>June 2015 Corporate Auditor, Mitsui Fudosan Co., Ltd. (current)<br>June 2016 Audit & Supervisory Board Member, Sumitomo Mitsui Asset Management Company, Limited (now Sumitomo Mitsui DS Asset Management Company, Limited) (current)<br>June 2018 Auditor, Yomiuri Giants (current)<br><br>(Significant Positions Concurrently Held)<br>Lawyer, Of Counsel, Nishimura & Asahi LPC<br>Outside Corporate Auditor, Mitsui Fudosan Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Mitsui DS Asset Management Company, Limited<br>Auditor, Yomiuri Giants | 0 |
| | <Reason for election as nominee for Outside Board Director><br>Mr. Yasushi Manago was nominated for Outside Board Director because it was desired that his insightful opinions and advanced professional knowledge on financial and monetary affairs, the economy and legal affairs overall based on his considerable experience at government organizations would be reflected in the management of the Company.<br>Mr. Manago does not have experience in dealing directly with corporate management, but he has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings given his experience and expertise as an Administrative Vice Minister of Finance and a lawyer. He has also fully performed a supervisory function over the Company's management as an Outside Board Director. | | |

Notes: 1. There are no special conflicts of interest between Mr. Yasushi Manago and the Company.
2. Mr. Manago's period of service as an Outside Board Director of the Company will be five years upon the closing of the Meeting.
3. Mr. Manago is a non-executive director of NTV Network Corporation, a subsidiary of the Company.
4. The Company notified the Tokyo Stock Exchange that Mr. Manago would serve as an independent officer under the rules of the Tokyo Stock Exchange. In the event that Mr. Manago is reappointed, he will continue as an independent officer.
5. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Non-Executive Director Mr. Manago. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

**[Translation for Reference and Convenience Purposes Only]**

| No. | Name<br>(Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 12 | New appointment<br>Outside Board Director<br><br>Toshikazu Yamaguchi<br>(March 4, 1957) | April 1998 Assistant Manager, City News Department, and Assistant Manager, Legal Office, The Yomiuri Shimbun<br>July 2002 General Manager, Legal Department, The Yomiuri Shimbun Holdings<br>May 2007 General Manager, President's Office, The Yomiuri Shimbun Holdings<br>May 2007 In charge of Corporate Communications, The Yomiuri Shimbun Tokyo Head Office<br>June 2009 Corporate Officer, General Manager of President's Office, in charge of Compliance, The Yomiuri Shimbun Holdings<br>June 2009 Corporate Officer, in charge of Corporate Communications, The Yomiuri Shimbun Tokyo Head Office<br>June 2011 Director, General Manager of President's Office, in charge of Compliance, The Yomiuri Shimbun Holdings<br>June 2011 Managing Director, in charge of Corporate Communications and Compliance, Head of the New Corporate Building Construction Committee Secretariat, The Yomiuri Shimbun Tokyo Head Office<br>June 2011 Standing Auditor, Yomiuri Giants<br>June 2012 Director, General Manager of the Corporate Strategy Division, in charge of Corporate Communications, The Yomiuri Shimbun Holdings<br>June 2012 Senior Managing Director, in charge of Corporate Communications and Media, The Yomiuri Shimbun Tokyo Head Office<br>June 2014 Senior Managing Director, General Manager of the Corporate Management Division, in charge of Corporate Communications, The Yomiuri Shimbun Holdings<br>June 2015 Representative Director, Management Principal, in charge of Tokyo, The Yomiuri Shimbun Holdings<br>June 2015 Representative Director, President, The Yomiuri Shimbun Tokyo Head Office (current)<br>March 2016 Part-time Director, Yomiuri Giants<br>June 2016 Representative Director, President, The Yomiuri Shimbun Holdings<br>June 2016 Director in charge of Corporate Communications, Yomiuri Giants<br>June 2017 Representative Director, President, in charge of Circulation, The Yomiuri Shimbun Holdings (current)<br>July 2018 Director, Owner, Yomiuri Giants (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, President, in charge of Circulation, The Yomiuri Shimbun Holdings<br>Representative Director, President, The Yomiuri Shimbun Tokyo Head Office<br>Director, Owner, Yomiuri Giants | 0 |

| | |
|---|---|
| | <Reason for election as nominee for Outside Board Director><br>Mr. Toshikazu Yamaguchi was nominated for a new Outside Board Director because it was desired that his advanced professional knowledge and broad insight in media and related businesses overall in addition to considerable experience as a manager of the newspaper company and as an influential figure in the press would be reflected in the management of the Company. In addition, we have determined that his deep knowledge in various fields including compliance-related matters of the media business would contribute to the corporate value of the Group. |

Notes: 1. Mr. Toshikazu Yamaguchi concurrently serves as Representative Director of The Yomiuri Shimbun Holdings and its subsidiary The Yomiuri Shimbun Tokyo Head Office, and Director and Owner of Yomiuri Giants. The Yomiuri Shimbun Tokyo Head Office and subsidiaries of the Company have business transactions concerning the purchase of television broadcasting rights for professional baseball games, etc. Furthermore, Yomiuri Giants and subsidiaries of the Company have business transactions concerning performance fee, etc. The Company has an equity relationship with The Yomiuri Shimbun Holdings and The Yomiuri Shimbun Tokyo Head Office.

2. In the event that Mr. Toshikazu Yamaguchi is appointed as a non-executive director, it is the Company's intention to enter into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Mr. Toshikazu Yamaguchi, based on the provisions of the Company's Articles of Incorporation.

**[Translation for Reference and Convenience Purposes Only]**

| No. | Name (Date of Birth) | Brief Personal History and Position/Responsibilities in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 13 | New appointment<br>Outside Board Director<br><br>Yoshikuni Sugiyama<br>(October 11, 1954) | June 2006 General Manager, Economics Department, The Yomiuri Shimbun Tokyo Head Office<br>June 2009 Corporate Officer, in charge of Sales, The Yomiuri Shimbun Holdings<br>June 2009 Corporate Officer, Director General of Accounting, The Yomiuri Shimbun Tokyo Head Office<br>June 2010 Director, Director General of Accounting, The Yomiuri Shimbun Tokyo Head Office<br>June 2011 Director, in charge of Sales, The Yomiuri Shimbun Holdings<br>June 2011 Managing Director, Director General of Accounting, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>June 2012 Senior Managing Director, Director General of Accounting, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>June 2014 Director, in charge of Seibu Operations, The Yomiuri Shimbun Holdings<br>June 2014 Representative Director, President, The Yomiuri Shimbun Seibu Head Office<br>June 2015 Director, in charge of Osaka, The Yomiuri Shimbun Holdings<br>June 2015 Representative Director, President, The Yomiuri Shimbun Osaka Head Office<br>June 2017 Director, The Yomiuri Shimbun Holdings (current)<br>June 2017 Representative Director, President, Yomiuri Land Co., Ltd. (current)<br>June 2018 Director, Japan Post Co., Ltd. (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, President, Yomiuri Land Co., Ltd.<br>Director, The Yomiuri Shimbun Holdings<br>Outside Director, Japan Post Co., Ltd. | 0 |
| | <Reason for election as nominee for Outside Board Director><br>Mr. Yoshikuni Sugiyama was nominated for a new Outside Board Director because it was desired that his advanced professional knowledge and broad insight in media and related businesses overall in addition to considerable experience as a manager of a newspaper company and as an influential figure in the press would be reflected in the management of the Company. In addition, we determined that his deep knowledge, not only in the media business but in fields such as the entertainment business, would contribute to improvement of the corporate value of the Group. | | |

Notes: 1. Mr. Yoshikuni Sugiyama concurrently serves as Representative Director, President of Yomiuri Land Co., Ltd., with which a subsidiary of the Company has business transactions concerning naming rights, etc. The Company has an equity relationship with Yomiuri Land Co., Ltd.

2. In the event that Mr. Yoshikuni Sugiyama is appointed as a non-executive director, it is the Company's intention to enter into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Mr. Yoshikuni Sugiyama, based on the provisions of the Company's Articles of Incorporation.

**[Translation for Reference and Convenience Purposes Only]**

**Third Item of Business:** Election of Three (3) Audit & Supervisory Board Members

The term of office of the current Audit & Supervisory Board Members, Mr. Kojiro Shiraishi and Mr. Toshinori Kanemoto, will expire, and Mr. Norio Mochizuki will resign upon the close of the 86th Ordinary General Meeting of Shareholders. We therefore propose the election of three (3) Audit & Supervisory Board Members, including two (2) new Audit & Supervisory Board Members.

The Audit & Supervisory Board has given its prior accord to this Third Item of Business.

The nominees for Audit & Supervisory Board Members are as follows:

| No. | Name | Position in the Company | |
|---|---|---|---|
| 1 | Toshinori Kanemoto | Audit & Supervisory Board Member | Reappointment<br>Outside Audit & Supervisory Board Member<br>Independent Officer |
| 2 | Akitoshi Muraoka | | New appointment<br>Outside Audit & Supervisory Board Member |
| 3 | Yoshimitsu Ohashi | | New appointment<br>Outside Audit & Supervisory Board Member |

**[Translation for Reference and Convenience Purposes Only]**

| No. | Name (Date of Birth) | Brief Personal History and Position in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 1 | Reappointment<br>Outside Audit & Supervisory Board Member<br>Independent Officer<br><br>Toshinori Kanemoto<br>(August 24, 1945) | October 1996 President, ICPO-INTERPOL<br>August 2000 President, National Police Academy<br>April 2001 Director of Cabinet Intelligence, Cabinet Secretariat, Government of Japan<br>January 2007 Registered as a lawyer (current)<br>June 2015 NTV Audit & Supervisory Board Member (current)<br>June 2015 Audit & Supervisory Board Member, NTV Network Corporation (current)<br>June 2015 Director, Riken Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>Lawyer, Kanemoto Toshinori Law Office<br>Outside Director, Riken Corporation | 0 |
| | <Reason for election as nominee for Outside Audit & Supervisory Board Member><br>Mr. Toshinori Kanemoto was nominated for Outside Audit & Supervisory Board Member because it was desired that his broad overall insight and advanced professional knowledge on legal affairs as a former president of the International Criminal Police Organization (ICPO) and a lawyer, as well as his considerable experience in being involved in the management of numerous companies would be utilized to monitor the Company's management. | | |

Notes: 1. There are no special conflicts of interest between Mr. Toshinori Kanemoto and the Company.
2. Mr. Kanemoto's period of service as an Outside Audit & Supervisory Board Member of the Company will be four years upon the closing of the Meeting.
3. Mr. Kanemoto is an Audit & Supervisory Board Member of NTV Network Corporation, a subsidiary of the Company.
4. The Company notified the Tokyo Stock Exchange that Mr. Kanemoto would serve as an independent officer under the rules of the Tokyo Stock Exchange. In the event that Mr. Kanemoto is reappointed, he will continue as an independent officer.
5. Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Mr. Kanemoto. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the proposal is approved in its original form, it is the Company's intention to extend the limited liability contract.

**[Translation for Reference and Convenience Purposes Only]**

| No. | Name (Date of Birth) | Brief Personal History and Position in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 2 | New appointment<br>Outside Audit & Supervisory Board Member<br><br>Akitoshi Muraoka<br>(July 4, 1956) | January 2004 Editorial Writer, The Yomiuri Shimbun Tokyo Head Office<br>December 2005 General Manager, Secretary Department, The Yomiuri Shimbun Tokyo Head Office<br>June 2009 General Manager, Political News Department, The Yomiuri Shimbun Tokyo Head Office<br>June 2011 Assistant Managing Editor, The Yomiuri Shimbun Tokyo Head Office<br>June 2012 Corporate Officer, General Manager, President's Office, in charge of Compliance, The Yomiuri Shimbun Holdings<br>June 2012 Corporate Officer, Secretariat of the New Corporate Building Construction Committee, in charge of Compliance, The Yomiuri Shimbun Tokyo Head Office<br>June 2014 Director, in charge of Accounting, The Yomiuri Shimbun Holdings<br>June 2014 Director, Director General, Accounting, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>June 2015 Managing Director, Director General, Accounting, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>June 2016 Director, in charge of Operation Management, The Yomiuri Shimbun Holdings<br>June 2016 Senior Managing Director, Director General, Accounting and Director General, Administration, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office.<br>July 2016 Senior Managing Director, Director General, Administration, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>*Accounting and Administration were integrated into Administration due to organizational reforms of the Tokyo Head Office.<br>June 2017 Director, General Manager, President's Office, in charge of Operation Management, Compliance, and Public Relations, The Yomiuri Shimbun Holdings<br>June 2017 Senior Managing Director, Director General, Administration, in charge of Affiliates, Real Estate, Compliance, Public Relations, Olympics and Paralympics, The Yomiuri Shimbun Tokyo Head Office<br>June 2018 Director, in charge of Operation Management, The Yomiuri Shimbun Holdings (current)<br>June 2018 Director, Vice President, Director General, Administration, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office (current)<br><br>(Significant Positions Concurrently Held)<br>Director, Vice President, Director General, Administration, in charge of Affiliates, The Yomiuri Shimbun Tokyo Head Office<br>Director, in charge of Operation Management, The Yomiuri Shimbun Holdings | 0 |

| | |
|---|---|
| | <Reason for election as nominee for Outside Audit & Supervisory Board Member><br>Mr. Akitoshi Muraoka was nominated as a new Outside Audit & Supervisory Board member because it was decided that his considerable experience as manager of the newspaper company and as an intellectual in the press with advanced professional knowledge and broad perspectives on the media and related businesses overall will contribute to supervision of the management of the Company. |

Notes: 1. Mr. Akitoshi Muraoka concurrently serves as Director of The Yomiuri Shimbun Holdings and its subsidiary The Yomiuri Shimbun Tokyo Head Office. The Yomiuri Shimbun Tokyo Head Office and subsidiaries of the Company engage in transactions concerning the purchase, etc. of television broadcasting rights for professional baseball games. Furthermore, the Company has an equity relationship with The Yomiuri Shimbun Holdings and The Yomiuri Shimbun Tokyo Head Office.

2. Based on the provisions of the Company's Articles of Incorporation, the Company plans to enter into an agreement with him that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act, in the event that Mr. Muraoka is appointed as Outside Audit & Supervisory Board Member.

**[Translation for Reference and Convenience Purposes Only]**

| No. | Name (Date of Birth) | Brief Personal History and Position in the Company | Number of the Company's Shares Held |
|---|---|---|---|
| 3 | New appointment<br>Outside Audit & Supervisory Board Member<br><br>Yoshimitsu Ohashi<br>(June 5, 1954) | June 2009 Corporate Officer, Director General of Advertising, The Yomiuri Shimbun Tokyo Head Office<br>June 2010 Director, Director General of Advertising, The Yomiuri Shimbun Tokyo Head Office<br>June 2011 Managing Director, Director General of Advertising, The Yomiuri Shimbun Tokyo Head Office<br>June 2012 Senior Managing Director, Director General of Editing, The Yomiuri Shimbun Tokyo Head Office<br>June 2014 Director, Sales Principal, in charge of Chuokoron, The Yomiuri Shimbun Holdings<br>June 2014 Senior Managing Director, in charge of Editing and Business, The Yomiuri Shimbun Tokyo Head Office<br>June 2014 Representative Director, President, Chuokoron-Shinsha, Inc.<br>June 2016 Director, in charge of Chuokoron, The Yomiuri Shimbun Holdings<br>June 2016 Director, Vice President, in charge of Business and Editing, The Yomiuri Shimbun Tokyo Head Office<br>June 2017 Director, Vice President, in charge of Business, The Yomiuri Shimbun Tokyo Head Office<br>May 2018 Advisor, Yomiuri Telecasting Corporation<br>June 2018 Representative Director, Vice President, Yomiuri Telecasting Corporation (current)<br><br>(Significant Positions Concurrently Held)<br>Representative Director, Vice President, Yomiuri Telecasting Corporation | 0 |
| | <Reason for election as nominee for Outside Audit & Supervisory Board Member><br>Mr. Yoshimitsu Ohashi was nominated as a new Outside Audit & Supervisory Board member because it was decided that his considerable experience as manager of the newspaper company and the broadcasting station, abundant experience as an intellectual, and advanced professional knowledge and broad perspectives on the media and related businesses overall will contribute to supervision of the management of the Company. | | |

Notes: 1. Mr. Yoshimitsu Ohashi concurrently serves as Representative Director, Vice President of Yomiuri Telecasting Corporation, with which the Company has an equity relationship. Furthermore, subsidiaries of the Company and Yomiuri Telecasting Corporation have business transactions concerning the purchase and supply of broadcast programs.

2. In the event that Mr. Ohashi is appointed as Outside Audit & Supervisory Board Member, it is the Company's intention to enter into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with Mr. Ohashi, based on the provisions of the Company's Articles of Incorporation.

**[Translation for Reference and Convenience Purposes Only]**

**Fourth Item of Business:** Election of One (1) Alternate Audit & Supervisory Board Member

We propose the election of one (1) alternate Audit & Supervisory Board Member to prepare for a possible vacancy in terms of the number of Audit & Supervisory Board Members stipulated by laws and regulations.

The Audit & Supervisory Board has given its prior accord to this Fourth Item of Business.

The nominee for alternate Audit & Supervisory Board Member is as follows:

| Name<br>(Date of Birth) | Brief Personal History and Position in the Company | | Number of the Company's Shares Held |
|---|---|---|---|
| Yasuhiro Nose<br>(May 26, 1945) | April 1968<br>June 2003<br>June 2004<br>June 2007<br>June 2008<br>June 2010<br>June 2011<br>July 2011<br>June 2012<br>October 2012<br>June 2018<br><br>(Significant Positions Concurrently Held)<br>None | Joined NTV<br>NTV Director General, Finance<br>NTV Operating Officer and Director General, Finance<br>NTV Senior Operating Officer and Director General, Finance<br>NTV Managing Officer and Director General, Finance<br>NTV Board Director and Operating Officer, Director General, Finance<br>NTV Board Director, Managing Officer, Director General, Finance<br>NTV Board Director, Managing Officer<br>NTV Standing Audit & Supervisory Board Member<br>Standing Audit & Supervisory Board Member, NTV Network Corporation<br>NTV Alternate Audit & Supervisory Board Member | 34,320 |
| <Reason for election as nominee for Alternate Audit & Supervisory Board Member><br>Mr. Yasuhiro Nose was nominated for Alternate Audit & Supervisory Board Member because he possesses many years of experience in the Company's accounting and finance operations, as well as knowledge regarding finance and accounting. | | | |

Notes: 1. There are no special conflicts of interest between Mr. Yasuhiro Nose and the Company.

2. Mr. Nose has been nominated to serve as an alternate to Audit & Supervisory Board Member Mr. Makoto Yoshida.
3. Based on the provisions of the Company's Articles of Incorporation, the Company plans to enter into an agreement with him that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act, in the event that Mr. Nose is appointed as Audit & Supervisory Board Member.

**[Translation for Reference and Convenience Purposes Only]**

(Attached Documents)

# Business Report

(From April 1, 2018 to March 31, 2019)

## 1. Operations of the Corporate Group

### (1) Overview of Operations

1) Progress and Results of Operations of the Corporate Group

During the fiscal year ended March 31, 2019, the Japanese economy was on a mild recovery path, with corporate earnings and employment and income environment improving, although there was risk of impact due to uncertainties in economies outside of Japan and fluctuations in financial and capital markets.

Given this economic environment, total advertising expenditures in Japan totaled ¥6,530 billion in 2018 (calendar-year basis, according to Dentsu Inc.), up 2.2% from the previous year, achieving a year-on-year increase for the seventh consecutive year. Of this total, terrestrial television-related advertising expenditures amounted to ¥1,784.8 billion, for a 1.8% decrease. In the average viewer ratings among the key Tokyo broadcasters for terrestrial broadcasting in calendar and fiscal 2018, the Nippon TV Group ranked highest in the following time slots: all day (6 a.m. to midnight), golden time (7 p.m. to 10 p.m.) and prime time (7 p.m. to 11 p.m.), which meant winning the "Triple Crown in Viewer Ratings" on both a calendar-year and fiscal-year basis for the fifth consecutive year.

Given these trends, the Nippon TV Group recorded a ¥1,282 million increase in consolidated net sales for the fiscal year ended March 31, 2019, or a 0.3% increase from the previous year, to ¥424,945 million due to the following reasons. Time revenue on the back of strong ratings compensated for the drop in spot advertising revenue due to a sluggish market, resulting in an increase in the overall terrestrial television advertising revenue in the core Media Content Business segment. Revenue from content sales rose, reflecting an expansion in online video services, despite a drop in box office revenue for films. Additionally, a positive effect was noted from SkillUp Video Technologies Corporation, which became a consolidated subsidiary during the fiscal year under review.

Operating expenses—cost of sales combined with selling, general and administrative expenses—increased ¥2,496 million, or 0.7%, year on year, to ¥375,195 million, due in part to increased depreciation.

As a result, the Group's operating income decreased ¥1,214 million, or 2.4%, year on year, to ¥49,749 million, and recurring profit decreased ¥3,841 million, or 6.3%, to ¥57,398 million, owing to an increase in equity in net gains of non-consolidated subsidiaries and associated companies. Profit attributable to owners of parent increased ¥1,322 million, or 3.5%, to ¥38,739 million, due in part to gain on sales of investment securities, which was posted under extraordinary gains.

Operations by business segment are as follows.

a) Media Content Business

The time revenue of the terrestrial television advertising revenue for the fiscal year under review increased ¥2,345 million, or 1.9%, from the previous year, to ¥125,850 million, attributable in part to revenue from regular program slots on the back of brisk ratings and revenue from *2018 FIFA World Cup Russia*, although there was a reactionary decline after *Olympic Winter Games PyeongChang 2018* of the previous year. Spot advertising revenue decreased ¥926 million, or 0.7%, to ¥130,086 million. This reflects a year-on-year drop in spending for regionally targeted spot advertising due to the weak spot advertising market, despite growth in Nippon TV's viewer share among the key Tokyo broadcasters. As a result, terrestrial television advertising revenue increased ¥1,418 million, or 0.6%, to ¥255,937 million.

BS and CS advertising revenue decreased ¥291 million, or 2.0%, year on year, to ¥14,290 million, due in part to a drop in BS advertising revenue.

Other advertising revenue rose ¥478 million, or 34.3%, year on year, to ¥1,872 million, due in part to an increase in digital video advertising revenue from such as TVer, the official TV portal for commercial broadcasters, and Nittele TADA!

Content sale revenue grew ¥2,968 million, or 5.1%, year on year, to ¥61,446 million, due in part to a rise in the number of subscribers to Hulu, a monthly flat rate online video service, to more than 2 million.

Revenue from merchandise sales increased ¥82 million, or 0.3%, year on year, to ¥24,951 million, due in part to an increase in merchandise sales at events, despite a drop in revenue related to packaged media.

Box office revenue decreased ¥4,263 million, or 30.5%, year on year, to ¥9,705 million. This reflects a reactionary decline after *Mary and The Witch's Flower* and *DESTINY Kamakura Monogatari*, Nippon TV-financed films in the previous fiscal year, despite a hit with *12-nin no Shinitai Kodomotachi (12 Suicidal Children)*, also a Nippon TV-financed film.

Other revenue increased ¥1,205 million, or 10.5%, year on year, to ¥12,712 million, due in part to the

effect of making SkillUp Video Technologies Corporation, which carries out online video service solution business, a consolidated subsidiary.

As a result, net sales of the Media Content Business, including intersegment sales and transfers, grew ¥1,383 million (0.4%), from the previous year, to ¥381,713 million. Operating income decreased ¥825 million, or 1.8%, from the previous year to ¥46,073 million, reflecting an increase in depreciation in operating expenses—cost of sales combined with selling, general and administrative expenses.

b) Life and Health-Related Business

Net sales from the Life and Health-Related Business (including intersegment sales and transfers), whose main source of revenue is fitness facilities usage revenue from the general fitness club business, dropped ¥96 million, or 0.3%, from the previous year, to ¥37,784 million. This reflects sluggish growth in the number of members of comprehensive fitness clubs equipped with a training gym and studio, despite a rise in the number of members due to an increase in the number of 24-hour training gyms. Operating income decreased ¥427 million, or 35.4%, from the previous year, to ¥779 million, owing in part to a rise in operating cost following the recording of costs for newly opened comprehensive fitness clubs and an increase in repair costs in operating expenses—cost of sales combined with selling, general and administrative expenses.

c) Real Estate Rental/Leasing Business

Net sales at the Real Estate Rental/Leasing Business, which include rental and leasing income from tenants in the Shiodome and Kojimachi areas, increased ¥343 million, or 3.5% from the previous year, to ¥10,268 million, including intersegment sales and transfers due to an increase in revenue related to building maintenance. Operating income decreased ¥254 million, or 7.7%, from the previous year, to ¥3,042 million, due in part to an increase in property tax.

Although the Group had aimed to achieve consolidated net sales of ¥460 billion, a consolidated operating income of ¥55 billion (for a consolidated operating margin of 12.0%), and a consolidated recurring profit of ¥60 billion (for a consolidated recurring profit margin of 13.0%) or more as the quantitative targets of the final year of "The Nippon TV Group Medium-term Management Plan 2016–2018 Change65," a medium-term management plan formulated for the years from fiscal 2016 to fiscal 2018, it failed to reach any of the targets except for consolidated recurring profit margin (13.5%). Contributory factors include sluggish growth in revenue from the content business, although terrestrial television advertising revenue exceeded targets, and the failure to complete a large-scale M&A.

Building on these experiences, we have formulated "The Nippon TV Group Medium-term Management Plan 2019–2021 Nittele eVOLUTION," a new medium-term management plan formulated for the years from fiscal 2019 to fiscal 2021, with the aim of growing beyond the broadcasting business and further improving corporate value by pre-empting changes in the times and the environment. The Nippon TV Group sets its goal to evolve into a "comprehensive content company," with the aim of becoming no.1 in occupying people's private hours by providing a wide range of content services that "enrich the lives of the people," not only through the video content business but also the event business, life and health-related business, and education business beyond the "boundaries of television," using the strongest content production capabilities in the industry which we have honed as a growth engine.

2) Capital Expenditures of the Corporate Group

Nippon Television Network Corporation, a consolidated subsidiary of the Nippon TV Group, has a seven-year investment plan that comprehensively takes into account anticipated earnings and cash flows. During the fiscal year ended March 31, 2019, we completed the Nippon Television Bancho Studio and commenced operation in January 2019 to further ensure stable broadcasting for the terrestrial television and at BS Nippon, as well as to further reinforce content production capabilities. The Nippon Television Bancho Studio includes three studios, two of which respond to 4K. We also invested in the renewal of existing studio facilities in the Nippon TV Shiodome television tower and updated the system to enable searching and viewing of archived programs. Furthermore, we are making steady progress toward introducing a helicopter and renewing existing studio facilities, which are scheduled for the next consolidated fiscal year.

Nippon Television Music Corporation is carrying out capital investment in the Yokohama Anpanman Children's Museum, which is scheduled to open in July 2019.

TIPNESS Limited opened 13 new FASTGYM24 clubs, which are open 24 hours a day.

Eiho Produce Corporation is promoting the introduction of an integrated sales broadcast system for Nippon TV's network to network stations.

As a result, the Nippon TV Group's capital expenditures during the fiscal year ended March 31, 2019 totaled ¥26,625 million.

3) Financing of the Corporate Group

We did not conduct any significant financing worthy of mention in the fiscal year under review.

Note, the Nippon TV Group introduced the CMS (Cash Management Service) system and is now centrally managing the group's capital.

4) Acquisition or Disposal of Shares, Other Equity, or Stock Acquisition Rights, etc. in Other Companies

Effective July 1, 2018, the Company carried out a share exchange with VAP Inc. making it its wholly owned subsidiary.

### (2) Changes in Operating Results and Financial Position of the Corporate Group for the Last Three Fiscal Years

(Millions of yen)

| Item | The 83rd Term (From April 1, 2015 to March 31, 2016) | The 84th Term (From April 1, 2016 to March 31, 2017) | The 85th Term (From April 1, 2017 to March 31, 2018) | The 86th Term (From April 1, 2018 to March 31, 2019) |
|---|---|---|---|---|
| Net sales | 414,780 | 416,704 | 423,663 | 424,945 |
| Operating income | 53,178 | 52,526 | 50,964 | 49,749 |
| Recurring profit | 57,791 | 58,130 | 61,239 | 57,398 |
| Profit attributable to owners of parent | 36,883 | 40,786 | 37,416 | 38,739 |
| Profit per share (yen) | 145.38 | 160.78 | 147.53 | 152.07 |
| Total assets | 769,863 | 848,629 | 885,098 | 941,494 |
| Net assets | 603,177 | 655,772 | 704,919 | 746,989 |
| Net assets per share (yen) | 2,337.58 | 2,533.88 | 2,727.94 | 2,902.57 |

Note: Starting from the beginning of the fiscal year under review, the Company applies the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No.28, February 16, 2018), among others. The amount of total assets for the previous fiscal year is the amount after retroactively applying the said accounting standard, etc.

### (3) Parent Company and Subsidiaries

1) Parent Company

None applicable

2) Subsidiaries

| Company Name | Paid-in Capital (Millions of yen) | Voting Rights (%) | Principal Business Content |
|---|---|---|---|
| Nippon Television Network Corporation | 6,000 | 100.0 | Basic broadcasting business and general broadcasting business under the Broadcasting Act, planning, production and sales of broadcast programs |
| BS Nippon Corporation | 4,000 | 100.0 | BS satellite basic broadcasting business under the Broadcasting Act, planning, production and sales of broadcast programs |
| CS Nippon Corporation | 300 | 100.0 | 110 degrees east longitude CS satellite basic broadcasting business under the Broadcasting Act, planning, production and sales of broadcast programs |
| NTV Technical Resources Inc. | 80 | 100.0 | Operations related to production technologies for video content |
| AX-ON Inc. | 80 | 100.0 | Planning and production of video content |
| NTV EVENTS Inc. | 80 | 100.0 | Event planning and production, talent management, management of NTV School |
| Nippon Television Art Inc. | 80 | 100.0 | Design and production of artistic sets, lighting and music effect operations |
| Nippon Television Music Corporation | 80 | 100.0 | Music copyright management, production of CD and other master recordings, management of character merchandising rights |
| VAP Inc. | 500 | 100.0 | Planning, production and sales of package media |
| TIPNESS Limited | 140 | 100.0 | General fitness club business |
| NTV Services Inc. | 50 | 100.0* (100.0) | Operations for store development and management, and for merchandise planning and sales |
| Nippon Television Work 24 Corporation | 20 | 100.0* (100.0) | Comprehensive maintenance and management of buildings, installation and management of building facilities and equipment, building security and cleaning |
| Forecast Communications Inc. | 439 | 100.0* (100.0) | Internet distribution and Web solution business |
| Eiho Produce Corporation | 50 | 100.0* (100.0) | Sales broadcast system business |

**[Translation for Reference and Convenience Purposes Only]**

| Company Name | Paid-in Capital (Millions of yen) | Voting Rights (%) | Principal Business Content |
|---|---|---|---|
| NitteleSeven Co., Ltd. | 480 | 51.0*<br>(51.0) | Merchandise development business, advertising and marketing business, and Web/Internet business |
| Tatsunoko Production Co., Ltd. | 20 | 55.2*<br>(55.2) | Planning, production and domestic and international licensing of animated films and characters |
| HJ Holdings, Inc. | 99 | 70.0*<br>(70.0) | Subscription online video service business |
| Anpanman Children's Museum | 80 | 53.5*<br>(53.5) | Planning and operation of Anpanman Children's Museum |
| NTV IT Produce Corporation | 76 | 80.0*<br>(80.0) | IT service business, systems integration business, solution development business |
| SkillUp Video Technologies Corporation | 50 | 100.0*<br>(100.0) | Video distribution solution business |
| NTV America Company | US$3,300,000 | 100.0*<br>(100.0) | Management of U.S. subsidiaries |
| NTV International Corporation | US$3,000,000 | 100.0*<br>(100.0) | Video content planning, production and production technology-related operations |

Notes: 1. Figures marked with an asterisk include the ratio of indirect holding by subsidiaries, and the figures in parentheses indicate the percentage of voting rights indirectly held.
2. The percentage of voting rights is truncated to one decimal place.
3. As of March 19, 2019, the paid-in capital of BS Nippon Corporation reached ¥4,000 million after carrying out capital reduction with compensation of ¥10,000 million.
4. As of March 19, 2019, the paid-in capital of CS Nippon Corporation reached ¥300 million after carrying out capital reduction with compensation of ¥2,700 million.
5. Effective July 1, 2018, the Company carried out a share exchange with VAP Inc. making it its wholly owned subsidiary.
6. As of July 2, 2018, NTV IT Produce Corporation was renamed Eiho Produce Corporation and NTV IT Produce Corporation, which was demerged from Eiho Produce Corporation in an incorporation-type company split and was made a subsidiary on the same day.
7. As of July 2, 2018, The newly established SkillUp Video Technologies Corporation was made a subsidiary.
8. Specified wholly owned subsidiary as of March 31, 2019.

| Name of the specified wholly owned subsidiary | Nippon Television Network Corporation |
|---|---|
| Address of the specified wholly owned subsidiary | 1-6-1 Higashi-Shimbashi, Minato-ku, Tokyo |
| Book value of shares of the specified wholly owned subsidiary held by the Company and the Company's wholly owned subsidiaries | ¥213,018 million |
| Total assets of the Company | ¥493,128 million |

### (4) Tasks Ahead for the Corporate Group

The Nippon TV Group constantly focuses on fair and timely news broadcasting and producing programs that satisfy viewers, with a high level of compliance awareness as a corporate group engaged in broadcasting based on radio wave resources, which are the common property of the nation. Furthermore, the Group is making maximum use of its core competence in terrestrial television's medium power and in content production developed in terrestrial television broadcasting to expand and grow our business. However, given the low birthrate and aging of Japan's population, the domestic market is not expected to grow, and the environment for viewing television content and methods of advertising has diversified. We recognize that it will be difficult for television to maintain its prominent position as an advertising medium.

Although the Group had aimed to achieve consolidated net sales of ¥460 billion, a consolidated operating income of ¥55 billion (for a consolidated operating margin of 12.0%), and a consolidated recurring profit of ¥60 billion (for a consolidated recurring profit margin of 13.0%) or more as the quantitative targets of the final year of "The Nippon TV Group Medium-term Management Plan 2016–2018 Change65," a medium-term management plan formulated for the years from fiscal 2016 to fiscal 2018, it failed to reach any of the targets except for consolidated recurring profit margin (13.5%). Contributory factors include sluggish growth of revenue from the content business, although terrestrial television advertising revenue exceeded targets, and the failure to complete a large-scale M&A.

Building on these experiences, we have formulated "The Nippon TV Group Medium-term Management Plan 2019–2021 Nittele eVOLUTION," a new medium-term management plan formulated for the years from fiscal 2019 to fiscal 2021, with the aim of growing beyond the broadcasting business and further improving corporate value by pre-empting changes in the times and the environment. The Nippon TV Group sets its goal to evolve into a "comprehensive content company," with the aim of becoming no.1 in occupying people's private hours by providing a wide range of content services that "enrich the lives of the people," not only through the video content business but also the event business, life and health-related business, and education business beyond the "boundaries of television," using the strongest content production capabilities in the industry which we have honed as a growth engine.

The targets in the medium-term management plan are as follows:

1) Fulfill social responsibilities as the Nippon TV Group, to further improve "trustworthiness."
   a. Provide content and services that are trusted by all stakeholders.
   b. Maintain fairness and justness and deliver information in a manner that is accurate and timely.
   c. Contribute to society and the creation of culture by providing "enriching experiences" through each business activity and resources.

2) Evolve the broadcasting and related businesses as a comprehensive content company to achieve dramatic improvement in profitability and productivity.
   a. Continue to be the "strongest content production group."
   b. Advance the broadcast wave business and formulate a new strategy.
      E.g. Establish new indicators, carry out sales reforms, develop low-cost content, etc.
   c. Improve profitability and productivity through the use of new technologies (e.g. AI (artificial intelligence), 5G (fifth generation mobile communication system)), etc. and data-based marketing, etc.
   d. Carry out a fundamental review of existing business schemes, such as animation and film businesses, and aggressively promote the intellectual property rights business.
   e. Strengthen company-wide efforts to expand sales in overseas markets.

3) Develop the Internet domain into a core business.
   a. Enable all broadcast wave programs to be distributed online and establish a production system for content for the Internet.
   b. Complete DMP (data management platform; a customer information system) across the entire Group and establish a service and business platform that are directly linked with consumers.
   c. Achieve dramatic growth in the sales of Hulu and the free commercial online video distribution business.
   d. Develop and commercialize new services and content using 5G (fifth generation mobile communication system).
   e. Develop new Internet services for the young.
   f. Expand the Internet-readiness of content and services in view of an IoT society where everything is connected by the Internet.

4) Promote startups, M&As and alliances with the aim of achieving a non-broadcast advertising revenue ratio of more than 50%.
   a. Aggressively promote startups by calling for new business plans at the Group level and establish a company-wide support system.
   b. Double the investment line to ¥100 billion and make Group-wide efforts to promote the expansion of business segments through M&As, etc.
   c. Promote "alliances without exceptions" beyond the boundaries of industries and borders.
   d. Double the scale of the life and health domain and grow real estate and education businesses.
   e. Increase the revenue percentage from outside the Group.

5) Reform awareness, organization, and common sense.
   a. Develop and secure human resources, which are the engine for growth.
   b. Establish systems and rules that enable the production of content for a wide range of media and services outside broadcasting.
   c. Carry out a company-wide review of all business processes to reduce human and physical resources used in conventional businesses to around 80% and allocate them to growth areas.
   d. Carry out a "zero-based" review of existing organizations and systems to transform into "organizations and systems that lead to the future" by taking pre-emptive actions in response to ever-changing environments.
   e. Streamline and accelerate operations by eliminating adherence to precedence and introducing new technologies such as AI (artificial intelligence) to promote workstyle reforms.

The targets of the medium-term management plans are: consolidated net sales of over ¥450 billion (terrestrial advertising revenue of over ¥264 billion, revenue from the content business and others totaling over ¥186 billion), consolidated operating income of over ¥52 billion (for a margin of 11.6%), and consolidated recurring profit of over ¥59 billion (for a margin of 13.1%), in the final fiscal year (fiscal 2021).

The target figures with added revenues from M&As achieved from increasing the investment line for the promotion of new businesses and M&As to over ¥100 billion are: consolidated net sales of over ¥500 billion, consolidated operating income of over ¥54 billion, and consolidated recurring profit of over ¥62 billion.

**(5) Major Business Operations of the Corporate Group** (As of March 31, 2019)

1) Media Content Business

Sales of television advertising time slots, fee-based broadcasting businesses, online video distribution business, video distribution solutions business, royalty income from videos and music, sales of package media, media commerce, films, events and art exhibitions, contracted content production, planning and operations for a theme park

2) Life and Health-Related Business

General fitness club business

3) Real Estate Rental/Leasing Business

Real estate leasing, building management

**(6) Major Offices of the Corporate Group** (As of March 31, 2019)

• Nippon Television Holdings, Inc.

| | |
|---|---|
| Head Office | Minato-ku, Tokyo |

• Subsidiaries:

(Domestic)

| | |
|---|---|
| Nippon Television Network Corporation | Minato-ku, Tokyo |
| BS Nippon Corporation | Minato-ku, Tokyo |
| CS Nippon Corporation | Minato-ku, Tokyo |
| NTV Technical Resources Inc. | Minato-ku, Tokyo |
| AX-ON Inc. | Minato-ku, Tokyo |
| NTV EVENTS Inc. | Minato-ku, Tokyo |
| Nippon Television Art Inc. | Minato-ku, Tokyo |
| Nippon Television Music Corporation | Minato-ku, Tokyo |
| VAP Inc. | Chiyoda-ku, Tokyo |
| TIPNESS Limited | Minato-ku, Tokyo |
| NTV Services Inc. | Minato-ku, Tokyo |
| Nippon Television Work 24 Corporation | Chiyoda-ku, Tokyo |
| Forecast Communications Inc. | Minato-ku, Tokyo |
| Eiho Produce Corporation | Minato-ku, Tokyo |
| NitteleSeven Co., Ltd. | Minato-ku, Tokyo |
| Tatsunoko Production Co., Ltd. | Musashino-shi, Tokyo |
| HJ Holdings, Inc. | Minato-ku, Tokyo |
| Anpanman Children's Museum | Minato-ku, Tokyo |
| NTV IT Produce Corporation | Minato-ku, Tokyo |
| SkillUp Video Technologies Corporation | Shibuya-ku, Tokyo |

(Overseas)

| | |
|---|---|
| NTV America Company | New York, U.S.A. |
| NTV International Corporation | New York, U.S.A. |

**(7) Status of Employees** (As of March 31, 2019)

1) Employees of the Group

| Business Category | Number of Employees | Change from End of Previous Fiscal Year |
|---|---|---|
| Media Content Business | 3,250 [3,381] | 127 [137] |
| Life and Health-Related Business | 685 [1,612] | -3 [-27] |
| Real Estate Rental/Leasing Business | 246 [108] | -19 [8] |
| Other | 157 [278] | 10 [28] |
| Whole Company (in common) | 206 [4] | 4 [1] |
| Total | 4,544 [5,383] | 119 [147] |

Notes: 1. The number of employees is that of employees at work at the Group companies (including on-loan employees to the Group companies from outside the Group but excluding on-loan employees to outside the Group). The figures in [ ] show the average number of part-time employees including temporary employees and stationed employees on commission.

2. The number of employees indicated as "Whole Company (in common)" refers to employees of the Administrative Department of the Company who also serve as staff for other report segments.

2) Employees of the Company

| Number of Employees | Change from End of Previous Fiscal Year | Average Age | Average Years of Service |
|---|---|---|---|
| 208 | 4 | 48.8 | 19.0 |

Note: The number of employees is the number of concurrently serving employees on loan to the Company from its subsidiaries. The number of part-time employees as of the fiscal year-end was less than 10% of the total number of employees and is therefore omitted.

**(8) Principal Lenders** (As of March 31, 2019)

Some funds were procured via CMS (Cash Management Services) from equity-method affiliates. With respect to some of the consolidated subsidiaries, some funds were procured from financial institutions, but the amount thereof is not significant and is therefore omitted.

**(9) Other Important Matters on Operations of the Corporate Group**

None applicable

## 2. Current Situation of the Company

### (1) Shares (As of March 31, 2019)

1) Total Number of Shares Authorized to be Issued by the Company: 1,000,000,000
2) Total Number of Shares Issued: 263,822,080
(including 3,314,114 shares of treasury stock)
3) Total Number of Shareholders at the End of the Year: 26,727
4) Major Shareholders (Ten Largest)

| Shareholder's Name | Number of Shares Held (Thousands) | Percentage of Total Shares (%) |
|---|---|---|
| The Yomiuri Shimbun Holdings | 37,649 | 14.4 |
| YOMIURI TELECASTING CORPORATION | 17,133 | 6.5 |
| The Yomiuri Shimbun | 15,939 | 6.1 |
| Japan Trustee Services Bank, Ltd. (Trust account) | 11,105 | 4.2 |
| The Master Trust Bank of Japan Ltd. (Trust account) | 10,384 | 3.9 |
| Teikyo University | 9,553 | 3.6 |
| NTT DoCoMo, Inc. | 7,779 | 2.9 |
| Recruit Holdings Co., Ltd. | 6,454 | 2.4 |
| Yomiuri Land Co., Ltd. | 5,236 | 2.0 |
| CHUKYO TV. BROADCASTING CO., LTD. | 5,229 | 2.0 |

Notes: 1. The number of shares acquired by foreign nationals, adjusted common stock held by foreign investors, for which requests to list name, address or other information in the shareholder registry was refused in accordance with provisions in Article 161 of the Japanese Broadcast Act is 8,512,800 shares.
2. The "Percentage of Total Shares" above is calculated deducting the Company's treasury stock and truncated to one decimal place.

### (2) Stock Acquisition Rights

None applicable

### (3) Officers of the Company

1) Board Directors and Audit & Supervisory Board Members (As of March 31, 2019)

| Name | Position and Responsibilities | Significant Positions Concurrently Held |
|---|---|---|
| Yoshio Okubo | Representative Director, President<br>Chairman of Business Audit Committee | Representative Director, President, Operating Officer, NTV Network Corporation<br>Board Director, The Yomiuri Shimbun Holdings<br>Auditor, The Yomiuri Shimbun Tokyo Head Office<br>Director, Yomiuri Giants<br>Outside Director, Yomiuri Land Co., Ltd.<br>President, The Japan Commercial Broadcasters Association |
| Yoshinobu Kosugi | Board Director, Executive Vice President<br>In charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations | Representative Director, Chairman, HJ Holdings, Inc.<br>Outside Board Director, SKY Perfect JSAT Holdings Inc.<br>Auditor, The Yomiuri Shimbun Holdings |
| Kimio Maruyama | Senior Executive Board Director<br>In charge of Nippon TV Group Management Strategy Committee | Representative Director, Chairman, BS Nippon Corporation<br>Outside Board Director, WOWOW Inc. |
| Akira Ishizawa | Senior Executive Board Director<br>In charge of Financial Management, Executive Manager of Information Assets Security Management | Representative Director, Chairman, PRESENTCAST INC. |
| Hajime Ichimoto | Executive Board Director, Head of Business Audit Department, Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management | — |
| Tsuneo Watanabe | Board Director | Representative Director, Editor-in-Chief, The Yomiuri Shimbun Holdings |
| Takashi Imai | Board Director | Honorary Chairman, Colleague, Nippon Steel & Sumitomo Metal Corporation<br>Outside Director, Japan Securities Finance Co., Ltd.<br>Outside Audit and Supervisory Board Member, Nippon Life Insurance Company |
| Ken Sato | Board Director | Advisor, Nakasone Yasuhiro Peace Institute |
| Tadao Kakizoe | Board Director | President, Japan Cancer Society<br>Director, Association for Nuclear Technology in Medicine<br>Outside Board Director, Kanamic Network Co., LTD |
| Yasushi Manago | Board Director | Lawyer, Of Counsel, Nishimura & Asahi LPC<br>Outside Corporate Auditor, Mitsui Fudosan Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Mitsui Asset Management Company, Limited<br>Auditor, Yomiuri Giants |
| Makoto Yoshida | Standing Audit & Supervisory Board Member | — |

| Name | Position and Responsibilities | Significant Positions Concurrently Held |
|---|---|---|
| Kojiro Shiraishi | Audit & Supervisory Board Member | Representative Director, Chairman, The Yomiuri Shimbun Holdings<br>Representative Director, Chairman, The Yomiuri Shimbun Tokyo Head Office |
| Norio Mochizuki | Audit & Supervisory Board Member | Chairman of The Board, Yomiuri Telecasting Corporation |
| Toshinori Kanemoto | Audit & Supervisory Board Member | Lawyer, Kanemoto Toshinori Law Office<br>Outside Director, Riken Corporation |

Notes: 1. Board Directors Tsuneo Watanabe, Takashi Imai, Tadao Kakizoe and Yasushi Manago are Outside Board Directors.

2. Audit & Supervisory Board Members Kojiro Shiraishi, Norio Mochizuki and Toshinori Kanemoto are Outside Audit & Supervisory Board Members.

3. Standing Audit & Supervisory Board Member Makoto Yoshida possesses advanced professional knowledge in media and related businesses overall, a track record in management of the Group companies as well as a considerable amount of expertise related to finance and accounting.

4. Officers who retired from their positions during the fiscal year under review are as follows.

| Name | Date of Retirement | Reason for Retirement | Position and Responsibilities at Retirement |
|---|---|---|---|
| Yasuhiro Nose | June 28, 2018 | Resigned | Standing Audit & Supervisory Board Member |
| Kenichi Hirose | June 28, 2018 | Term expired | Board Director in charge of Financial Management |

5. Changes in the positions and responsibilities of officers during the fiscal year under review are as follows.

| Name | Previous Position | New Position | Effective Date |
|---|---|---|---|
| Yoshio Okubo | Representative Director, President<br>Chairman of Business Audit Committee<br>In charge of Nippon TV Group Management Strategy Committee and Corporate Strategy | Representative Director, President<br>Chairman of Business Audit Committee | June 1, 2018 |
| Yoshinobu Kosugi | Senior Executive Board Director in charge of Programming Strategy | Senior Executive Board Director in charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations | June 1, 2018 |
| Kimio Maruyama | Senior Executive Board Director in charge of Corporate Administration and Human Resources, and Labor Relations, Executive Manager of Information Assets Security Management | Senior Executive Board Director<br>In charge of Nippon TV Group Management Strategy Committee<br>Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management | June 1, 2018 |
| Akira Ishizawa | Executive Board Director, Acting Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management | Executive Board Director<br>In charge of Financial Management, Executive Manager of Information Assets Security Management | June 1, 2018 |
| Kenichi Hirose | Board Director, President of Financial Management | Board Director in charge of Financial Management | June 1, 2018 |

| | | | |
|---|---|---|---|
| Yoshinobu Kosugi | Senior Executive Board Director in charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations | Board Director, Executive Vice President<br>In charge of Corporate Strategy, Corporate Administration and Human Resources, Programming Strategy, and Labor Relations | June 28, 2018 |
| Kimio Maruyama | Senior Executive Board Director<br>In charge of Nippon TV Group Management Strategy Committee<br>Vice Chairman of Business Audit Committee, Executive Auditor of Information Assets Security Management | Senior Executive Board Director<br>In charge of Nippon TV Group Management Strategy Committee | June 28, 2018 |
| Akira Ishizawa | Executive Board Director<br>In charge of Financial Management, Executive Manager of Information Assets Security Management | Senior Executive Board Director<br>In charge of Financial Management, Executive Manager of Information Assets Security Management | June 28, 2018 |

6. Changes in significant positions concurrently held during the fiscal year under review are as follows.

| Name | Previous Position | New Position | Effective Date |
|---|---|---|---|
| Yoshio Okubo | Representative Director, President, Operating Officer, NTV Network Corporation<br>Board Director, The Yomiuri Shimbun Holdings<br>Auditor, The Yomiuri Shimbun Tokyo Head Office<br>Director, Yomiuri Giants<br>Outside Director, Yomiuri Land Co., Ltd.<br>— | Representative Director, President, Operating Officer, NTV Network Corporation<br>Board Director, The Yomiuri Shimbun Holdings<br>Auditor, The Yomiuri Shimbun Tokyo Head Office<br>Director, Yomiuri Giants<br>Outside Director, Yomiuri Land Co., Ltd.<br>President, The Japan Commercial Broadcasters Association | June 8, 2018 |
| Yoshinobu Kosugi | Representative Director, Chairman, HJ Holdings, Inc.<br>Outside Board Director, SKY Perfect JSAT Holdings Inc.<br>— | Representative Director, Chairman, HJ Holdings, Inc.<br>Outside Board Director, SKY Perfect JSAT Holdings Inc.<br>Auditor, The Yomiuri Shimbun Holdings | June 12, 2018 |
| Kimio Maruyama | Representative Director, Chairman, BS Nippon Corporation<br>Vice Chairman, CNplus Production, Inc.<br>Outside Board Director, WOWOW Inc. | Representative Director, Chairman, BS Nippon Corporation<br>—<br>Outside Board Director, WOWOW Inc. | June 22, 2018 |
| Akira Ishizawa | — | Representative Director, Chairman, PRESENTCAST INC. | June 22, 2018 |
| Hajime Ichimoto | Chairman, NTV IT Produce Corporation | — | June 5, 2018 |
| Ken Sato | President, Nakasone Yasuhiro Peace Institute | Advisor, Nakasone Yasuhiro Peace Institute | July 1, 2018 |

| Name | Previous Position | New Position | Effective Date |
|---|---|---|---|
| | Outside Director, AEON Co., Ltd | — | May 23, 2018 |
| Yasushi Manago | Lawyer, Of Counsel, Nishimura & Asahi LPC<br>Outside Corporate Auditor, Mitsui Fudosan Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Mitsui Asset Management Company, Limited<br>— | Lawyer, Of Counsel, Nishimura & Asahi LPC<br>Outside Corporate Auditor, Mitsui Fudosan Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Mitsui Asset Management Company, Limited<br>Auditor, Yomiuri Giants | June 12, 2018 |
| Norio Mochizuki | Representative Director, Chairman, Yomiuri Telecasting Corporation | Chairman of The Board, Yomiuri Telecasting Corporation | June 22, 2018 |
| Toshinori Kanemoto | Attorney-at-Law, Of-Counsel, City-Yuwa Partners<br>Outside Director, Nomura Holdings, Inc.<br>Outside Director, Riken Corporation | Lawyer, Kanemoto Toshinori Law Office<br>—<br>Outside Director, Riken Corporation | July 1, 2018<br>June 22, 2018 |

7. The Tokyo Stock Exchange was notified that Board Directors Takashi Imai, Tadao Kakizoe, Yasushi Manago and Audit & Supervisory Board Member Toshinori Kanemoto serve as independent officers pursuant to TSE regulations.
8. Sumitomo Mitsui Asset Management Company, Limited stated above was renamed Sumitomo Mitsui DS Asset Management Company, Limited on April 1, 2019.
   Nippon Steel & Sumitomo Metal Corporation was renamed Nippon Steel Corporation on April 1, 2019.

2) Outline of Limitation of Liability Agreements

Based on the provisions of the Company's Articles of Incorporation, the Company has entered into an agreement that limits the liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act with the five Non-Executive Directors, namely, Mr. Tsuneo Watanabe, Mr. Takashi Imai, Mr. Ken Sato, Mr. Tadao Kakizoe and Mr. Yasushi Manago, as well as the four Audit & Supervisory Board Members, namely, Mr. Makoto Yoshida, Mr. Kojiro Shiraishi, Mr. Norio Mochizuki and Mr. Toshinori Kanemoto. The limit of liability for damages based on the said agreement is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act.

3) Remuneration, etc. to Board Directors and Audit & Supervisory Board Members

| Position at the Company | Number of Persons to whom Remuneration, etc., was Paid | Total Amount of Remuneration, etc. (Millions of yen) |
|---|---|---|
| The number of Board Directors and remuneration, etc., paid to them | 11 | 430 |
| (Of the above, the number of Outside Directors and the amount paid to them) | (4) | (89) |
| The number of Audit & Supervisory Board Members and remuneration, etc., paid to them | 5 | 35 |
| (Of the above, the number of Outside Audit & Supervisory Board Members and the amount paid to them) | (3) | (15) |
| Total | 16 | 466 |

Notes: 1. The above includes one Audit & Supervisory Board Member who resigned on June 28, 2018 and one Board Director whose term expired at the conclusion of the 85th Ordinary General Meeting of Shareholders held on June 28, 2018.
2. Remuneration, etc., paid to Board Directors do not include salaries for their services as the Company's employees.
3. By resolution of the 75th Ordinary General Meeting of Shareholders held on June 27, 2008, the limit of the amount of remuneration, etc., to Board Directors was determined to be within ¥950 million a year

(within ¥110 million for Outside Board Directors), excluding salaries for their services as the Company's employees.

4. By resolution of the 75th Ordinary General Meeting of Shareholders held on June 27, 2008, the limit of the amount of remuneration, etc., to Audit & Supervisory Board Members was determined to be within ¥72 million a year.

4) Matters related to Outside Board Directors and Outside Audit & Supervisory Board Members

a) Significant Positions Concurrently Held and Relationship with the Company

(i) Board Director Tsuneo Watanabe

- The Company has an equity relationship with The Yomiuri Shimbun Holdings and its wholly owned subsidiary The Yomiuri Shimbun Tokyo Head Office. In addition, a subsidiary of the Company has a business relationship with The Yomiuri Shimbun Tokyo Head Office with regard to the purchase, etc. of television broadcasting rights for professional baseball games.

(ii) Board Director Takashi Imai

- There are no special relationships between the Company and Nippon Steel Corporation, Japan Securities Finance Co., Ltd. or Nippon Life Insurance Company.

(iii) Board Director Tadao Kakizoe

- There are no special relationships between the Company and the Japan Cancer Society, Association for Nuclear Technology in Medicine, or Kanamic Network Co., LTD

(iv) Board Director Yasushi Manago

- There are no special relationships between the Company and Nishimura & Asahi LPC, Mitsui Fudosan Co., Ltd. or Sumitomo Mitsui DS Asset Management Company, Limited.

(v) Audit & Supervisory Board Member Kojiro Shiraishi

- The Company has an equity relationship with The Yomiuri Shimbun Holdings and its wholly owned subsidiary The Yomiuri Shimbun Tokyo Head Office. In addition, a subsidiary of the Company has a business relationship with The Yomiuri Shimbun Tokyo Head Office with regard to the purchase, etc. of television broadcasting rights for professional baseball games.

(vi) Audit & Supervisory Board Member Norio Mochizuki

- The Company has an equity relationship with The Yomiuri Telecasting Corporation. A subsidiary of the Company has a business relationship with The Yomiuri Telecasting Corporation with regard to the purchase and supply of broadcast programs.

(vii) Audit & Supervisory Board Member Toshinori Kanemoto

- There are no special relationships between the Company and Lawyer, Kanemoto Toshinori Law Office or Riken Corporation.
- The Company has an equity relationship with Nomura Holdings, Inc.

b) Actual Activities of Outside Board Directors and Outside Audit & Supervisory Board Members for the Fiscal Year under Review:

- Board Director Tsuneo Watanabe attended three of the seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a newspaper company manager and commentator. He was absent from four of the seven Meetings of the Board of Directors in 2018 due to receiving treatment for an injury, etc. but has attended the Meetings from 2019.
- Board Director Takashi Imai attended all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a person with extensive experience in managing companies and as a financier.
- Board Director Tadao Kakizoe attended all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a person with extensive experience in the medical world and broad insight overall.
- Board Director Yasushi Manago attended all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a person with extensive experience in a governmental agency and broad insight overall as a lawyer.
- Audit & Supervisory Board Member Kojiro Shiraishi attended all nine Meetings of the Audit & Supervisory Board and all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a newspaper company manager and commentator.
- Audit & Supervisory Board Member Norio Mochizuki attended all nine Meetings of the Audit &

Supervisory Board and all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a person with extensive experience as a broadcast station manager.

- Audit & Supervisory Board Member Toshinori Kanemoto attended all nine Meetings of the Audit & Supervisory Board and all seven Meetings of the Board of Directors held during the fiscal year under review and provided useful opinions with regard to the overall business operations of the Company as a person with extensive experience in government agencies and broad insight overall in relation to compliance and legal affairs.

### (4) Independent Auditor

1) Name of the Independent Auditor Deloitte Touche Tohmatsu LLC

2) Amount of Remuneration, etc.

| | Amount Paid (Millions of yen) |
|---|---|
| Remuneration, etc., to be paid by the Company for duties performed in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Act | 35 |
| Total monetary compensation and other property of assets to be paid by the Company and its subsidiaries to the Independent Auditor | 95 |

Notes: 1. The audit agreement entered into by the Independent Auditor and the Company does not distinguish the amount being derived from the audit under the Companies Act and that being derived from the audit under the Financial Instruments and Exchange Act, and the two amounts cannot be substantially distinguished from each other. Therefore, the amount of remuneration, etc. to be paid by the Company for duties performed in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Act is the total sum of both amounts under the two laws.

2. The Audit & Supervisory Board has determined its consent to the amount of remuneration, etc. provided to the Independent Auditor upon discussing whether the contents of the audit plan of the Independent Auditor, the execution of duties in accounting auditing, and the basis for estimation of remuneration are appropriate.

3) Non-auditing Duties

None applicable

4) Policy on Dismissal and Non-reappointment of the Independent Auditor

Should the Audit & Supervisory Board determine the execution of the auditing duties by the Independent Auditor to be dysfunctional, the Audit & Supervisory Board shall prepare, and so notify the Board of Directors, an agenda item on dismissal or non-reappointment of the Independent Auditor, and the Board of Directors shall propose said agenda item to the general meeting of shareholders.

Should the Audit & Supervisory Board recognize that the Independent Auditor did an act set forth in any item of Article 340, Paragraph 1, of the Companies Act, the Audit & Supervisory Board shall dismiss the Independent Auditor upon unanimous consent of the Audit & Supervisory Board. In such a case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board shall report the fact of the dismissal of the Independent Auditor and the reasons thereto at the first ordinary general meeting of shareholders held after the dismissal.

5) Outline of a Liability Limitation Agreement with the Independent Auditor

None applicable

**[Translation for Reference and Convenience Purposes Only]**

## Consolidated Financial Statements

### Consolidated Balance Sheet

(As of March 31, 2019)

(Millions of yen)

| Account Item | Amount | Account Item | Amount |
|---|---|---|---|
| **(ASSETS)** | | **(LIABILITIES)** | |
| **Current assets** | **235,747** | **Current liabilities** | **100,747** |
| Cash and time deposits | 47,420 | Trade notes and accounts payable | 8,915 |
| Trade notes and accounts receivable | 100,971 | Short-term borrowings | 2,605 |
| | | Other accounts payable | 12,062 |
| Marketable securities | 52,000 | Accrued expenses | 54,431 |
| Inventories | 4,164 | Income taxes payable | 11,177 |
| Program rights | 7,608 | Allowance for sales returns | 18 |
| Other | 23,819 | Other | 11,536 |
| Allowance for doubtful accounts | (237) | | |
| | | **Non-current liabilities** | **93,756** |
| **Fixed assets** | **705,747** | Lease obligations | 16,904 |
| **Property and equipment—at cost** | **274,393** | Deferred tax liabilities | 38,033 |
| | 65,632 | Net defined benefit liability | 13,144 |
| Buildings and structures | 21,205 | Long-term guarantee deposits received | 20,356 |
| Machinery, vehicles and equipment | 3,716 | Other | 5,318 |
| Tools, furniture and fixtures | 167,605 | **Total Liabilities** | **194,504** |
| Land | 8,244 | **(NET ASSETS)** | |
| Leased assets | 7,989 | **Shareholders' equity** | **647,676** |
| Construction in progress | **29,957** | **Common stock** | **18,600** |
| **Intangible assets** | 10,168 | **Capital surplus** | **35,489** |
| Goodwill | 19,788 | **Retained earnings** | **602,522** |
| Other | **401,396** | **Treasury stock—at cost** | **(8,935)** |
| **Investments and other assets** | 363,683 | **Other accumulated comprehensive income** | **93,481** |
| Investment securities | 4,290 | | |
| Long-term loans receivable | 2,578 | **Unrealized gain on available-for-sale securities** | **93,552** |
| Deferred tax assets | 31,992 | | |
| Other | (1,149) | **Deferred gains or losses on hedges** | **4** |
| Allowance for doubtful accounts | | **Foreign currency translation adjustments** | **(74)** |
| | | **Non-controlling interests** | **5,831** |
| | | **Total net assets** | **746,989** |
| **Total Assets** | **941,494** | **Total Liabilities and Net Assets** | **941,494** |

**[Translation for Reference and Convenience Purposes Only]**

## Consolidated Statement of Income

(From April 1, 2018 to March 31, 2019)

(Millions of yen)

| Account Item | Amount | |
|---|---|---|
| **Net sales** | | **424,945** |
| **Cost of sales** | | **277,740** |
| **Gross profit** | | **147,204** |
| **Selling, general and administrative expenses** | | **97,454** |
| **Operating income** | | **49,749** |
| **Non-operating income** | | |
| Interest income | 983 | |
| Dividend income | 2,534 | |
| Equity in net gains of non-consolidated subsidiaries and associated companies | 4,266 | |
| Foreign exchange gains | 36 | |
| Gain on management of investment partnerships | 442 | |
| Other | 335 | **8,599** |
| **Non-operating expenses** | | |
| Interest expense | 587 | |
| Loss on management of investment partnerships | 289 | |
| Other | 73 | **950** |
| **Recurring profit** | | **57,398** |
| **Extraordinary gains** | | |
| Gain on sales of fixed assets | 120 | |
| Gain on sales of investment securities | 1,263 | **1,384** |
| **Extraordinary losses** | | |
| Loss on sales of fixed assets | 14 | |
| Loss on retirement of fixed assets | 304 | |
| Loss on sales of investment securities | 200 | |
| Impairment loss | 2,577 | **3,096** |
| **Income before income taxes and minority interests** | | **55,685** |
| Income taxes—current | 18,228 | |
| Income taxes—deferred | (1,191) | **17,036** |
| **Profit** | | **38,649** |
| **Loss attributable to non-controlling interests** | | **(89)** |
| **Profit attributable to owners of parent** | | **38,739** |

**[Translation for Reference and Convenience Purposes Only]**

## Consolidated Statement of Changes in Net Assets

(From April 1, 2018 to March 31, 2019)

(Millions of yen)

| | Shareholders' Equity | | | | |
|---|---|---|---|---|---|
| | Common Stock | Capital Surplus | Retained Earnings | Treasury Stock—at Cost | Total Shareholders' Equity |
| Balance as of April 1, 2018 | 18,600 | 31,569 | 572,240 | (13,945) | 608,464 |
| Changes during the consolidated fiscal year under review | | | | | |
| Cash dividends | | | (8,242) | | (8,242) |
| Profit attributable to owners of parent | | | 38,739 | | 38,739 |
| Purchases of treasury stock | | | | (63) | (63) |
| Disposal of treasury stock | | 3,927 | (214) | 5,170 | 8,884 |
| Change in equity in affiliates accounted for by equity method-treasury stock | | | | (89) | (89) |
| Change of scope of equity method | | | | (7) | (7) |
| Capital increase of consolidated subsidiaries | | (8) | | | (8) |
| Net changes in items other than those in shareholders' equity | | | | | |
| Total changes during the consolidated fiscal year under review | — | 3,919 | 30,281 | 5,009 | 39,211 |
| Balance as of March 31, 2019 | 18,600 | 35,489 | 602,522 | (8,935) | 647,676 |

**[Translation for Reference and Convenience Purposes Only]**

| | Other Accumulated Comprehensive Income | | | | Non-controlling interests | Total Net Assets |
|---|---|---|---|---|---|---|
| | Unrealized Gain on Available-for-sale Securities | Deferred Gains or Losses on Hedges | Foreign Currency Translation Adjustments | Total of Other Accumulated Comprehensive Income | | |
| Balance as of April 1, 2018 | 82,137 | 2 | (12) | 82,127 | 14,326 | 704,919 |
| Changes during the consolidated fiscal year under review | | | | | | |
| Cash dividends | | | | | | (8,242) |
| Profit attributable to owners of parent | | | | | | 38,739 |
| Purchases of treasury stock | | | | | | (63) |
| Disposal of treasury stock | | | | | | 8,884 |
| Changes in equity in affiliates accounted for by equity method treasury stock | | | | | | (89) |
| Change of scope of equity method | | | | | | (7) |
| Capital increase of consolidated subsidiaries | | | | | | (8) |
| Net changes in items other than those in shareholders' equity | 11,414 | 1 | (62) | 11,353 | (8,494) | 2,859 |
| Total changes during the consolidated fiscal year under review | 11,414 | 1 | (62) | 11,353 | (8,494) | 42,070 |
| Balance as of March 31, 2019 | 93,552 | 4 | (74) | 93,481 | 5,831 | 746,989 |

**[Translation for Reference and Convenience Purposes Only]**

**Financial Statements**

**Non-Consolidated Balance Sheet**

(As of March 31, 2019)

(Millions of yen)

| Account Item | Amount | Account Item | Amount |
|---|---|---|---|
| **(ASSETS)** | | **(LIABILITIES)** | |
| **Current assets** | **28,397** | **Current liabilities** | **94,266** |
| Cash and time deposits | 11,142 | Short-term borrowings | 93,321 |
| Trade accounts receivable | 454 | Other accounts payable | 23 |
| Marketable securities | 12,000 | Accrued expenses | 179 |
| Prepaid expenses | 40 | Income taxes payable | 154 |
| Other | 4,759 | Accrued consumption taxes | 6 |
| | | Advance received | 564 |
| **Fixed assets** | **464,731** | Deposit received | 16 |
| **Property and equipment** | **101,031** | **Non-current liabilities** | **19,249** |
| Land | 101,031 | Deferred tax liabilities | 187 |
| **Investments and other assets** | **363,700** | Long-term guarantee deposits received | 19,000 |
| Investment securities | 102,025 | Other | 62 |
| Stocks of subsidiaries and affiliates | 248,505 | **Total Liabilities** | **113,516** |
| Long-term loans receivable from subsidiaries and affiliates | 13,160 | **(NET ASSETS)** | |
| | | **Shareholders' equity** | **379,612** |
| | | **Common stock** | **18,600** |
| Other investments and other assets | 8 | **Capital surplus** | **29,586** |
| | | Additional paid-in capital | 29,586 |
| | | **Retained earnings** | **337,822** |
| | | Legal reserve | 3,526 |
| | | Other retained earnings | 334,295 |
| | | Reserve for facilities renewal | 12,000 |
| | | Reserve for advanced depreciation of non-current assets | 9,608 |
| | | General reserve | 284,200 |
| | | Retained earnings carried forward | 28,487 |
| | | **Treasury stock—at cost** | **(6,396)** |
| | | **Total Net Assets** | **379,612** |
| **Total Assets** | **493,128** | **Total Liabilities and Net Assets** | **493,128** |

**[Translation for Reference and Convenience Purposes Only]**

## Non-Consolidated Statement of Income

(From April 1, 2018 to March 31, 2019)

(Millions of yen)

| Account Item | Amount | |
|---|---|---|
| **Operating revenue** | | **7,198** |
| **Operating expenses** | | **3,906** |
| **Operating income** | | **3,292** |
| **Non-operating income** | | |
| Interest income | 44 | |
| Interest on securities | 808 | |
| Foreign exchange gains | 0 | |
| Other | 6 | **859** |
| **Non-operating expenses** | | |
| Interest expense | 217 | |
| Other | 4 | **222** |
| **Recurring profit** | | **3,929** |
| **Extraordinary gains** | | |
| Gain on sales of investment securities | 89 | **89** |
| **Income before income taxes** | | **4,018** |
| Income taxes—current | 781 | |
| Income taxes—deferred | 1 | **782** |
| **Profit** | | **3,236** |

**[Translation for Reference and Convenience Purposes Only]**

## Non-Consolidated Statements of Changes in Net Assets

(From April 1, 2018 to March 31, 2019)

(Millions of yen)

| | Shareholders' Equity | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Capital Surplus | Retained Earnings | | | | | | | |
| | | | | Other Retained Earnings | | | | | | |
| | Common Stock | Additional Paid-in Capital | Legal Reserve | Reserve for Facilities Renewal | Reserve for advanced depreciation of non-current assets | General Reserve | Retained Earnings Carried Forward | Total Retained Earnings | Treasury Stock—at Cost | Total Share-holders' Equity |
| Balance as of April 1, 2018 | 18,600 | 29,586 | 3,526 | 12,000 | 9,608 | 284,200 | 33,708 | 343,043 | (11,566) | 379,664 |
| Changes during the fiscal year under review | | | | | | | | | | |
| Cash dividends | | | | | | | (8,242) | (8,242) | | (8,242) |
| Profit | | | | | | | 3,236 | 3,236 | | 3,236 |
| Purchases of treasury stock | | | | | | | | | (1) | (1) |
| Disposal of treasury stock | | | | | | | (214) | (214) | 5,170 | 4,956 |
| Net changes in items other than those in shareholders' equity | | | | | | | | | | |
| Total changes during the fiscal year under review | — | — | — | — | — | — | (5,221) | (5,221) | 5,169 | (51) |
| Balance as of March 31, 2019 | 18,600 | 29,586 | 3,526 | 12,000 | 9,608 | 284,200 | 28,487 | 337,822 | (6,396) | 379,612 |

| | Valuation, Translation Adjustments and Others | Total Net Assets |
|---|---|---|
| | Valuation difference on available-for-sale securities | |
| Balance as of April 1, 2018 | (12) | 379,651 |
| Changes during the fiscal year under review | | |
| Cash dividends | | (8,242) |
| Profit | | 3,236 |
| Purchases of treasury stock | | (1) |
| Disposal of treasury stock | | 4,956 |
| Net changes in items other than those in shareholders' equity | 12 | 12 |
| Total changes during the fiscal year under review | 12 | (39) |
| Balance as of March 31, 2019 | — | 379,612 |

**[Translation for Reference and Convenience Purposes Only]**

<The Audit Report of the Audit & Supervisory Board>

## THE AUDIT REPORT

Audit & Supervisory Board of Nippon Television Holdings, Inc. ("the Company") has received reports from all of Audit & Supervisory Board Members of the Company on the results of the audit conducted by them regarding execution of their duties as the Company's Board Directors for the year from April 1, 2018 to March 31, 2019 (the 86th Fiscal Term). We, the members of Audit & Supervisory Board have discussed the reports and hereby report our Audit Report as follows:

1. Summary of Methods and Details of the Audit Conducted by Audit & Supervisory Board Members and Audit & Supervisory Board
   (1) Audit & Supervisory Board established audit standards, audit policies and planning, received reports on audit status and results from each Audit & Supervisory Board Member, received reports from the Board of Directors and the Independent Auditor regarding the execution of their duties and made necessary inquiries.
   (2) In accordance with the standards for audit by Audit & Supervisory Board Members established by the Audit & Supervisory Board and in compliance with audit standards, audit policies and planning, each Audit & Supervisory Board Member communicated with Board Directors, the Internal Audit Department and key employees to collect information and improve the audit environment, and conducted auditing by the following methods:
      1) We attended the Meetings of the Board of Directors to hear reports from Board Directors and employees on the execution of their duties and make necessary inquiries; reviewed the financial statements, etc., of the Company; and made reviews of operations and conditions of assets of the head office and major business offices. Concerning the Company's subsidiaries, we communicated and exchanged information with Board Directors and the auditor of such companies and received reports on the business operations from such companies if necessary.
      2) With regard to the Internal Control System, which was established as a necessary system to ensure the compliance of the Board Directors' execution of duties to laws and the Articles of Incorporation as well as the appropriateness of the business operations in the Corporate Group consisting of the Company and its subsidiaries, based on the approved agenda of the Meetings of the Board of Directors regarding the improvement of a system stipulated by Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, we received regular reports regarding the structure and operation situation from Board Directors and their employees, and made necessary inquiries and expressed opinions as needed.
      3) With regard to the basic policy set forth in Article 118, Item 3. a, and each measure set forth in Article 118, Item 3. b, of the Ordinance for Enforcement of the Companies Act, we further investigated the details based on the status of current discussions by the Board of Directors, etc.
      4) We scrutinized whether the Independent Auditor is retaining independence from the Board of Directors of the Company and implemented an appropriate audit, thereby verifying such independence and appropriateness. We received reports from the Independent Auditor regarding the execution of duties and required explanations when necessary. The reports from the Independent Auditor indicated the completion of the "System to Ensure the Appropriateness of the Execution of Duties" set forth in all the Paragraphs of Article 131 of the Ordinance for Corporate Accounting in compliance with the "Quality Control Standards for Audit" by the Business Accounting Council issued on October 28, 2005.

Based on the methods described above, we have audited the Business Report, the supplementary schedules, the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity and the notes to the non-consolidated financial statements as well as the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, the notes to the consolidated financial statements and the supplementary schedules of the Company for the year under review.

**[Translation for Reference and Convenience Purposes Only]**

2. Result of Audit

(1) Results of Audit for the Business Report, etc.

1) We have found that the audit results of the Business Report and its supplementary schedules of the Company comply with the laws and the Articles of Incorporation and fairly present the status of the Company.

2) With regard to execution of the duties of Board Directors, we have found that there have been no misconduct or material matters that would be in contradiction with any laws or the Company's Articles of Incorporation.

3) We have found that the content approved by the Meeting of the Board of Directors with regard to the Internal Control System, including the Group companies, was fair. We have also found nothing in particular to note regarding the operating situation related to the Internal Control System by Board Directors.

4) We have found nothing to note with regard to the Basic Policy against those who control the Company's financial matters and management policy. We have found that measures set forth in Article 118, Item 3. b, of the Ordinance for Enforcement of the Companies Act, do not damage the shareholders' common interests and do not serve merely to keep management entrenched.

(2) Audit Results for the Non-consolidated Financial Statements and Their Supplementary Schedules

We have found that audit methods employed by the Independent Auditor, Deloitte Touche Tohmatsu LLC, and the results were fair.

(3) Results of Audit for the Consolidated Financial Statements, etc.

We have found that audit methods employed by the Independent Auditor, Deloitte Touche Tohmatsu LLC, and the results were fair.

May 16, 2019

Audit & Supervisory Board of Nippon Television Holdings, Inc.
Standing Audit & Supervisory Board Member: Makoto Yoshida
Outside Audit & Supervisory Board Member: Kojiro Shiraishi
Outside Audit & Supervisory Board Member: Norio Mochizuki
Outside Audit & Supervisory Board Member: Toshinori Kanemoto

**[Translation for Reference and Convenience Purposes Only]**

# Map for General Shareholders' Meeting Venue

Place: KEIO PLAZA HOTEL TOKYO 5F Concord Ballroom
2-2-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo
Telephone Number: (03) 3344-0111

[Directions]

- Via JR lines, Keio Line, Odakyu Line, Tokyo Metro lines, Toei Oedo Line: An approximately 10-minute walk from Shinjuku Station (West Exit)
- Via Toei Oedo Line: An approximately 5-minute walk from Tochomae Station, just outside Exit B1 of the underground passageway
- The reception desk will open at 9 a.m. on the day of the meeting.
- Please kindly note that the gift for shareholders on the day of the Meeting will not include the Company's original novelties.

